

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or as to what action you should take, you should consult an independent professional adviser authorised under the Financial Services and Markets Act 2000 ("FSMA") if you are in the UK or, if not resident in the UK, another appropriately authorised independent financial adviser who specialises in advising on the acquisition of shares and other securities. If you have sold or transferred all your Ordinary Shares you should send this document together with the accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or transferred only part of your holding of Ordinary Shares in the Company, you should retain these documents, and consult the person through whom the sale or transfer was effected.

This Document comprises an Admission Document drawn up in compliance with the requirements of the AQSE Growth Market Access Rulebook and is being issued in connection with the proposed re-admission of Quetzal Capital plc to the Access Segment AQSE Growth Market. This Document does not constitute and the Company is not making an offer to the public within the meaning of sections 85 and 102B of FSMA. Therefore, this Document is not an approved prospectus for the purposes of and as defined in section 85 of FSMA, has not been prepared in accordance with the Prospectus Rules and its contents have not been approved by the Financial Conduct Authority or any other authority which could be a competent authority for the purposes of the Prospectus Directive. Further, the contents of this Document have not been approved by an authorised person for the purposes of section 21 of FSMA. This Document will not be filed with, or approved by, the Financial Conduct Authority or any other government or regulatory authority in the UK or elsewhere.

QUETZAL CAPITAL PLC

(a company incorporated in England and Wales under the Companies Act 1985 with registered number 05840813)

PROPOSED ACQUISITION OF TAP GLOBAL LIMITED



APPROVAL OF WAIVER OF OBLIGATIONS UNDER RULE 9 OF THE CITY CODE ON TAKEOVERS AND MERGERS

CHANGE OF NAME TO TAP GLOBAL GROUP PLC

SUBSCRIPTION FOR 68,888,890 NEW ORDINARY SHARES AT 4.5 PENCE PER SHARE

ADMISSION OF THE ENLARGED SHARE CAPITAL TO TRADING ON THE ACCESS SEGMENT OF THE AQSE GROWTH MARKET

NOTICE OF ANNUAL GENERAL MEETING

AQSE CORPORATE ADVISER AND BROKER PETERHOUSE CAPITAL LIMITED



Notice of the Annual General Meeting of the Company to be held at the offices of Peterhouse Capital, 3rd Floor, 80 Cheapside, London, EC2V 6EE on 9 January 2023 at 10:00 a.m. (London Time), is set out at the end of this Document.

A Form of Proxy for use at the Annual General Meeting accompanies this document and, to be valid, must be completed and returned by post or by hand to Share Registrars Limited, 3 The Millennium Centre, Crosby Way, Farnham, Surrey GU9 7XX as soon as possible but in any event to be received not later than 10:00 a.m. (London Time) on 5 January 2023 or 48 hours (excluding non-business days) before any adjourned meeting. Alternatively, you can register your vote(s) for the Annual General Meeting by logging on to www.shareregistrars.uk.com, clicking on the "Proxy Vote" button and then following the on-screen instructions (you can locate your log-in details on the top of the proxy form).

Furthermore, Shareholders who hold their shares in uncertificated form may use the CREST electronic proxy appointment service. In order for a proxy appointment made using the CREST service to be valid, the appropriate CREST message must be properly authenticated and contain the information required for such instructions as described in the CREST manual. The message must be transmitted so as to be received by the Company registrars, by no later than 10:00 a.m. (London Time) on 5 January 2023.

The AQSE Growth Market, which is operated by Aquis Stock Exchange Limited (Aquis Stock Exchange), a Recognised Investment Exchange, is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies.

It is not classified as a Regulated Market under Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments and AQSE Growth Market securities are not admitted to the Official List of the Financial Conduct Authority of the United Kingdom ("FCA"). Investment in an unlisted company is speculative and involves a higher degree of risk than an investment in a listed company. The value of investments can go down as well as up and investors may not get back the full amount originally invested. An investment should therefore only be considered by those persons who are prepared to sustain a loss on their investment. A prospective investor should be aware of the risks of investing in AQSE Growth Market securities and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser authorised under the FSMA who specialises in advising on the acquisition of shares and other securities.

The Company is required by Aquis Stock Exchange to appoint an AQSE Corporate Adviser to apply on its behalf for admission to the Access segment of the AQSE Growth Market and must retain an AQSE Corporate Adviser at all times. The requirements for an AQSE Corporate Adviser are set out in the Corporate Adviser Handbook and the AQSE Growth Market Corporate Adviser is required to make a declaration to Aquis Stock Exchange in the form prescribed by Appendix B. This Document has not been examined or approved by Aquis Stock Exchange or the Financial Conduct Authority.

Peterhouse Capital Limited ("**Peterhouse**"), which is authorised and regulated by the FCA, is the Company's AQSE Corporate Adviser for the purposes of Admission. Peterhouse has not made its own enquiries except as to matters which have come to its attention and on which it considered it necessary to satisfy itself and accepts no liability whatsoever for the accuracy of any information or opinions contained in this Document, or for the omission of any material information, for which the Existing Directors, Proposed Directors or Concert Parties are solely responsible. Peterhouse is acting for the Company and no one else in relation to the arrangements proposed in this Document and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice to any other person on the content of this Document.

The whole text of this Document should be read. An investment in the Company involves a high degree of risk and, may not be suitable for all recipients of this Document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

OVERSEAS SHAREHOLDERS

This Document does not constitute an offer to sell, or a solicitation to buy Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this Document is not, subject to certain exceptions, for distribution in or into the United States, Canada, Australia, the Republic of South Africa or Japan. The Ordinary Shares have not been nor will be registered under the United States Securities Act of 1933, as amended, nor under the securities legislation of any state of the United States or any province or territory of Canada, Australia, the Republic of South Africa or Japan or in any country, territory or possession where to do so may contravene local securities laws or regulations. Accordingly, the Ordinary Shares may not, subject to certain exceptions, be offered or sold directly or indirectly in or into the United States, Canada, Australia, the Republic of South Africa or Japan or to any national, citizen or resident of the United States, Canada, Australia, the Republic of South Africa or Japan. The distribution of this Document in certain jurisdictions may be restricted by law. No action has been taken by the Company or Peterhouse that would permit a public offer of Ordinary Shares or possession or distribution of this Document where action for that purpose is required. Persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Holding Ordinary Shares may have implications for overseas Shareholders under the laws of the relevant overseas jurisdictions. Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each overseas Shareholder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

FORWARD-LOOKING STATEMENTS

This Document contains forward-looking statements. These statements relate to the Company's future prospects, developments and business strategies.

Forward-looking statements are identified by their use of terms and phrases such as "believe", "could", "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those variations or comparable expressions, including references to assumptions. These statements are primarily contained in Part I of this Document.

The forward-looking statements in this Document are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. Certain risks to and uncertainties for the Company are specifically described in Part II of this Document headed "Risk Factors". If one or more of these risks or uncertainties materialises, or if underlying assumptions prove incorrect, the Company's actual results may vary materially from those expected, estimated or projected. Given these risks and uncertainties, potential investors should not place any reliance on forward-looking statements.

These forward-looking statements are made only as at the date of this Document. Neither the Existing Directors, Proposed Directors, the Company or any other person or entity involved with this Document undertakes any obligation to update forward-looking statements or Risk Factors other than as required by law or the AQSE Growth Market Access Rulebook whether as a result of new information, future events or otherwise. However, nothing in this Document shall be effective to limit or exclude liability for fraud or which, by law or regulation, cannot otherwise be so limited or excluded.

This Document is dated 16 December 2022.

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DEFINITIONS

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

Acquisition	the acquisition by the Company of the entire issued and to be issued share capital of Tap Global not already owned by the Company following the exercise of its conversion rights under the Convertible Loan Notes pursuant to the terms of the Acquisition Agreement.
Acquisition Agreement / Share Purchase Agreement	the conditional agreement dated 31 October 2022 between the Company and the Vendors in relation to the Acquisition, further details of which are set out in paragraph 5 of Part I and paragraph 10.133 of Part VII.
Act	the Companies Act 2006, as amended.
acting in concert	has the meaning given to it in the Code.
Admission	the Admission of the Enlarged Share Capital to trading on the Access segment of the AQSE Growth Market becoming effective in accordance with the AQSE Growth Market Access Rulebook.
Annual General Meeting	the annual general meeting of Shareholders convened pursuant to the Notice and to be held at the offices of Peterhouse, 3 rd Floor, 80 Cheapside, London, EC2V 6EE, at 10:00 a.m. (London Time) on 9 January 2023 and any adjournment thereof.
Aquis Stock Exchange	Aquis Stock Exchange Limited.
AQSE Growth Market	the multilateral trading facility operated by Aquis Stock Exchange that is registered as an SME Growth Market in accordance with article 33 of MiFID
AQSE Growth Market Access Rulebook	the rules of the Access segment of the AQSE Growth Market revised in December 2021, as revised or amended from time to time.
Articles or Articles of Association	the articles of association of the Company from time to time.
BitGo	BitGo, Inc. a US based regulated and qualified digital asset custodian.
Board	the board of directors of the Company from time to time.
Broker	Peterhouse Capital Limited, in its capacity as corporate broker to the Company.
Business Day	a day other than Saturday or Sunday or a public holiday in England and Wales.
Call Option Agreement	call option entered into by the Company and Tap Global pursuant to which the Company has an option to acquire 100 per cent. of Tap Global, subject to certain terms being agreed under the Acquisition Agreement.
Certificated or in Certificated Form	a share or other security recorded on the relevant register of the relevant company as being held in certificated form and title to which may be transferred by means of a stock transfer form.
Change of Name	the proposed change of name of the Company to Tap Global Group PLC, further details of which are set out in paragraph I of Part I.
CLNs or Convertible Loan Notes	£1,500,000 of Convertible Loan Notes of £1 each issued by Tap Global, further details of which are set out in paragraph 10.3 of Part VII.
Code	the City Code on Takeovers and Mergers.
Company or Quetzal	Quetzal Capital PLC, a public limited liability company incorporated and registered in England and Wales with company number 05840813 whose registered office address at 6 th Floor, 60 Gracechurch Street, London, EC3V 0HR.
Concert Party	Arsen Torosian and David Aaron Carr in their capacity as Tap Global shareholders, further details of whom are set out in paragraph 11 of Part I of this Document.
Consideration Shares	the 450,000,000 new Ordinary Shares to be issued to the Vendors pursuant to the Acquisition Agreement.

CREST	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear UK & International Limited which facilitates the holding and transfer of title to shares in uncertificated form.
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) as amended.
Deferred Shares	the 15,455,115 deferred shares of £0.099 pence each in the capital of the Company.
Directors	the Existing Directors and/or the Proposed Directors, as the context requires.
Document	this admission document
Enlarged Group	the Company and, following Admission and completion of the Acquisition, Tap Global and its subsidiaries.
Enlarged Share Capital	the Existing Ordinary Shares together with the New Ordinary Shares.
Existing Directors	Anthony James Quirke, Fungai Ngoro and John Taylor, being the Directors of the Company as at the date of this Document.
Existing Ordinary Shares	the 171,187,401 Ordinary Shares and 15,455,115 Deferred Shares in issue as at the date of this Document.
Existing Warrant Instrument	the warrant instrument dated 7 April 2021 and entered into by the Company pursuant to which the Existing Warrants have been granted, further details of which are set out in paragraph 10.1, of Part VII of this Document.
Existing Warrants	the warrants granted over 37,500,000 Ordinary Shares to the various individuals pursuant to the Existing Warrant Instrument, further details of which are set out in paragraph 10.1 of Part VII of this Document.
FCA	the Financial Conduct Authority of the United Kingdom.
FSMA	the Financial Services and Markets Act 2000, as amended.
Form of Proxy	the form of proxy for use at the Annual General Meeting.
Independent Shareholders	shareholders who are entitled to vote on the Rule 9 Waiver Resolution pursuant to the Code, comprising Shareholders who are not members of the Concert Party or participating in the Subscription.
Introducer Ordinary Shares	the 3,333,333 Ordinary Shares to be issued at the Subscription Price to Sports Resource Group Limited pursuant to the introducer fee agreement details of which are set out in paragraph 10.6 of Part VII of this Document.
LHV	LHV Pank, an Estonian based licensed credit institution offering banking services to over 200 fintech and crypto companies.
Lock-in Agreement	the lock-in agreement between each Lock-in Party, the Company and Peterhouse as further described in paragraph 13 of Part I and paragraph 10.11 of Part VII of this Document.
Lock-in Party	each of the Proposed Directors, John Taylor and Tony Quirke.
Lock-in Period	as defined in paragraph 13 of Part I of this Document.
Long Term Incentive Plan or LTIP	the proposed long term incentive plan of the Company to be adopted following Admission, further details of which are set out in paragraph 16 of Part I.
LTIP Options	LTIP Options granted to certain of the Vendors, pursuant to Milestone 1 and Milestone 2 hurdles.
“MAR” or “Market Abuse Regulation”	EU Regulation 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse, as the same is applied in the UK from time to time, inter alia, pursuant to the European Union (Withdrawal) Act 2018 as amended and the Market Abuse (Amendment) (EU Exit) Regulations (SI 2019/310).
Material Contracts	material contracts entered into either by the Company or Tap Global, summaries of which are set out in paragraph 10 of Part VII of this Document.

Milestone 1	certain revenue targets for the Enlarged Group for the financial year ended 30 June 2024. Further information can be found in paragraph 16 of Part I.
Milestone 2	certain revenue targets for the Enlarged Group of for the financial year ended 30 June 2025. Further information can be found in paragraph 16 of Part I.
New Ordinary Shares	together the Consideration Shares and the Subscription Shares.
New Warrants	together the Subscription Warrants and the new warrants proposed to be granted to John Taylor and Riverfort, further details of which are set out in paragraph 10.9 and 10.10 of Part VII.
Notice	the notice of Annual General Meeting set out at the end of this document.
Official List	the Official List of the FCA.
Options	outstanding options over Ordinary Shares.
Ordinary Shares	the ordinary shares of 0.1 pence each in the capital of the Company.
Panel	the Panel on Takeovers and Mergers.
Peterhouse	Peterhouse Capital Limited, AQSE Corporate Adviser to the Company, of 80 Cheapside, London EC2V 6DZ.
PRA	the Prudential Regulatory Authority of the United Kingdom.
Proposals	together, the Acquisition, the Subscription, the Rule 9 Waiver, the Change of Name, the Resolutions and Admission, together the Proposals .
Proposed Directors	Arsen Torosian, David Aaron Carr and Desmond Hellicar-Bowman who will be the Directors of the Company with effect from completion of the Acquisition and Admission.
QCA Code	the Corporate Governance Code for Small and Mid-sized Quoted Companies 2018, published in 2018 by the Quoted Companies Alliance.
Register	the register of members of the Company.
Relationship Agreement	the agreement dated 30 November 2022 between the Company, Arsen Torosian and Peterhouse, details which are set out in paragraph 10.122 of Part VII of this Document.
Resolutions	the resolutions numbered 1 to 14 to be proposed at the Annual General Meeting which are set out in the Notice.
Reverse Takeover	an acquisition by the Company which constitutes a reverse takeover for the purposes of the AQSE Growth Market Access Rulebook.
Riverfort	Riverfort Global Capital Ltd, a company incorporated in England and Wales with company number 10115457.
Riverfort Warrants	the 5,000,000 warrants to subscribe for Ordinary Shares at 8 pence per Ordinary Share granted to Riverfort further details of which are set out at paragraph 10.10 of Part VII.
Rule 9	Rule 9 of the Code.
Rule 9 Waiver	the waiver by the Panel of the obligations that would otherwise arise on the Concert Party to make a general offer for the Enlarged Group under Rule 9 as a consequence of the allotment and issue of the Consideration Shares to the Concert Party and the exercise of the LTIP Options by the Concert Party pursuant to the Proposals, granted by the Panel conditional upon the passing of the Rule 9 Waiver Resolution by Independent Shareholders voting on a poll, further details of which are set out in paragraph 10 of Part I.
Rule 9 Waiver Resolution	the resolution numbered 4 in the Notice, being an ordinary resolution to be voted on by the Independent Shareholders on a poll at the Annual General Meeting approving the Rule 9 Waiver.
Shareholders	persons who are registered as the holders of Ordinary Shares from time to time.

Significant Shareholders	those Shareholders whose holdings represent more than 3 per cent. of the issued share capital or voting rights of the Company from time to time.
Subscribers	persons who have agreed to subscribe for the Subscription Shares pursuant to the terms of the Subscription.
Subscription	the proposed subscription by certain investors for the Subscription Shares at the Subscription Price, conditional on completion of the Acquisition and Admission.
Subscription Price	4.5 pence per Subscription Share.
Subscription Shares	the 68,888,890 Ordinary Shares to be issued on completion of the Subscription.
Subscription Warrants	the 34,444,445 warrants to subscribe for Ordinary Shares at 8 pence per Ordinary Share, proposed to be issued to Subscribers. Further details are set out paragraph 10.10 of Part VII.
Tap Americas	Tap Americas LLC, a limited liability company incorporated in Florida, USA, with document number L22000366354 whose principal office is at 2875 S Orange Ave, STE500, 6109 Orlando FL. US 32806.
Tap App	providing customers with access to several major crypto exchanges through Tap Global's application allowing them to purchase up to 26 crypto assets and store them directly in the customer's wallet. The fiat wallets can store fiat currency denominated in Sterling, Euros and/or US\$.
Tap Global	Tap Global Limited, a private limited liability company incorporated and registered in Gibraltar with company number 118724 and registered office address at Madison Building, Midtown, Queensway, Gibraltar, GX11 1AA.
Tap Global Pty	Tap Global Pty Limited, a private limited liability company incorporated in Australia with company number 652 713 614 whose registered office is at Suite 2 Level 1, 9-11 Grosvenor Street, Neutral Bay NSW 2089, Australia.
Tap Group	Tap Global, together with its wholly-owned subsidiaries, Tap Technologies, Tap Global Pty and Tap Americas.
Tap Prepaid Mastercard	a debit card issued by Tap Global allowing customers to realise the value of their digital assets by exchanging them into Euro for spending with merchants.
Tap Technologies	Tap Technologies Limited, a private limited liability company incorporated and registered in Gibraltar with company number 116939 and registered office address at Madison Building, Midtown, Queensway, Gibraltar, GX11 1AA.
Transact	means Transact Payments Limited being a private limited liability company, incorporated and registered in Gibraltar, with company number 108217 whose registered office is at 6.20 World Trade Centre, 6 Bayside Road, Gibraltar, GX11 1AA.
Transact Malta	means Transact Payment Malta Limited being a private limited liability company, incorporated and registered in Malta with company number C 91879 whose registered office is at Vault 14, Level 2, Valletta Waterfront, Floriana, FRN 1914, Malta.
Transact Payments	both Transact and Transact Malta.
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland.
Uncertificated or in Uncertificated Form	recorded on the relevant register of Ordinary Shares as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations may be transferred by means of CREST.
Vendors	the existing shareholders of Tap Global.
Warrants	the Existing Warrants and the New Warrants.

GLOSSARY OF TECHNICAL TERMS

The following table provides an explanation of certain technical terms and abbreviations used in this document. The terms and their assigned meanings may not correspond to standard industry meanings or usage of these terms.

AI	computer hardware and software that together mimics "cognitive" functions that humans associate with the human mind, such as "learning" and "problem-solving".
Anti-Money Laundering or AML	the application of risk-based customer due diligence measures and other steps to prevent a provider of financial and/or certain other services from being used for money laundering or terrorist financing.
app	an application, especially as downloaded by a user to a mobile device.
ATM	an automated teller machine which enables customers of financial institutions to perform financial transactions such as cash withdrawals, deposits, funds transfers, balance or account information enquiries without the need for direct interaction with bank staff.
Best execution	the duty of an investment services firm executing orders on behalf of customers to ensure the best possible result for their clients taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.
Beta testing	an opportunity for real users to use a product in a production environment to uncover any bugs or issues before a general release and is the final round of testing before releasing a product to a wide audience.
Blockchain enabled	utilising blockchain to create trustworthy and secure environments in a decentralised manner with low cost to enable innovative applications and services.
B2B	means business to business and refers to a transaction between businesses.
B2C	means business to consumer and refers to a transaction between a business and a consumer as the end-user of the relevant products or services.
Client identification or CDD	compliance with the customer due diligence measures set out in regulation 28 et seq. of The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as amended from time to time.
Cold storage	an offline wallet used for storing bitcoins on a platform that is not connected to the internet, thereby protecting the wallet from unauthorised access, cyber hacks and other vulnerabilities.
Crypto or Cryptocurrency	a digital or virtual currency designed to work as a medium of exchange through a computer network that is not reliant on any central authority which is secured by cryptography.
DeFi	short for "decentralised finance", is financial technology providing peer-to-peer financial transactions based on secure Distributed Ledger Technology.
Defi Yield products	Defi products providing rewards for customers through the lending of their Cryptocurrency assets.

DLT or Distributed Ledger Technology	the technological infrastructure and protocols that allows simultaneous access, validation, and record updating in an immutable manner across a network spread across multiple entities or locations.
Earn Wallets	A Defi Yield product which provides interest bearing wallets that will support both fiat and crypto deposits.
e-money issuer	a person or firm which has permission to carry on the activity of issuing electronic money and providing associated payment services, including transfers and foreign currency payments.
Fiat	a type of money that is not backed by a commodity, such as gold or silver, typically declared by a government to be legal tender.
Fiat banking	traditional banking based on a government's promise that the currency it prints is backed by the full faith and credit of the government that issues it.
Middleware	software that lies between an operating system and the applications running on it, enabling communication and data management.
Neo banking	online-only financial technology companies that operate solely digitally or via mobile apps.
NFT	Non-Fungible Token, being a unique entry on a blockchain representing an item that cannot be replicated.

KEY STATISTICS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document and the Form of Proxy	16 December 2022
Latest time and date for receipt of Forms of Proxy for the Annual General Meeting	10:00 a.m. (London Time) on 5 January 2023
Annual General Meeting	10:00 a.m. on 9 January 2023
Announcement of the result of the Annual General Meeting	on 9 January 2023
Admission of the Enlarged Share Capital	on 10 January 2023
CREST accounts expected to be credited (where applicable)	on 10 January 2023
Despatch of share certificates for New Ordinary Shares (where applicable)	On or about 17 January 2023

SHARE CAPITAL INFORMATION

Number of Existing Ordinary Shares	171,187,401
Number of existing Deferred Shares	15,455,115
Number of Consideration Shares to be issued pursuant to the Acquisition	450,000,000
Subscription Price	4.5 p
Number of Subscription Shares to be issued	68,888,890
Introducer Ordinary Shares	3,333,333
Number of Subscription Warrants to be issued to Subscribers	34,444,445
Number of Warrants to be granted to Riverfort	5,000,000
Number of Warrants to be granted to John Taylor	1,000,000
Enlarged Share Capital on Admission	693,409,624
Consideration Shares as a percentage of the Enlarged Share Capital	64.90%
Subscription Shares as a percentage of the Enlarged Share Capital	9.93%
Gross Proceeds from the Subscription	£3,100,000
Market Capitalisation on Admission at the Subscription Price	£31,203,433

TRADING DATA

ISIN	GB00BMVSDN09
SEDOL	BMVSDN0
CURRENT TIDM	QTZ
PROPOSED TIDM	TAP
LEI	213800BF6GRJEOAQN31

Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement through a Regulatory Information Service.

References to time in this document are to London time. The timetable above assumes that the resolutions are passed at the Annual General Meeting.

DIRECTORS AND ADVISERS

Existing Directors	John Edward Taylor (<i>Non-Executive Chairman</i>) Fungai Ndoro (<i>Executive Director</i>) Anthony (“ Tony ”) James Quirke (<i>Non-Executive Director</i>) (On Admission: <i>Finance Director</i>)
Proposed Directors	David Aaron Carr (<i>Chief Executive Officer</i>) Arsen Torosian (<i>Chief Strategy Officer</i>) Desmond Andrew Hellicar-Bowman (<i>Non-Executive Director</i>)
Company Secretary	Ben Harber 6 th Floor 60 Gracechurch Street London EC3V 0HR
Registered office	6 th Floor 60 Gracechurch Street London EC3V 0HR
Enlarged Group Website on Admission	https://www.tap.global/gb-en
AQSE Growth Market Corporate Adviser, Rule 3 Adviser and Broker	Peterhouse Capital Limited 3rd Floor 80 Cheapside London EC2V 6EE
Legal advisers to the Company	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London EC2A 2EW
Legal advisers to Tap Global	Kepstorn Solicitors Limited 7 St James Terrace, Lochwinnoch Road, Kilmacolm PA13 4HB
Reporting accountants to the Company	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf E14 4HD
Auditors to the Company	Edwards Veeder (UK) Limited Ground Floor, 4 Broadgate Broadway Business Park, Chadderton Greater Manchester OL9 9XA
Registrar	Share Registrars Limited 3 The Millennium Centre Crosby Way Farnham Surrey GU9 7XX

PART I

LETTER FROM THE CHAIRMAN OF QUETZAL CAPITAL PLC

Directors:

John Taylor (*Non-Executive Chairman*)
Fungai Ndoro (*Executive Director*)
Anthony ("Tony") James Quirke (*Non-Executive Director*)

Registered Office:

6th Floor
60 Gracechurch Street
London EC3V 0HR

16 December 2022

Dear Shareholder

PROPOSED ACQUISITION OF TAP GLOBAL LTD

APPROVAL OF WAIVER OF OBLIGATIONS UNDER RULE 9 OF THE CITY CODE ON TAKEOVERS AND MERGERS

CHANGE OF NAME TO TAP GLOBAL GROUP PLC

SUBSCRIPTION FOR 68,888,890 NEW ORDINARY SHARES AT 4.5 PENCE PER SHARE

ADMISSION OF THE ENLARGED SHARE CAPITAL TO TRADING ON THE ACCESS SEGMENT OF THE AQSE GROWTH MARKET

NOTICE OF ANNUAL GENERAL MEETING

1 INTRODUCTION AND ANNUAL GENERAL MEETING

On 1 November the Company announced that it had conditionally agreed to acquire the issued and to be issued share capital of Tap Global Ltd, other than the shares to be issued to Quetzal on the exercise of its conversion rights under convertible loan notes issued to the Company by Tap Global (the "**Convertible Loan Notes**"). The aggregate consideration is approximately £20,250,000 to be satisfied by the issue of the Consideration Shares to the Vendors at the Subscription Price on Admission.

The Company has announced today that it has raised approximately £3.1 million by way of the Subscription in order to provide working capital to finance the growth of the Enlarged Group.

I am writing to you with details of the Annual General Meeting of the Company which will be held on 9 January 2023, at the offices of Peterhouse, 3rd Floor, 80 Cheapside, London, EC2V 6EE, at 10:00 a.m. Notice of the Annual General Meeting is set out at the end of this Document.

As announced on 3 December 2021, Quetzal subscribed for £1,500,000 worth of Convertible Loan Notes.

Tap Global also signed a Call Option Agreement in favour of Quetzal, that gave Quetzal the right to acquire 100% of the issued share capital of Tap Global, subject to certain terms being agreed in a share sale agreement (the "**Acquisition Agreement**"). Quetzal has now exercised the call option contained in the Call Option Agreement.

The consideration for the Acquisition will be satisfied entirely through the issue of 450,000,000 Consideration Shares in the Company to the Vendors on Admission.

In view of the size of the Acquisition relative to the Company, the Acquisition constitutes a Reverse Takeover by the Company under the AQSE Growth Market Access Rulebook and is therefore conditional, amongst other things, on the approval of Shareholders at the Annual General Meeting. Further details of the Annual General Meeting are set out in paragraph 19 of this Part I. Further details of the terms and conditions of the Acquisition are set out in paragraph 5 of this Part I.

The Company and the Panel have agreed that certain Vendors, Arsen Torosian and David Carr, should be treated as acting in concert for the purposes of the Code. Immediately following Admission, the Concert Party will hold 423,000,000 New Ordinary Shares, representing approximately 61.20 per cent. of the Enlarged Share Capital. Assuming (amongst other things) that all of the LTIP Options held by members of the Concert Party are exercised, the Concert Party will hold 480,000,000 Ordinary Shares representing 64.16 per cent. of the Enlarged Share Capital as enlarged by such exercise. On account of the fact that its aggregate shareholding in the Company will increase from less than 30 per cent. to more than 50 per cent., the Concert Party would normally be obliged, under Rule 9 of the Code, to make an offer to all Shareholders (other than the Concert Party) to acquire their Ordinary Shares for cash at the highest price paid by any member of the Concert Party

during the 12 months prior to the date of Admission. However, the Panel has agreed to waive this obligation, subject to the approval of the Independent Shareholders on a poll of the Rule 9 Waiver Resolution at the Annual General Meeting. Your attention is drawn to the Rule 9 Waiver section contained in paragraph 10 of this Part I.

It is also proposed on completion of the Acquisition and Admission, that the Company change its name to Tap Global Group PLC to reflect the business of the Enlarged Group.

The purpose of this Document is to explain the background to and reasons for the Proposals and to explain why the Directors consider them to be in the best interests of the Company and Shareholders as a whole and to seek Shareholders' approval of the Resolutions, including the Rule 9 Waiver, being proposed at the Annual General Meeting.

The Proposals are conditional, amongst other things, on the passing of the Resolutions and Admission. If the Resolutions are approved by Shareholders, it is expected that Admission will become effective and dealings in the Enlarged Share Capital will commence on the Access segment of the AQSE Growth Market on or around 10 January 2023. The Annual General Meeting of the Company at which the Resolutions will be proposed has been convened for 10:00 a.m. on 9 January 2023, at the offices of Peterhouse, 3rd Floor, 80 Cheapside, London, EC2V 6EE.

You should read the whole of this Document and not just rely on the information contained in this letter. In particular, you should consider carefully the "Risk Factors" set out in Part III of this Document. Your attention is also drawn to the information set out in Parts II and IV to VII of this Document.

2 BACKGROUND TO AND REASONS FOR THE ACQUISITION

The Company has actively sought to identify acquisition opportunities which the Existing Directors believe have the potential to develop new and disruptive technology.

The Existing Directors have previously stated that they believe both David Carr and Arsen Torosian have enormous ambition to grow Tap Global into a significant player in the crypto trading sector. On 3 December 2021, the Company subscribed for £1,500,000 of Convertible Loan Notes of £1 each in Tap Global and signed the Call Option Agreement, giving Quetzal the right to acquire 100% of the issued share capital of Tap Global, subject to certain terms being agreed in the Acquisition Agreement.

The Existing Directors believe that Tap Global is a dynamic business in a sector which they believe is capable of significant growth, and that the Acquisition presents the Company and its Shareholders with an exciting opportunity to invest in a new and disruptive technology business with significant potential.

The Proposed Directors intend to both expand and enhance the products available to customers from Tap Global, growing the Tap Global business steadily through added features and functionality. The proceeds of the Subscription are expected to accelerate Tap Global's growth. The Reverse Takeover will also provide the Enlarged Group with the potential to raise further capital and the ability to use the Company's Ordinary Shares as acquisition currency.

Accordingly, the Existing Directors propose that, subject to approval of the Resolutions by Shareholders at the Annual General Meeting, the Company should acquire Tap Global. The Enlarged Group's operations would thereafter primarily constitute the business of Tap Global, which is the provision of crypto-fiat banking services and Defi Yield products. Further details of the business and operations of Tap Global are set out in paragraph 3 below.

3 INFORMATION ON TAP GLOBAL

Tap Global is an innovative and fully integrated provider of fiat banking and crypto settlement.

A single regulatory registration provides Tap Global customers with access to several major crypto exchanges through Tap Global's Tap App allowing them to purchase up to 26 crypto assets and store them directly in the customer's wallet. The wallet can also store fiat currency denominated in Sterling, Euros and/or US\$.

Tap Global offers full fiat banking for both B2B and B2C and crypto services to its customers. Through a single regulatory portal Tap Global customers can access several major crypto exchanges and, utilising Tap Global's proprietary Artificial Intelligence middleware, Tap Global allows customers the benefit of best execution and pricing in real time. This allows Tap Global to offer competitive pricing for trades and instant crypto or cash settlement.

Tap Global provides named bank accounts denominated in Sterling and/or Euros to all its customers in the UK, EEA and EU through its banking partner, LHV. B2B and B2C customers can operate their Tap Global fiat bank account for ordinary business activities – such as paying suppliers and receiving monies in two fiat

currencies (currently EUR and GBP, with more fiat currencies in development). All deposits in fiat or crypto can be made free of charge by the user.

In addition, customers have the option to be issued a physical or virtual Tap Prepaid Mastercard on which purchases can be made.

Further information on Tap Global, its history, the market in which it operates and its competitors is contained in Part II of this Document.

4 FINANCIALS

Historical financial information on the Company, Tap Global and on Tap Technologies is set out in Parts IV (A), IV (B) and IV (C) of this Document.

The trading performance of Tap Global and Tap Technologies has been as follows:

	Tap Global Limited		Tap Technologies Limited	
	Audited Year ended 30 June 2021	Audited Period Ended 30 June 2020	Audited Year ended 30 June 2021	Audited Period Ended 30 June 2020
Revenue (per Accounts)	756,119	32,036	189,030	8,009
Cost of sales	(363,930)	(135,144)	-	-
Gross profit/(loss)	392,189	(103,108)	189,030	8,009
Administrative expenses	(1,636,960)	(1,368,293)	(271,034)	(70,416)
Exchange rate variance	21,169	34,409	-	-
Gain on sale of cryptoassets	571,745	11,493	-	-
Loss from operations	(651,857)	(1,425,499)	(82,004)	(62,407)
Other comprehensive income	79,715	44,609	-	-
Loss before tax	(572,142)	(1,380,890)	(82,004)	(62,407)

Over the reporting period, Tap Global has increased its statutory reported revenues by 2,260 per cent. from £32,036 to £756,119. The revenue figure for 2022 (unaudited) is expected to be c.£900,000.

There is one continuing class of business, being the provision fiat banking and crypto services. Given this, no further segmental information has been provided.

5 PRINCIPAL TERMS OF THE ACQUISITION

On 31 October 2022 the Company entered into the Acquisition Agreement with the Vendors in order to acquire the entire issued and to be issued share capital of Tap Global in consideration for the issue and allotment to the Vendors of the Consideration Shares.

The Acquisition Agreement is conditional, inter alia, on:

- i. a waiver by the Panel of the obligations that would otherwise arise on the Concert Party to make a general offer for the Enlarged Group under Rule 9 as a consequence of the allotment and issue of the Consideration Shares to the Concert Party and the exercise of the LTIP Options by the Concert Party pursuant to the Proposals;
- ii. the Resolutions being passed at the Annual General Meeting; and
- iii. completion of the Subscription.

Once all of the conditions set out in the Acquisition Agreement have been satisfied, completion of the Acquisition shall occur simultaneously with and automatically upon Admission of the Enlarged Share Capital to trading on the Access segment of the AQSE Growth Market.

Subject to the conditions being satisfied on or before 31 January 2023, the Company will issue and allot the Consideration Shares to the Vendors which, at the Subscription Price, values the Enlarged Share Capital at approximately £31,200,000.

The Consideration Shares will represent approximately 64.90% of the Enlarged Share Capital on Admission and will rank *pari passu* in all respects with the Existing Ordinary Shares, including all rights to all dividends and other distributions declared, made or paid following Admission.

6 FUTURE STRATEGY OF ENLARGED GROUP AND USE OF PROCEEDS

Following Admission, the Enlarged Group intends to focus on international expansion and accelerating users through targeted marketing efforts. While most global users can access Tap Global's crypto services, additional functionality including banking and debit card services require local regulatory registration and compliance. Tap Global is considering providing services in Australia, Canada, Southeast Asia and Latin America.

The provision of such services in the USA is subject to regulation and restrictions at both federal and state level which can be complex and, as a result, entry into the US market is expected to take some time.

In addition, Tap Global will expand the reach of its range of international partners to provide additional services including card issuance, banking facilities, debit card loading, client identification and anti-money laundering and compliance services.

The Proposed Directors believe that, while they will seek to expand Tap Global's services into Africa, such services will likely not include a Tap Prepaid Mastercard element due to difficulties with the acceptance of physical cards in the region. Tap Global is exploring the provision of fiat services through local "mobile money" operators where local Tap Global customers could deposit to and withdraw funds from a mobile money wallet, which the Directors believe should make the monetisation of crypto more widely accepted in the region.

Tap Global has signed an MOU for a pilot which is expected to bring Ghana online. The initial pilot is aimed at providing the European users with the ability to transfer funds to family in Ghana quickly and cheaply with a local product to follow the completion of the successful pilot.

TAP Global aims to scale quickly by attracting new users on to its platform and taking advantage of customers from other potentially distressed platforms looking for a fully regulated solution to take custody of their crypto accounts. This will be done through targeted marketing activity, primarily across Europe but in wider geographies too.

The Directors expect to use the net proceeds of the Subscription plus the existing cash resources of the Company as follows:

Product Development	£0.5m
Geographical Expansion	£0.5m
Team Expansion	£1m
Marketing	£1.25m
Working Capital (Liquidity (G&A))	£0.75m
Total	£4m

7 INFORMATION ON THE SUBSCRIPTION

The Subscription for 68,888,890 Subscription Shares is expected to raise approximately £3,100,000 for the Company, before expenses. The net proceeds of the Subscription of approximately £2,750,000, together with the Group's existing resources, will be used as set out in paragraph 6 above.

The Subscription Shares will represent approximately 9.93 per cent. of the Enlarged Share Capital. On Admission, at the Subscription Price, the Company will have a market capitalisation of approximately £31.2m.

The Subscription Shares will rank *pari passu* with the Existing Ordinary Shares. The Subscription is not underwritten or guaranteed.

The Subscription is conditional, *inter alia*, on:

- completion of the Acquisition;
- the passing of the Resolutions; and

- Admission becoming effective not later than 8:00 a.m. on 31 January 2023 (or such later time as Peterhouse and the Company may agree in writing).

The Subscription Shares will be issued fully paid and will, on issue, rank *pari passu* with all other issued Ordinary Shares, including the right to receive, in full, all dividends and other distributions thereafter declared, made or paid after the date of Admission.

8 DILUTIVE IMPACT OF THE SUBSCRIPTION

The proposed issue of the Subscription Shares will dilute the existing Shareholders. The maximum dilution which a Shareholder will suffer, as a result of completion of the Subscription, is approximately 40 per cent. of the Existing Ordinary Shares.

9 EXISTING DIRECTORS, PROPOSED DIRECTORS AND SENIOR EMPLOYEES

Brief biographical details of the Directors are set out below:

John Edward Taylor - Non-Executive Chairman (age: 50)

John's most recent focus has been on assisting small cap listed companies with their development. Prior to this, he spent 18 months working in private equity backed portfolio companies, driving operational turnaround initiatives and implementing costing systems. He spent over 20 years in the Army Air Corps, leaving in 2015 with the rank of Lieutenant Colonel. Between 2013 and 2015 he was senior strategic communications officer for the Ministry of Defence.

John is Chairman of Asimilar Group plc, an AIM quoted investing company focused on high growth potential companies in the disruptive technology space, Non-Executive Director of Quetzal Capital plc, an AQSE Growth Market quoted investment company focused on high growth companies in the technology, eCommerce and lifestyle sciences sectors and an Executive Director of AQSE Growth Market quoted TECC Capital Plc, focused on technology investments, including artificial intelligence, Telematics, life sciences, cyber security and eCommerce. In addition, John is also a non-executive director of BrandShield Systems Plc, a brand protection software business listed on AIM. He is a former non-executive director of AIM quoted Pathfinder Minerals Plc, a mineral sands company, Sabien Technology Group plc, an AIM quoted provider of energy reduction technologies and Bidstack Group Plc, the AIM quoted in-game advertising company.

Fungai Ndoro – Executive Director (age: 35)*

Fungai joined the Company as Executive Director on 1 April 2021. Fungai is an experienced small cap corporate financier who specialises in working with growth companies. She has worked in the City for over a decade and has spent most of her career at Peterhouse, advising public companies and executing a broad spectrum of corporate transactions, including IPOs, acquisitions and disposals, CVAs, open offers, and structural reorganisations for corporate clients on the London Stock Exchange, AIM and AQSE.

Over her career, Fungai has executed the structuring and launch of several companies within sectors including digital currencies, technology and life sciences. She was pivotal in the sourcing, re-structuring and listing of KR1 on to the AQSE exchange.

Anthony (“Tony”) James Quirke – Chief Financial Officer (age: 52)

Tony is the founder and CEO of ‘The Payments Practice’, a payments consultancy business that advises on financial regulation within payments and e-money sectors, card issuing and acquiring, international payments and business and financial strategy. He is an FCCA qualified accountant and an FCA approved person. He has founded, co-founded and led the M&A activity on several FCA regulated fintech businesses including an International FX payments broker, a digital bank, an acquiring bank, an issuer processor, an issuing bank and a payment services provider.

Between 2017 and 2019 Tony was the CFO of FairFX Group Plc, subsequently renamed as Equals Group Plc (“**Equals**”). He was integral to the senior management of the AIM listed business and the raising of £30m equity to fund M&A, investment in infrastructure and organic growth. He also oversaw the M&A transactions involving the acquisitions of two bolt-on businesses. During his tenure at Equals the business grew from annual payments volumes of £1 billion to £3 billion and revenues from £10m to over £30m.

In 2013 Tony founded Q Money which was subsequently sold to Equals Group Plc. He has very broad experience in fintech projects and in leading internal controls and corporate governance oversight for businesses in this sector.

**On Admission, Fungai Ndoro will resign as a Director of the Company.*

Brief biographical details of each Proposed Director is set out below:

Arsen Torosian – Chief Strategy Officer (age: 29)

Arsen Torosian, a serial fintech entrepreneur, founded Tap Global in 2018. Arsen founded a crypto OTC desk in London in 2014 in which he achieved over £70m in trading volume. Prior to this he founded a game development company at the age of 17 in 2010 when the iPhone 3G and the Appstore were introduced to the market. Seeing the demand for these phones and the lack of game selection available, he seized the opportunity to enter the game development industry. Over the next 3 years, he managed to create and market multiple games that reached the top gaming charts before eventually entering the crypto market in 2014.

David Aaron Carr – Chief Executive Officer (age: 52)

David Carr co-founded Tap Global and initially took on the role of Chief Operating Officer. He assumed the role of Chief Executive Officer from July 2021. David has very deep experience in the fintech world including working on the first prepaid Mastercard in Europe in 2004 called Cashplus. He then launched the first ever Travel Money FX card in 2005, CaxtonFX. He has consulted on the launch of over 65 e-money projects including Tesco Travel Money and has designed and delivered the first mobile money associated Mastercard with LycaMoney. David has been an Ambassador for the Payments Association for over 10 years and was a judge at the 2021 Emerging Payments Awards, at which Tap Global was nominated for several awards.

Desmond (“Des”) Hellicar-Bowman - Non-Executive Director (age: 64)

Des is a Senior Executive with 20 years’ experience at board level within the payments industry. Responsibilities within regulated companies include board advisory roles, compliance oversight, MLRO and director appointments with significant European-wide experience within AML, compliance, risk, fraud prevention and detection, e-finance & payments regulation & policy sectors.

During his career, Des has been non-executive director of the Prepaid International Forum and Chairperson of the Electronic Money Association, which represented businesses and industry from across Europe at regulatory working groups in order to influence UK and EU regulations. He has also delivered compliance strategy for three payment companies that were part of AIM and FTSE 100 groups and in line with their overall strategic five-year business plans.

Senior Employees

Senior employees of Tap Global include:

Christopher Wawn, Chief Compliance Officer

Christopher is a Chartered Manager with a wealth of corporate experience at institutions like Barclays, Lloyds TSB and ABN AMRO. Christopher has a strong financial services background with an understanding of the regulatory environment. Christopher has an extensive track record of delivering good corporate governance, understands risk and is comfortable in making difficult compliance decisions.

Michael Anderson, Chief Technology Officer

Michael founded his own software development company in 2009 and has since delivered hundreds of bespoke software products. His success has seen him gain an SME “App of The Year Award” in 2016, and he was a finalist in the BBBA Entrepreneur of the Year: Rising Star Award. Michael brings a team of developers and coders to the project who have all worked with financial product apps as well as crypto wallets in the past.

10 THE CODE AND DISPENSATION FROM THE RULE 9 OFFER

The proposed Acquisition and the issue of the Consideration Shares give rise to certain considerations under the Code. Brief details of the Panel, the Code and the protections they afford are described below.

The Code is issued and administered by the Panel. The Code applies to all takeover and merger transactions, however effected, where the offeree company is, inter alia, a listed or unlisted public company resident in the United Kingdom, the Channel Islands or the Isle of Man (and to certain categories of private limited companies). The Company is a listed public company and its Shareholders are entitled to the protections afforded by the Code.

Under Rule 9 of the Code, where any person acquires an interest in shares which (taken together with shares in which the person or any persons acting in concert with that person is interested) carry 30% or more of the voting rights of a company which is subject to the Code, that person together with the persons acting in concert with that person is normally required to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights in that company to acquire the balance of their interests in the company.

Rule 9 of the Code also provides that, among other things, where any person, together with persons acting in concert with that person, is interested in shares which in aggregate carry not less than 30% of the voting rights of a company but does not hold shares carrying more than 50% of such voting rights and such person, or any person acting in concert with that person, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which that person is interested, then such person together with the persons acting in concert with that person is normally required to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights of that company to acquire the balance of their interests in the company.

An offer under Rule 9 must be in cash (or with a cash alternative) and at the highest price paid within the preceding 12 months to acquire any interest in shares in the Company by the person required to make the offer or any person acting in concert with him or her.

Rule 9 of the Code further provides, among other things, that where any person who, together with persons acting in concert with that person holding shares carrying more than 50% of the voting rights of a company, acquires any further shares carrying voting rights, then such person will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares. The Concert Party will hold shares carrying over 50% of the voting right in the Company. The Concert Party as a whole, may acquire further shares without any obligation under Rule 9 to make an offer, however, individual members of the Concert Party will not be able to increase their percentage interest in shares through, or between, a Rule 9 threshold without Panel consent.

Under the Code, a concert party arises when persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate control of that company. Under the City Code, control means a holding, or aggregate holding, of shares carrying 30% or more of the voting rights of a company, irrespective of whether the holding or holdings gives de facto control.

Following allotment and issue of the Consideration Shares to the Vendors, the Concert Party will hold 423,000,000 Ordinary Shares, representing approximately 61% of the then Enlarged Share Capital. Following the exercise of the Milestone 1 and Milestone 2 LTIP Options, the Concert Party will hold a maximum of 480,000,000 Ordinary Shares, representing approximately 64% of the Enlarged Share Capital.

The members of the Concert Party do not currently hold any Ordinary Shares. The issue of the Consideration Shares and exercise of the Milestone 1 and Milestone 2 LTIP Options would therefore trigger an obligation of the Concert Party to make an offer for the Company in accordance with Rule 9 of the Code.

The Panel has agreed, however, to waive the obligation for the Concert Party to make a general offer that would otherwise arise as a result of the issue of the Consideration Shares and the exercise of the Milestone 1 and Milestone 2, LTIP Options, subject to the approval of the Rule 9 Waiver Resolution by the Independent Shareholders, all of whom are independent of the Concert Party. Accordingly, Resolution 2 is being proposed at the Annual General Meeting and will be voted on a poll.

For so long as Arsen Torosian holds more than 50 per cent of the Company's voting share capital, he may, whether or not the Concert Party still exists, increase his interest in the Ordinary Shares in the Company (including through the exercise of his Milestone 1 and Milestone 2, LTIP Options) without incurring any obligation under Rule 9 to make a general offer for the remaining shares.

For so long as the Concert Party is holding shares carrying more than 50% of the Company's voting share capital and its members are presumed to be acting in concert, they may increase their aggregate interests in the Ordinary Shares in the Company without incurring any obligation under Rule 9 to make a general offer for the remaining shares, although individual members of the Concert Party would not be able to increase their percentage interest in the Ordinary Shares of the Company through, or between, a Rule 9 threshold without the consent of the Panel.

11 INFORMATION ON THE CONCERT PARTY

The Concert Party comprises the following Vendors of Tap Global who are presumed to be acting in concert under the Takeover Code:

Vendors	Ordinary Shares held immediately following the issue of the Consideration Shares, on Admission	Ordinary Shares interested in as a % of the Enlarged Share Capital	Number of Concert party Milestone 1 LTIP Options intended to be granted following Admission	Ordinary Shares held immediately following issue of Milestone 1 Ordinary Shares	Ordinary Shares interested in as a % of the then Enlarged Share Capital	Number of Concert party Milestone 2 LTIP Options intended to be granted following Admission	Maximum Ordinary Shares held immediately following issue of Milestone 2 Ordinary Shares	Ordinary Shares interested in as a % of the Enlarged Share Capital, assuming exercise of all Concert Party Milestone Options
David Carr	33,750,000	4.87%	14,250,000	48,000,000	6.65%	14,250,000	62,250,000	8.30%
Arsen Torosian	389,250,000	56.14%	14,250,000	403,500,000	55.89%	14,250,000	417,750,000	55.67%
Total	423,000,000	61.00%	28,500,000	451,500,000	62.54%	28,500,000	480,000,000	63.97%

Biographical details of both David Carr and Arsen Torosian are set out in Paragraph 9 above.

12 INTENTIONS OF THE CONCERT PARTY

Save for the appointment of the Proposed Directors and the resignation of Fungai Ndoro, on Admission, no member of the Concert Party is currently proposing any changes to the Board of Directors of the Company. The members of the Concert Party have confirmed their intention that, following any increase in their holdings of Ordinary Shares as a result of the issue to them of the Consideration Shares, the business of the Enlarged Group would be as set out in “Future Strategy of the Enlarged Group and Use of Proceeds” in paragraph 6 above. The members of the Concert Party have no intention of relocating the business or redeploying the fixed assets of the Company. The members of the Concert Party are not restricted from making an offer for the Company.

The Concert Party intends to maintain the Company’s admission to trading on the AQSE Growth Market. Apart from the Existing Directors, the Company has no employees and therefore the Offer has no employment rights implications and there will be no immediate material changes whatsoever in respect of the balance of skills and functions of employment and management for the Company. The Company does not operate any pension schemes and has no research and development facilities. Following Admission, Tony Quirke and the Proposed Directors intend to implement Tap Global’s strategy as outlined in “Future Strategy of the Enlarged Group and Use of Proceeds” in paragraph 6 above.

The Existing Directors are of the opinion that the Concert Party intentions will have no impact on employment. Only the Existing Directors are employed by the Company. The Existing Directors are of the opinion that the future strategy of the Enlarged Group that is outlined by the Proposed Directors is in line with the Company’s proposed investment strategy and will be beneficial to the Company’s interests.

13 LOCK-IN AGREEMENT

Immediately following Admission, John Taylor, Tony Quirke and the Proposed Directors, will hold an interest in, in aggregate, 425,750,000 Ordinary Shares, representing approximately 61.40 per cent. of the Enlarged Share Capital. Each of John Taylor, Tony Quirke and the Proposed Directors, has undertaken to the Company and Peterhouse, subject to certain exceptions as permitted by the AQSE Growth Market Rules, not to dispose of or transfer any of their respective interests in the Ordinary Shares, for a period of 12 months from Admission (“**Lock-In Period**”). In addition, each of John Taylor, Tony Quirke and the Proposed Directors, have undertaken to the Company and Peterhouse not to dispose of their Ordinary Shares for a period of 12 months after the end of the Lock-In Period without first consulting the Company and Peterhouse in order to maintain an orderly market for the Ordinary Shares.

Further details of the Lock-in Agreement are contained in paragraph 10.11 of Part VII of this Document.

14 CORPORATE GOVERNANCE

The Existing Directors and Proposed Directors recognise the importance of sound corporate governance and, with effect from Admission, the Proposed Directors intend to observe the requirements of the QCA Code to the extent they consider appropriate in light of the Company’s size, stage of development and resources.

Given the nature and purpose of the Company, the experience of the Directors and the Company's proposed strategy (all as set out above), the Directors believe that the composition of the Board on Admission will be appropriate and suitable.

The Directors consider that both John Taylor, in his role as Non-executive Chairman, and, with effect from Admission, Desmond Hellicar-Bowman, in his role as a Non-executive Director, will be Independent for the purposes of the QCA Code.

The Company has established an audit committee ("**Audit Committee**"), a remuneration committee ("**Remuneration Committee**") and a risk committee ("**Risk Committee**").

Audit Committee

With effect from Admission the members of the Audit Committee will be Desmond Hellicar-Bowman as chairperson, with John Taylor as the other member. The Audit Committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Enlarged Group is properly measured and reported on.

Remuneration Committee

With effect from Admission, the Remuneration Committee will be chaired by John Taylor with Desmond Hellicar-Bowman as a member. The Remuneration Committee will review the performance of the Board and make recommendations to the Directors on matters relating to their remuneration and terms of employment. The committee will also make recommendations to the Directors on proposals for the granting of share awards and other equity incentives pursuant to any share award scheme or equity incentive scheme in operation from time to time.

Risk Committee

With effect from Admission the members of the Risk Committee will be Desmond Hellicar-Bowman as chairperson, with John Taylor as a member. The Risk Committee will review the operations of the Company in relation to its risk practices and the application of the 9 Principles of Distributed Ledger Technology companies as mandated by the GFSC. It will make recommendations to the Directors on any area of operating risk that should be addressed. The Risk Committee will seek advice from Christopher Wawn, non-Board, Chief Compliance Officer.

In light of the size of the board of directors of the Company, the Existing Directors and Proposed Directors do not consider it necessary to establish a nomination committee and the appointment of further directors will be considered by the whole Board; however, the Proposed Directors will keep this under regular review.

Share Dealing Code and Reporting Procedures

The Company has adopted a share dealing code for dealings in shares by the Directors and senior employees that is appropriate for an AQSE Stock Exchange Growth Market company and will take steps to ensure compliance by the Directors and any relevant employees with the terms of this code.

The Directors have established financial controls and reporting procedures which are considered appropriate given the size and structure of the Company. These controls will be reviewed in light of the Company's future development and adjusted accordingly.

15 APPLICATION TO THE ACCESS SEGMENT OF THE AQSE GROWTH MARKET

An application will be made for the Enlarged Share Capital to be admitted to trading on the Access segment of the AQSE Growth Market. Dealings in the Ordinary Shares are expected to commence on 10 January 2023.

The Subscription Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions hereafter declared, paid or made on the ordinary share capital of the Company.

16 SHARE OPTIONS, INCENTIVES AND WARRANTS

Options

The Directors believe that it is important for the success and growth of the Company to employ and engage highly motivated personnel and that equity incentives are available to attract, retain and reward employees, directors and consultants. In order to achieve that objective, the Company intends to adopt an incentive plan under which it may award new Ordinary Shares to directors, employees and consultants pursuant to share option and incentive schemes approved by the Board. It is intended that any individual awards under any such scheme will be subject to vesting and/or performance conditions. Ordinary Shares under such plans

will not exceed 20 per cent. of the Company's issued Ordinary Shares from time to time without the prior approval of the Shareholders.

The Existing Directors, and a former director, Simon Grant-Rennick, currently hold a total 1,125,000 options to acquire Ordinary Shares at prices between 6p and 10p per share, that are exercisable until 31 December 2023. Further details of these Options can be found in paragraph 9.1 of Part VII of this Document.

LTIP Options

The Directors intend that LTIP Options will be granted to certain members of the Vendors, including the Concert Party, upon certain milestones having been achieved, which amongst other things, are based on revenue of up to £4million being achieved by the Enlarged Group for the financial year ended 30 June 2024 (Milestone 1), and revenue of up to £8.2million being achieved by the Enlarged Group for the financial year ended 30 June 2025 (Milestone 2). All of the LTIP Options will be exercisable at nominal value per Ordinary Share. Milestone 1 and Milestone 2 may be partly paid if certain percentages of the revenue targets are achieved as follows:

Year ended June 2024: % Turnover Achieved	Enlarged Group Turnover achieved £		Year ended June 2025: % Turnover Achieved	Enlarged Group Turnover achieved £
70% achieved	£2,800,000		70% achieved	£5,740,000
80% achieved	£3,200,000		80% achieved	£6,560,000
90% achieved	£3,600,000		90% achieved	£7,380,000
100% achieved	£4,000,000		100% achieved	£8,200,000

Milestone 1 LTIP Options (Assuming £4million turnover achieved):

Vendor	LTIP Options
David Carr	14,250,000
Arsen Torosian	14,250,000
Tony Quirke	1,500,000
Christopher Wawn	1,500,000

Milestone 2 LTIP Options (Assuming £8.2million turnover achieved):

Vendor	LTIP Options
David Carr	14,250,000
Arsen Torosian	14,250,000
Tony Quirke	1,500,000
Christopher Wawn	1,500,000

Warrants

As announced on 10 March 2021, the Company issued 37,500,000 warrants to investors. The Existing Warrants have an exercise price of 8p per Ordinary Share and are exercisable until 31 December 2022. The Company has extended the exercise period of the Existing Warrants to 31 December 2023. Further details of the Existing Warrants can be found in paragraphs 9.2 and 10.1 of Part VII of this Document.

With effect from Admission, John Taylor will be granted warrants to subscribe for 1,000,000 new Ordinary Shares at the Subscription Price, exercisable at any time between the date of Admission and the fifth anniversary of the date of Admission. Exercise of such rights is not subject to the satisfaction of any performance conditions. Further details of the Warrants proposed to be issued to John Taylor are set out in paragraph 9.2 of Part VII of this Document.

In accordance with the terms of a funding agreement and a subsequent letter of variation dated 10 June 2022, Riverfort will be granted warrants to subscribe for 5,000,000 new Ordinary Shares at a price of £0.08 per warrant, exercisable at any time between the date of Admission and the third anniversary of the date of Admission. Exercise of such right is not subject to the satisfaction of any performance conditions. Further

details of the Warrants proposed to be issued to Riverfort are set out in paragraph 10.10 of Part VII of this Document.

A total of 34,444,445 Subscription Warrants will be issued to the Subscribers on a one-for-two basis. The Subscription Warrants are exercisable at a price of 8.0 pence per Ordinary Share at any time from Admission until the third anniversary of Admission.

17 DIVIDEND POLICY

The Directors believe that the Enlarged Group should seek principally to generate capital growth for its Shareholders but may recommend dividends at some future date, depending upon the generation of sustainable profits, if and when it becomes commercially prudent to do so, subject to having distributable reserves available for the purpose. At present the Company has accumulated realised losses on its balance sheet which will need to be cleared before dividends can be paid. As a result, the Company will be unlikely to be in a position to pay dividends in the short to medium term.

18 CREST

The Company's Articles of Association are consistent with the transfer of Ordinary Shares in dematerialised form in CREST under the CREST Regulations. Application has been made for the New Ordinary Shares to be admitted to CREST on Admission. Accordingly, settlement of transactions in Ordinary Shares following Admission may take place within the CREST system if relevant Shareholders so wish.

CREST is a voluntary system and Shareholders who wish to receive and retain certificates in respect of their Ordinary Shares will be able to do so.

19 ANNUAL GENERAL MEETING

Set out at the end of this Document is the Notice of Annual General Meeting, convening the Annual General Meeting to be held at 10:00 a.m. (London Time) on 9 January 2023 at the offices of Peterhouse, 3rd Floor, 80 Cheapside, London, EC2V 6EE, at which the following Resolutions will be proposed.

Resolution 1 is an ordinary resolution to receive and adopt the Company's Annual Report and Accounts for the financial period ended 30 June 2022.

Resolution 2 is to re-appoint Edwards Veeder (UK) Limited as auditors of the Company.

Resolution 3 is an ordinary resolution seeking shareholder approval of the Acquisition.

Resolution 4 is an ordinary resolution to approve the Rule 9 Waiver Resolution (to be taken on a poll and to be voted on by the Independent Shareholders only).

Resolution 5 is an ordinary resolution seeking Shareholder authority to allot Ordinary Shares in respect of, inter alia, the Consideration Shares and the Subscription Shares.

Resolution 6: is an ordinary resolution to appoint Arsen Torosian as a director of the Company.

Resolution 7: is an ordinary resolution to appoint David Carr as a director of the Company.

Resolution 8: is an ordinary resolution to appoint Desmond Hellicar-Bowman as a director of the Company.

Resolution 9: is an ordinary resolution to confirm the appointment of Tony Quirke as a director of the Company.

Resolution 10 is an ordinary resolution retrospectively seeking Shareholder approval for the adoption of the Company's Annual Report and Accounts for the financial period ended 30 June 2017 together with the Director's Report and Auditor's Report.

Resolution 11 is an ordinary resolution retrospectively seeking Shareholder approval for the adoption of the Company's Annual Report and Accounts for the financial period ended 30 June 2018 together with the Director's Report and Auditor's Report.

Resolution 12 is a special resolution seeking to ratify and approve all previous share allotments undertaken by the Company since incorporation.

Resolution 13 is a special resolution seeking Shareholder authority to dis-apply statutory pre-emption rights in respect of, inter alia, the allotment of the New Ordinary Shares.

Resolution 14 is a special resolution seeking Shareholder approval for the name of the Company to be changed to "Tap Global Group PLC".

20 ACTION TO BE TAKEN

Shareholders will find enclosed with this letter a Form of Proxy for use at the Annual General Meeting. Proxies may be appointed by either:

- logging on to www.shareregistrars.uk.com, clicking on the “Proxy Vote” button and then following the on-screen instructions (the relevant log-in details can be located on the top of the proxy form);
- by post or by hand to Share Registrars Limited, 3 The Millennium Centre, Crosby Way, Farnham, Surrey GU9 7XX using the proxy form accompanying this notice; or
- using the CREST electronic proxy appointment service (for CREST members only).

In either case, the notice of appointment of a proxy should be received by Share Registrars Limited, 3 The Millennium Centre, Crosby Way, Farnham, Surrey GU9 7XX, no later than 10:00 a.m. (London Time) on 5 January 2023.

21 TAXATION

The Ordinary Shares do not rank as a “qualifying investment” for the purposes of the Enterprise Investment Scheme nor as a “qualifying holding” for the purposes of investment by Venture Capital Trusts.

22 FURTHER INFORMATION

Your attention is drawn to the further information set out in the remainder of this Document and, in particular, to the Information on TAP Global set out in Part II and the Risk Factors set out in Part III of this Document. **Potential investors should carefully consider the risks described in Part III before making a decision to invest in the Company.**

23 RECOMMENDATION

For the reasons set out in this Document, the Existing Directors are of the opinion that the Proposals are in the best interests of the Company and its Shareholders as a whole.

In respect of Resolution 4, the Waiver Resolution, the Existing Directors, having been so advised by Peterhouse, consider the Proposals and the Waiver Resolution to be fair and reasonable and in the best interests of the Independent Shareholders and the Company as a whole. In providing its advice to the Existing Directors, Peterhouse has taken into account the Existing Directors’ commercial assessments. Accordingly, the Existing Directors unanimously recommend that Independent Shareholders vote in favour of Resolution 2, the Waiver Resolution, as the Existing Directors intend to do in respect of their own beneficial shareholdings, which amount in aggregate to 2,750,000 Existing Ordinary Shares, representing approximately 1.6 per cent. of the Existing Ordinary Shares.

Each of the Existing Directors are presumed to be Independent Shareholders and independent for the purpose of appraisal of the Acquisition.

Yours faithfully

John Taylor
Non-Executive Chairman

PART II

INFORMATION ON TAP GLOBAL

1. Overview of the Tap Global Business

Tap Global operates a fully functional Crypto/Banking Solution for both consumers and corporate customers. It is a fully integrated crypto-fiat exchange service provider with an associated neo banking platform based in Gibraltar and is also a regulated DLT Licence Holder.

Tap Global's mission is to create a seamless and fully regulated bridge that links traditional currency (fiat) banking, traditional assets and crypto markets (including mainstream crypto currencies such as Bitcoin, Ethereum (ETH), non-fungible tokens (NFTs) and other upcoming decentralised finance ("DeFi") protocols.

Tap Global is one of only a handful of unified banking solutions operators that is fully regulated to provide distributed ledger technology (Blockchain) services and provides customers with a simple and flexible way to enter the cryptocurrency market.

The main purpose of a Tap Global account is to provide customers with access to cryptocurrencies with the aim of buying, selling, exchanging and/or holding. Tap Global provides every customer with the ability to trade any of the current 15 crypto assets available and a number of fiat currencies as required by the customer within their accounts without having to operate through multiple exchanges. More crypto assets are planned to be added to the platform on a regular basis. The Tap Global platform provides customers with competitive crypto trading prices through its connections with multiple exchanges, which are scanned to find the best possible trade permutations at the point of a transaction.

Built on its exchange foundation, Tap Global also offers consumer and corporate crypto-fiat banking services.

Cryptocurrency can be converted into Euros and credited to a customer's pre-paid Mastercard for spending. Through the use of "straight through processing" TAP is planning to make customers' crypto assets spendable at points of sale in real time. In addition, customers have the ability to initiate third party transfers from their accounts using the UK Faster Payments or SEPA Transfer method.

Customers in the UK/EU/EEA are provided with individual, named bank accounts into which they can make deposits by way of a bank transfer in order to purchase crypto currency or retain fiat cash balances.

Tap Global also provides for the custody of customer assets in a "cold storage" facility. Rather than build this facility in house, Tap Global has partnered with one of the market leaders in this field, BitGo, Inc. One of the benefits of using BitGo's platform is the availability of a US\$100 million insurance policy that protects all assets held in cold storage against hacking and misappropriation.

2. History of the Tap Global Group

The Tap Global business concept was first considered in early 2017 by the two co-founders, David Carr and Arsen Torosian. By late 2017 the process of defining the strategy, including partner selection for the key elements which would be required, had begun.

The founders aimed to resolve some of the issues associated with trading and monetising crypto currencies and the perceived stigma attached to crypto assets which caused much of the traditional banking sector to avoid the sector making it difficult for their customers to access crypto assets.

The founders believed, and still believe, that all crypto platforms would and should be forced to accept regulation in order to continue operations. They therefore decided to obtain regulated status from the outset and concluded that Gibraltar had the most developed licence framework in place for blockchain and crypto related companies. In order to provide Tap Global's services, the founders selected an e-money issuer and scheme (Mastercard for Europe) which led to Tap Global's application to become regulated under the Distributed Ledger Technology Regulatory Framework (DLT) of the Gibraltar Financial Services Commission.

Tap Global was incorporated in May 2019 and following its becoming regulated under the DLT Licence and extensive Beta testing it launched to the public in February 2020.

During the development phase of the platform, work was undertaken on Tap Global's proprietary, in-house AI middleware solution, which is integrated into multiple crypto exchanges and uses AI and algorithmic solutions to validate multiple aspects of any given trade to find the best possible solution available. The trade is then executed in real time and settled into customers' wallets instantly.

Tap Global became the first Crypto Fintech to be approved by Mastercard and, in September 2021, the first product approved as a means of spending or withdrawing crypto assets in the same manner as a traditional debit

card. Tap Global has grown to now having over 100,000 registered users and is a revenue generating business that currently offers the full Crypto and Banking product in 31 countries across the European geographic region as well as another 15 countries around the world with the Crypto only functionality.

Tap is also testing interest bearing Earn Wallets to support both Fiat backed stable coins as well as traditional crypto deposits.

3. Tap Global Product

Tap Global is regulated under the Distributed Ledger Technology framework (DLT) of the Gibraltar Financial Securities Commission. Following a single regulatory registration made by the user, and an immediate CDD process undertaken by Tap Global, the Tap Global platform provides customers with access to several major crypto exchanges through Tap Global's native app (downloadable from the App Store for both iOS and Android) based platform, allowing them to deposit, purchase or withdraw crypto assets and store them directly in the customer's wallet. Account holders can also store fiat currency denominated in Sterling, Euros and/or US\$. Tap Global's proprietary Artificial Intelligence middleware delivers optimal execution and pricing to customers and settlement is instantaneous due to liquidity balances held at various exchanges. To provide its products and services Tap Global has partnered with leading companies in the industry including Fireblocks, BitGo, Chainalysis, Kraken and Bittrex.

A US\$100 million cold storage insurance cover is in place for crypto assets held by Tap Global customers in segregated and protected accounts.

Tap Global offers full fiat banking for both B2B and B2C as well as crypto services to its clients. Tap Global provides named bank accounts denominated in Sterling and/or Euros to all its customers in the UK, EEA and EU through its banking partner, LHV. B2B and B2C customers can operate their Tap Global fiat bank account for ordinary business activities – such as paying suppliers and receiving monies in a number of fiat currencies (currently EUR, GBP with more fiat currencies in development). All deposits in fiat or crypto can be made free of charge by the user.

In addition, eligible customers have the option to be issued a physical or virtual Tap Prepaid Mastercard on which purchases can be made.

Due to Tap Global's compliance with 'Open Banking' regulations customers can also initiate transfers to 3rd party bank accounts.

Tap Global has developed the capability to offer interest bearing Earn Wallets that will support both fiat and crypto deposits. The returns on these Earn Wallets will be based on the assets deposited with variable rates based on market conditions and the yield Tap Global can earn. This capability is in trial mode and, once activated more widely, is expected to give Tap Global a significant further revenue stream from funds held in custody as well as offering customers a way to earn revenue on their deposits.

4. Business model

Tap Global is an innovative, easy-to-use crypto app designed to help bridge the gap between traditional finance and blockchain technology, bringing the power of cryptocurrencies into the mainstream financial system.

Tap Global offers blockchain-enabled payment products that are linked directly to a customer's crypto wallet, enabling the customer to use cryptocurrency assets for purchases or to convert into fiat and spend at most retail locations (physical and online) and withdraw cash from an ATM just like a traditional debit card.

The multi crypto and fiat wallet structure of Tap Global, coupled with its bespoke proprietary middleware solution allows Tap Global to facilitate trades efficiently and seamlessly allowing customers to hold all their crypto assets in one place, while the Tap Global app scans all major connected exchanges to find the best available price on crypto coins at the point of purchase or sale.

The Tap Prepaid Mastercard allows customers the ability to realise the value of their digital assets by exchanging them into Euros for spending with merchants that accept Mastercard or to withdraw cash at ATMs in over 200 countries around the world.

Tap Global's core customer base is from the EEA jurisdictions as Tap Global can provide a full suite of products to these users subject to customer's compliance with Tap Global's onboarding rules.

In theory customers can apply from anywhere in the world where crypto trading is legal. However, Tap Global does not accept applications from certain jurisdictions due to its strict onboarding procedures where client identity or proof of funds cannot be satisfied or where local rules require Tap Global to share unusual levels of customer information.

When a customer sends fiat currency to Tap Global (either Sterling or Euros), the customer receives an account number on the Tap App which is provided to Tap Global by LHV. LHV is permitted to provide deposits and payment services in the UK and has been regulated by both the FCA and the PRA since 2018. The Tap App provides customers with real time visibility on their balances of both fiat and crypto assets.

When a customer purchases a crypto asset using the Tap Global platform to set up and execute the transaction, the fiat balance in the customer's account visible on the Tap App will be reduced and the crypto balance increased. The purchased crypto asset is held on the customer's behalf in cold storage (i.e. on a server not connected to the internet so it cannot be hacked) provided for Tap Global by BitGo.

When a crypto asset is sold the opposite will happen and the corresponding increase in the fiat balance will again become visible through the Tap App. If a customer withdraws fiat, Tap Global credits the associated value to the customer's account number on the Tap App so that the withdrawal can be completed.

Tap Global maintains e-money accounts with Transact, an e-money provider authorised in Gibraltar and permitted to provide payment accounts and other e-money services in the UK, and Transact Malta, an e-money provider authorised in Malta which is permitted to provide e-money services in the EEA.

Customers' fiat balances not spent on the purchase of crypto assets are held by Transact Payments in this account which is reconciled on a daily basis to ensure that customer fiat balances are matched. Unspent fiat balances are held by Transact Payments in a "safeguarded" account so that, should either Transact or Transact Malta be the subject of an insolvency event, these funds would not be available to Transact Payments' creditors.

In the event a customer uses a Tap Card to purchase goods or services, amounts spent are transferred by Transact Payments to the associated Mastercard settlement account in order to pay the relevant merchants and debited from the relevant customer's fiat balance visible through the Tap App.

All deposits and withdrawals by all users are allocated in real time.

The retail customer base is approximately 68% male, the average age group of a Tap Global user is between 25 and 35, although users can apply from 18 years old with the appropriate Know Your Customer information. Younger and older users tend to have a higher risk profile due to complexities involved in trading assets and higher risk profiles are monitored for their own protection as well as Tap Global's protection. Tap Global earns revenue primarily through fees paid on crypto, foreign exchange or withdrawal transactions conducted by its customers.

The Tap Global app is available on three levels.

The entry level **Free Tap Global App** comes with a free contactless prepaid card, up to €1,000 fiat foreign exchange exchanges per month free of commissions (0.5% commission thereafter), up to €500 free ATM withdrawals per month (2% withdrawal fees for excess amounts) and 1.5% crypto exchange fees (with a 25% discount if exchange fees are paid with Tap Global token XTP).

Tap Black provides customers with a contactless Tap Prepaid Card, up to £3,000 fiat foreign exchange exchanges per month free of commissions (0.5% commission thereafter), up to £1000 free ATM withdrawals per month (2% withdrawal fees for excess amounts) and 25% discount on crypto exchange fees (increasing to 50% if exchange fees are paid with Tap Global).

Tap Titanium, provides customers with a contactless Tap Prepaid Card, unlimited fiat foreign exchange free of commissions, unlimited free withdrawals at ATMs and cost price crypto exchange fees.

In addition, Tap Global receives a number of other fees which are not considered core revenue. These fees include foreign exchange fees arising on the exchange of fiat currencies, merchant fees arising in relation to spends on Tap Mastercards, ATM access fees and bank transfer fees.

Tap Global sees the provision of Earn Wallets as a significant source of additional revenue in the near term. Tap Global will enter in to 'smart contracts' which earn a yield from the crypto or fiat balances of customers who have opted in to accepting an earn return on their balances. Tap Global will earn a margin between the earn rate of the smart contract and the earn rate paid to the participating customer.

Due to its considerable expertise in the broader payments and cards sectors, Tap Global has considerable potential to provide such capabilities to other entities. Several projects of this kind are underway and will enhance earning potential and the availability of potential customer data going forward.

5. Regulatory

Tap Global is fully compliant with all applicable legal and regulatory provisions as mandated by the Gibraltar Financial Services Commission. Tap Global's policies and procedures are frequently reviewed and updated in

order to align with the regulatory framework, particularly in relation to the 10 Principles of Distributed Ledger Technology issued by the Gibraltar Financial Services Commission ("GFSC"). Tap Global checks daily for compliance breaches, ensures that its staff is properly trained on the CDD and AML/CTF global standards and the Proposed Directors are confident in the effectiveness and adequacy of its procedures, internal controls and systems. There is a robust risk review system in place with senior executives hired specifically to monitor risk controls. The GFSC requires regular updates on various liquidity metrics within the Company.

Distributed Ledger Technology

Tap is a licensed Distributed Ledger Technology (DLT) provider authorised by the GFSC, with license number 25532. This authorisation ensures that Tap Global meets all required standards to provide its services efficiently and securely with proper regard to DLT associated risks in order to protect its customers.

Prepaid Mastercard

Tap Global's prepaid card is issued by Transact Payments Limited, which is regulated by the Gibraltar Financial Services Commission for UK and Gibraltar users, and by Transact Payment Malta Ltd, which is regulated by the Malta Financial Services Authority, under the Financial Institution Act 1994 for users in other jurisdictions.

Data Protection

Recognising the importance of protecting confidential information from the risk of data leakage, loss or theft, Tap Global has implemented the leading international standard for information security management ISO/IEC 27001 (IT Information Management System).

ISO/IEC 27001 sets out the requirements for establishing, implementing, maintaining and improving information security management systems (ISMS) and offers a systematic and structured approach to protecting the confidentiality of Tap Global's stored information, ensuring the integrity of company data, and improving the availability of Tap Global's IT systems.

Asset Custody

Tap Global's first line of defence against theft, loss or damage of private keys includes software, hardware, physical security measures and top quality Customer Due Diligence (CDD) and Anti-Money Laundering (AML) policies and procedures.

Tap Global's US\$100m insurance with BitGo, Inc., a regulated and qualified digital assets custodian, provides a high level of additional assurance for Tap customers. The insured amount will increase as deposits from customers increase.

6. Description of the wider market in which Tap Global operates

Cryptocurrencies are digital or virtual currencies designed to work as a medium of exchange through computer networks. They enable secure online payments without the use of third-party intermediaries such as traditional banks. The name "crypto" is derived from the numerous encryption algorithms and cryptographic techniques that safeguard transaction records to control the creation of additional coins and to verify the transfer of coin ownership.

According to CoinGecko, an established crypto market analyst, 2021 saw the crypto industry continue to scale new heights, extending momentum from 2020. While an end of year dip has dampened spirits, overall industry market capitalization grew by more than 3 times in 2021 to close at approximately US\$2.4 trillion, after briefly having reached an all time high of \$3 trillion.¹ Since then the figure has fallen back significantly to around \$1 trillion amidst considerable distress in various trading platforms, a situation that Tap Global views as a significant opportunity in attracting customers on to a fully regulated platform with a less aggressive attitude to earn based products.

In addition, CoinGecko also reported that in 2021 total spot trading volume amongst the top 10 cryptocurrency exchanges averaged US\$1.9 trillion per month.²

¹ https://assets.coingecko.com/reports/2021-Year-End-Report/CoinGecko-2021-Report.pdf?utm_medium=email&utm_source=coingecko&utm_content=%5BDownload%5D%20Here%27s%20the%20Report%20you%20signed%20up%20for%21&utm_campaign=

² https://assets.coingecko.com/reports/2021-Year-End-Report/CoinGecko-2021-Report.pdf?utm_medium=email&utm_source=coingecko&utm_content=%5BDownload%5D%20Here%27s%20the%20Report%20you%20signed%20up%20for%21&utm_campaign=

The explosive growth of crypto markets, combined with their growing links to the regulated financial services sector and the widespread adoption of crypto currency by individuals, have prompted regulators to advocate for greater regulatory oversight and the need for a global approach to policing crypto.³

The EU has set out its regulatory proposals in the Markets in Crypto Asset (MICA) directive which was presented to the European parliament in October 2020 and is expected to come into force in 2024. The new regulations will cover everything from the custody of crypto assets, sales and dealing, offering advice, and exchanging them for hard currency. The UK Financial Conduct Authority has started registering cryptocurrency companies for compliance with anti-money laundering rules.

Tap Global took the deliberate approach of establishing itself under a full regulatory umbrella from the outset and looks at the introduction of a more coordinated approach to the regulation of the crypto markets positively, as the Proposed Directors believe that this will help to eliminate some of the inferior, high risk and less secure crypto related businesses and create greater trust and credibility in the wider crypto market.

7. Competition - who are the competitors - how does Tap Global compare?

The market for the provision of cryptocurrency services is highly fragmented but fast developing and competitive. There are now many crypto exchanges which work similarly to a broker, giving users the tools to buy and sell cryptocurrencies.

According to CoinMarketCap, the world's most-referenced price-tracking website for cryptoassets, as at 24 November 2022 there are 528 crypto exchanges, of which CoinMarketCap tracks 245. The top 10 rated spot exchanges include Binance, Coinbase Exchange, Kraken, KuCoin, Huobi global, Gate.io, Bitfinex, Bybit and Binance.US.⁴

The Proposed Directors believe that companies looking to compete for similar customers to those of Tap include:

- Ziglu, a fintech founded by former Starling Bank CTO & Co-Founder, Mark Hipperson, which has built its own cloud banking platform and is authorised by the UK Financial Conduct Authority as an e money issuer;
- ZUMO, aims to bring the benefits of cryptocurrencies and blockchain to people everywhere with an accessible, inclusive platform for users across the globe regardless of their individual financial circumstance or geographic location;
- eToro, a multi-asset investment platform featuring social collaboration and investor education;
- uphold, a multi-asset digital money platform enabling customers to trade directly between asset classes with embedded payments;
- Kriptomat, an Estonian based and Estonian regulated cryptocurrency exchange;
- Paybis, a Glasgow based Bitcoin purchasing platform; and
- Coinjar, a cryptocurrency exchange registered as a Cryptoasset Exchange Provider and Custodian Wallet Provider in the UK under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, as amended.

The Directors believe that the Enlarged Group will be well positioned to provide an attractive combination of crypto and traditional finance capabilities which can be easily accessed by customers whom might not otherwise seek to purchase or deal in crypto currencies.

However, the Directors also believe that the Enlarged Group will face competition from a variety of third parties. While large, established financial institutions and payment services providers would be capable of providing services similar to those of Tap, the Directors believe that the Enlarged Group's competitors are more likely to comprise smaller, early-stage financial technology providers and crypto currency exchanges. In addition the market is growing quickly and the Directors believe Tap Global will face competition from future entrants that may increase competition for the customers which Tap Global seeks to serve.

8. FTX Group Bankruptcy

The Proposed Directors are aware that FTX Trading Limited ("FTX") and a number of associated entities ("FTX Group") filed for Chapter 11 bankruptcy protection in Delaware in the US on 11 November 2022 ("Bankruptcy Filing"). Prior to the Bankruptcy Filing, FTX was widely regarded as one of the largest crypto currency exchanges and had received significant financial investments from a number of well regarded US venture funds and others.

³ <https://www.ft.com/content/0e0dc602-af91-4253-a230-c1598781b3b4>

⁴ <https://coinmarketcap.com/rankings/exchanges/>

From publicly available information, the Proposed Directors understand that the FTX Group suffered a severe liquidity crisis following the publication of an allegation that an associated company, Alameda Research LLC (“Alameda”), held a very large amount of FTT crypto currency tokens, tokens created and issued by FTX. Following the allegation there was a spike in withdrawals from FTX, causing FTX to freeze withdrawals.

FTX and its handling of customer funds is currently under investigation by the Securities and Exchange Commission, the Commodity Futures Trading Commission and the Department of Justice in the United States; and a criminal investigation by the Royal Bahamas Police Force and the Securities Commission in the Bahamas.

The Proposed Directors note that:

- prior to the Bankruptcy Filing, FTX appears to have been recognising created but unissued FTT tokens, which FTX could create at will, as assets on its balance sheet. FTX used FTT tokens to make up the majority of the assets on its balance sheet and the value of FTT tokens was critical to support this;
- Because of the close but undisclosed relationship between FTX and Alameda and their related transactions, Alameda and FTX were able to manipulate both the supply and demand for the FTT token and, consequently, its price;
- Alameda appears to have borrowed US\$10 billion of FTX client funds using FTT tokens as collateral. However, repayment of the funds owed to FTX was troublesome as the assets on Alameda’s balance sheet were illiquid.
- there was a “*complete failure of corporate controls and ... a complete absence of trustworthy financial information ...*”⁵

The Proposed Directors believe that Tap Global is fundamentally different in its operation and regulatory compliance for the following reasons:

- Tap Global conducts regular reconciliations of assets and liabilities, including third party confirmations of crypto assets held. In addition, it is Tap Global’s policy to carry each asset type to match each liability type, i.e. there is no FX exposure due to currency mismatches;
- all crypto assets and liabilities are held within Tap Global. There is no intercompany crypto or fiat trading within the Tap Group or crypto or fiat asset payments, other than in connection with non-crypto trading in the ordinary course of business, such as in relation to software development and professional service provision;
- it appears that FTX did not operate designated customer bank accounts and transferred client accounts to Alameda without client’s knowledge. In contrast, Tap Global provides client designated bank accounts to manage customer funds, where customer funds are reconciled instantaneously;
- the FTX Group appears to have suffered from a “*faulty regulatory oversight abroad*” and “*the concentration of control in the hands of a very small group of inexperienced, unsophisticated and potentially compromised individuals*”⁶. In contrast Tap Global holds regular board meetings with committees formed to support the Board’s oversight. Regular management information is available to perform an effective oversight function. In addition, Tap Global has independent non-executive directors in place, including directors experienced in performing effective oversight of regulated firms;
- in relation to risk management, Tap Global has a risk and compliance team in place which is assisted by Tap Global’s line policy framework and risk tools. Tap Global’s dedicated Chief Compliance Officer (Christopher Wawn, whose details are set out on page 17 above), reports directly to the Group Risk Committee, which has full oversight and line of sight of Tap Global’s activities.
- the Tap Global platform maintains comprehensive customer records. Financial controls are in place with a register of bank relationships, bank accounts and signatories. Regular reconciliations of financial assets are carried out on the blockchain. End of day and end of month procedures are in place to maintain accurate financial records. Bank payments are subject to authorisation by at least two individuals, with at least one of these authorisations being from a Proposed Director of the Company. This process, commonly called Maker/Checker, is in place for all movements of funds within the Tap Global ecosystem.

⁵ Declaration of John J. Ray III in support of Chapter 11 Petitions and First Day Pleadings

<https://d1e00ek4ebabms.cloudfront.net/production/uploaded-files/fdd-52615f0a-fb09-41ce-a398-b97b20bc1c36.pdf>

⁶ *ibid*

- all customer assets, whether crypto or fiat, are held on the Tap Global platform and movements in or out need to be authorised by the account holder. In line with many other regulated companies around the world, Tap Global uses two factor authentication.
- while the FTX Group appears to have had no reliable audited financial statements, Tap Global engage reputable auditors.

9. Key Strengths of business

The Directors believe that Tap Global is an appealing platform for established and 'new to crypto' customers who wish to access crypto currencies and has a number of key strengths:

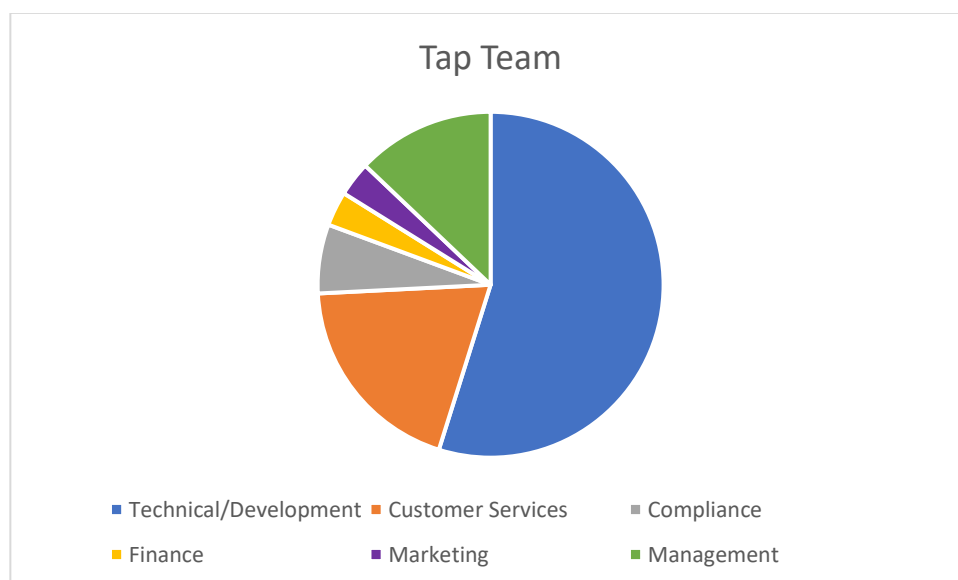
- **Ease of Onboarding** – Tap Global's simple onboarding process allows customers to purchase and trade their first crypto currencies with relative ease, free from jargon and technical complexity;
- **Straightforward** – Tap Global provides customers with straightforward and continuous access to their assets and funds;
- **Robust Middleware platform** - With its robust proprietary technology platform Tap Global scans the multiple crypto exchanges connected to it to find the best available price on the chosen asset pairs. Tap Global's middleware platform interrogates multiple aspects of a proposed trade and, ultimately, finds the best price for the customer;
- **Secure Customer Wallets** – customers receive segregated and protected individual accounts featuring 2-factor authentication covered by an aggregate US\$100 million cold storage insurance cover for crypto assets held by Tap Global customers;
- **Attractive charging model** – Tap Global's products are relatively inexpensive compared with other options in the market. Charges are based on a cost-plus model which, the Directors believe, is attractive to customers.

10. Employees

The Tap Global team currently comprises 31 people in multiple locations. The primary office is in Gibraltar and a number of key staff are located there.

Tap Global is currently in the process of establishing a satellite office in Athens, Greece. This office is expected to provide customer services, compliance, onboarding as well as monitoring solutions.

The 17-person strong technical development team, comprising 12 engineers, 3 technical architects, and 2 technical analysts, is located in Pune, India and is provided through a local intermediary.



11. Current trading and prospects for trading of Tap

Tap Global is cash flow and revenue generative and, to date, has been funded by the founders and management team in addition to loan funding from Quetzal Capital Plc.

Part III RISK FACTORS

An investment in Ordinary Shares involves a high degree of risk. Accordingly prospective investors should carefully consider the specific risk factors set out below in addition to the other information contained in this Document before investing in Ordinary Shares.

If any of the following risks actually occur, the Enlarged Group's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of Ordinary Shares could decline and investors may lose all or part of their investment.

An investment in Ordinary Shares described in this Document is speculative. Potential investors are accordingly advised to consult a person authorised for the purposes of FSMA who specialises in advising on the acquisition of shares and other securities before making any investment decisions. A prospective investor should consider carefully whether an investment in the Enlarged Group is suitable in the light of his or her personal circumstances and the financial resources available to him or her. If you are in any doubt about the action you should take, you should consult your independent professional adviser authorised under FSMA.

- 1. The loss of one or more of our key personnel, or our failure to attract and retain other highly qualified personnel in the future, could adversely impact our business, operating results, and financial condition.***

Tap Global operates in a relatively new industry that is not widely understood and requires highly skilled and technical personnel. The Proposed Directors believe that Tap Global's future success is highly dependent on the talents and contributions its senior management team, its co-founders and Chief Executive Officer and other key employees across product, engineering, risk management, finance, compliance and legal, and marketing. Tap Global's future success depends on its ability to attract, develop, motivate, and retain highly qualified and skilled employees.

Due to the nascent nature of the cryptoeconomy, the pool of qualified talent is limited, particularly with respect to executive talent, engineering, risk management, and financial regulatory expertise. Tap Global faces intense competition for qualified individuals from numerous software and other technology companies. To attract and retain key personnel, the Company incurs significant costs, including salaries and benefits and equity incentives. Even so, these measures may not be enough to attract and retain the personnel Tap Global requires to operate our business effectively. The loss of even a few qualified employees, or an inability to attract, retain and motivate additional highly skilled employees required for the planned expansion of our business could adversely impact the Enlarged Group operating results and impair its ability to grow.

- 2. Uncertainty regarding the future of cryptocurrencies***

Since digital currency is still a relatively new concept, there is significant uncertainty as to whether any growth in digital currencies will occur. If one or more of the digital currency risks highlighted in this Document occurred, the market price of bitcoin and other digital currencies may fall. If the market prices of bitcoin and/or other digital currencies fall significantly, interest in digital currency and digital currency products may be detrimentally affected. This would adversely affect the Enlarged Group and the value of the Ordinary Shares.

Cryptocurrencies, and the blockchain on which they are based, are experimental and are, in most cases, actively being developed. Although these become less experimental as usage grows, they are nevertheless new inventions which are attempting to achieve things which have not been done before. As such the future of these technologies is uncertain, and should they not prosper in the manner anticipated, the Enlarged Group's financial position and financial prospects could be adversely affected.

- 3. Tap Global's entire revenue is substantially dependent on the trading of crypto assets and the volume of transactions conducted on its platform. If such volume declines, the Enlarged Group's business, operating results, and financial condition could be adversely affected.***

Tap Global generates a substantial amount of its total revenue from transaction fees on its platform in connection with the purchase, sale, and trading of crypto assets by its customers. Transaction revenue is based on transaction fees that are a percentage of the value of each transaction. Tap Global also generates revenues from the provision of "White Label" products and services and, while revenue from these products and services have not been significant to date, most of this revenue will also fluctuate based on the price of crypto assets. As such, any declines in the volume of crypto asset transactions, the price of crypto assets, or market liquidity for crypto assets generally may result in lower total revenue to the Enlarged Group.

The price of crypto assets and associated demand for buying, selling, and trading crypto assets have historically been subject to significant volatility. For instance, in 2017, the value of certain crypto assets, including Bitcoin,

experienced steep increases in value, followed by a steep decline in 2018. The price and trading volume of any crypto asset is subject to significant uncertainty and volatility, depending on a number of factors, including: market conditions, changes in liquidity, market-making volume and decreased user and investor confidence in crypto assets.

4. *If Tap Global fails to retain existing customers or add new customers, or if its customers decrease their level of engagement with its products, services and platform, Tap Global's business, operating results, and financial condition may be significantly harmed.*

Tap Global's success depends on our ability to retain existing customers and attract new customers, including ecosystem partners, to increase engagement with its products, services, and platform. To do so, the Company must continue to offer leading technologies and ensure that its products and services are secure, reliable, and engaging. It must also expand its products and services, and offer competitive prices in an increasingly crowded and price-sensitive market. There is no assurance that Tap Global will be able to continue to do so, that it will be able to retain its current customers or attract new customers, or keep its customers engaged. Any number of factors can negatively affect customer retention, growth, and engagement.

Any decrease in user retention, growth, or engagement could render the Enlarged Group's products and services less attractive to customers, which may have an adverse impact on our revenue, business, operating results, and financial condition. If Tap Global's customer growth rate slows or declines, it will become increasingly dependent on its ability to maintain or increase levels of user engagement and monetization in order to drive growth of revenue.

5. *Tap Global's platform may be exploited to facilitate illegal activity such as fraud, money laundering, gambling, tax evasion, and scams. If any of its customers use its platform to further such illegal activities, the Enlarged Group's business could be adversely affected.*

In theory, Tap Global's platform may be exploited to facilitate illegal activity including fraud, money laundering, gambling, tax evasion, and scams.

The Enlarged Group or its partners may be specifically targeted by individuals seeking to conduct fraudulent transfers, and it may be difficult or impossible for it to detect and avoid such transactions in certain circumstances. The use of Tap Global's platform for illegal or improper purposes could subject Tap to claims, individual and class action lawsuits, and government and regulatory investigations, prosecutions, enforcement actions, inquiries, or requests that could result in liability and reputational harm for the Enlarged Group. Moreover, certain activity that may be legal in one jurisdiction may be illegal in another jurisdiction, and certain activities that are at one time legal may in the future be deemed illegal in the same jurisdiction. As a result, there is significant uncertainty and cost associated with detecting and monitoring transactions for compliance with local laws. In the event that a customer is found responsible for intentionally or inadvertently violating the laws in any jurisdiction, the Enlarged Group may be subject to governmental inquiries, enforcement actions, prosecuted, or otherwise held secondarily liable for aiding or facilitating such activities. Changes in law have also increased the penalties for money transmitters for certain illegal activities, and government authorities may consider increased or additional penalties from time to time. Owners of intellectual property rights or government authorities may seek to bring legal action against money transmitters, including Tap Global, for involvement in the sale of infringing or allegedly infringing items. Any threatened or resulting claims could result in reputational harm, and any resulting liabilities, loss of transaction volume, or increased costs could harm the Enlarged Group's business.

Moreover, while fiat currencies can be used to facilitate illegal activities, crypto assets are relatively new and, in many jurisdictions, may be lightly regulated or largely unregulated. Many types of crypto assets have characteristics, such as the speed with which digital currency transactions can be conducted, the ability to conduct transactions without the involvement of regulated intermediaries, the ability to engage in transactions across multiple jurisdictions, the irreversible nature of certain crypto asset transactions, and encryption technology that anonymizes these transactions, that make crypto assets susceptible to use in illegal activity. U.S. federal and state and foreign regulatory authorities and law enforcement agencies, such as the Department of Justice, SEC, Commodity Futures Trading Commission, Federal Trade Commission, Internal Revenue Service, or IRS, and various state securities and financial regulators have taken and continue to take legal action against persons and entities alleged to be engaged in fraudulent schemes or other illicit activity involving crypto assets.

The Proposed Directors believe that these risks are mitigated due to the acceptance of the terms and conditions customers must agree to when opening an account with Tap and through the use of transaction monitoring products developed and outsourced by Tap.

6. *Legal and regulatory outlook*

Digital currencies and blockchain technologies involve relatively new technology which has been identified as possibly posing risks in relation to law enforcement and government regulation. It is likely that governments

worldwide, including the United Kingdom, will continue to explore the benefits, risks, regulations, security and applications of digital currencies and blockchain technology. The introduction of new legislation or regulatory requirements or amendments to existing legislation or regulation, by governments, or the respective interpretation of the legal requirements in any of the legal jurisdictions in which the Enlarged Group operate, could impact adversely on the assets, operations and, ultimately, the financial position and financial performance of the Enlarged Group or those parties. In addition, there is a risk that legal action may be taken against the Enlarged Group in relation to commercial, legal, regulatory or other matters.

7. *Technological outlook*

The technologies surrounding digital currencies and blockchains may be rendered obsolete by new inventions and technologies, which would adversely impact the Enlarged Group. Further, the administrators of the decentralised networks or other users could propose amendments to the protocols and software that, if accepted, could adversely affect the Enlarged Group.

8. *Competition in digital currency and the blockchain industry may render the potential digital currency products obsolete and/or otherwise uncompetitive*

There is significant competition in the digital currency and blockchain industries generally, with new start-ups emerging every day. There is no assurance that the Enlarged Group will succeed in its strategy or that products promoted will prove effective or economic. Competitors' products may render the potential digital currency products obsolete and/or otherwise uncompetitive.

The Enlarged Group may be unable to compete successfully against future competitors where aggressive policies are employed to capture market share with price reductions, reduced gross margins and other loss leading steps forcing smaller competitors out of a given market.

9. *Cryptocurrencies are not official currencies and taxation treatment is uncertain*

Cryptocurrencies are not official currencies and they are not issued by any nation state. Taxation treatment of cryptocurrencies is unclear; however, it is likely that most jurisdictions will require taxes to be paid in the normal manner. In addition, some reliefs and exemptions from taxation which may otherwise be available were such transactions, payments or holdings in conventional currencies, may be unavailable as a result of the use of cryptocurrencies. It is also likely that treatment of cryptocurrencies will be inconsistent within individual jurisdictions as well as between jurisdictions until such time as best practice regarding cryptocurrencies is developed and adopted. As a result, the Company may find that the financial position and financial performance of the Enlarged Group is adversely affected by such treatment or inconsistencies, and the Enlarged Group may have to expend management time and expense in challenging such treatment, particularly where there is an inconsistency between one or more of the jurisdictions in which the Enlarged Group operates.

10. *Tap's intellectual property rights are valuable, and any inability to protect them could adversely impact its business, operating results, and financial condition.*

The Enlarged Group's business depends in large part on its proprietary technology and its brand. Tap Global relies on, and expect to continue to rely on, a combination of trademark, trade dress, domain name, copyright, and trade secret and laws, as well as confidentiality and license agreements with its employees, contractors, consultants, and third parties with whom it has relationships, to establish and protect its brand and other intellectual property rights. However, the Enlarged Group's efforts to protect its intellectual property rights may not be sufficient or effective. Tap Global's proprietary technology and trade secrets could be lost through misappropriation or breach of its confidentiality and license agreements, and any of its intellectual property rights may be challenged, which could result in them being narrowed in scope or declared invalid or unenforceable. There can be no assurance that the Enlarged Group's intellectual property rights will be sufficient to protect against others offering products, services, or technologies that are substantially similar to ours and that compete with our business.

Further, intellectual property protection may not be available to the Enlarged in every country in which its products and services are available. For example, some foreign countries have compulsory licensing laws under which a patent owner must grant licenses to third parties. In addition, many countries limit the enforceability of patents against certain third parties, including government agencies or government contractors. In these countries, patents may provide limited or no benefit. The Enlarged Group may also agree to license its patents to third parties as part of various patent pools and open patent projects. Those licenses may diminish its ability, though, to counter-assert its patents against certain parties that may bring claims against it.

11. *The Enlarged Group may be sued by third parties for alleged infringement of their proprietary rights.*

In recent years, there has been considerable patent, copyright, trademark, domain name, trade secret and other intellectual property development activity in the cryptoeconomy, as well as litigation, based on allegations of infringement or other violations of intellectual property, including by large financial institutions. Furthermore, individuals and groups can purchase patents and other intellectual property assets for the purpose of making claims of infringement to extract settlements from companies like Tap Global. The Enlarged Group's use of third-party intellectual property rights also may be subject to claims of infringement or misappropriation. The Enlarged Group cannot guarantee that its internally developed or acquired technologies and content do not or will not infringe the intellectual property rights of others. From time to time, its competitors or other third parties may claim that it is infringing upon or misappropriating their intellectual property rights, and the Enlarged Group may be found to be infringing upon such rights. Any claims or litigation could cause the Enlarged Group to incur significant expenses and, if successfully asserted against it, could require that it pays substantial damages or ongoing royalty payments, prevent it from offering its products or services or using certain technologies, force it to implement expensive work-arounds, or impose other unfavourable terms.

12. *Investment in unlisted securities*

Investment in shares traded on the AQSE Growth Market is perceived to involve a higher degree of risk and be less liquid than investments in companies whose shares are listed on the Official List or AIM. An investment in Ordinary Shares may be difficult to realise. Prospective investors should be aware that the value of Ordinary Shares may go down as well as up and that the market price of Ordinary Shares may not reflect the underlying value of the Enlarged Group. Investors may therefore realise less than, or lose all of, their investment.

13. *Share price volatility and liquidity*

The share price of early-stage companies can be highly volatile and shareholdings illiquid. Once listed on the Exchange, such volatility in the price of Ordinary Shares and shareholdings illiquidity could cause Investors to lose all or part of their investment because they may not be able to sell their Ordinary Shares at or above the price they paid. The price at which the Ordinary Shares are traded and the price which investors may realise or their Ordinary Shares will be influenced by a large number of factors, some specific to the Enlarged Group and its operations and some which may affect quoted companies generally. These factors could include the performance of the Enlarged Group and/or large purchases or sales of the Ordinary Shares, legislative changes and general economic, political or regulatory conditions.

Notwithstanding the fact that application has been made for the Ordinary Shares to be admitted to trading on the AQSE Growth Market, this should not be taken as implying that there will be a "liquid" market in the Ordinary Shares. Continued admission to the AQSE Growth Market is entirely at the discretion of the Aquis Stock Exchange.

14. *Market risks*

The laws of the country to which a holder of Ordinary Shares is subject, as well as the laws of the jurisdiction where the Company is located, can affect whether an investor has, and where an investor can pursue, legal remedies against the Company or any other person or entity involved in a transaction. Investors should be mindful of this when either buying or selling securities, especially those located outside of the United Kingdom. In these situations, investors may not have the ability to seek certain legal remedies in the courts of their home country as private plaintiffs. Moreover, even if investors sue successfully in such other courts, they may not be able to collect on a judgment against the Company, or another entity or person, not subject to the laws, or not having a presence, in that plaintiff's home country. Investors may have to rely on legal remedies that are available in the United Kingdom, if any.

Variances in actual results from those projected are inevitable, and such variances could be material. Each prospective investor should carefully review the assumptions upon which the projections are based, and the projections must be read together with the risk factors set forth in this Document. Additionally, the Projections must be considered in light of the absence of significant historical performance by the members of the Enlarged Group and the financial resources required to attempt to achieve the goals of the Enlarged Group.

The investment opportunity offered in this Document may not be suitable for all recipients of this Document. Investors are therefore strongly recommended to consult a professional adviser authorised under FSMA, who specialise in investments of this nature, before making their decision to invest.

PART IV (A)

HISTORICAL FINANCIAL INFORMATION RELATING TO THE COMPANY

RELEVANT DOCUMENTATION AND INCORPORATION BY REFERENCE

The information below which is incorporated by reference in this Document, is to ensure that Shareholders and others are aware of all information which is necessary to enable Shareholders and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company and the rights attaching to the Ordinary Shares.

CROSS REFERENCE LIST

The Company's Report and Financial Statements for the accounting year to 30 June 2022.

The page numbers below refer to the relevant pages of the Company's Report and Financial Statements for the year ended 30 June 2022. This document can be found on the Company's website at:

<https://quetzalcapital.co.uk/wp-content/uploads/2022/10/Quetzal-Signed-Accounts-2022.pdf>

- Independent Auditors' Report – page 10
- Statement of Comprehensive Income – page 14
- Statement of Financial Position – page 15
- Statement of Changes in Equity – page 16
- Statement of Cash Flows – page 17
- Notes to the Financial Statements – pages 18 to 25

The Company's Report and Financial Statements for the accounting year to 30 June 2021.

The page numbers below refer to the relevant pages of the Company's Report and Financial Statements for the year ended 30 June 2021. This document can be found on the Company's website at:

<https://quetzalcapital.co.uk/wp-content/uploads/2022/05/Accounts-2021.pdf>

- Independent Auditors' Report – page 10
- Statement of Comprehensive Income – page 14
- Statement of Financial Position – page 15
- Statement of Changes in Equity – page 16
- Statement of Cash Flows – page 17
- Notes to the Financial Statements – page 18

Shareholders may request a hard copy of the financial information from the Company's registered office. Hard copies will be despatched as soon as possible, and in any event, within two business days of a receipt of a request. Shareholders who do not make a request will not be sent hard copies of the financial information.

A Shareholder, person with information rights or other person to whom this Document is sent may request a copy of any of the documents listed above in hard copy form. A hard copy may be obtained by contacting the Company at info@quetzalcapital.co.uk.

PART IV (B)

HISTORICAL FINANCIAL INFORMATION RELATING TO TAP GLOBAL LIMITED

Tap Global Limited

Annual Report and Accounts for the year ended 30 June 2021

Directors' Report

The directors present their report and the financial statements for Tap Global Limited ("the Company" or "TAP") for the year ended 30 June 2021.

Principal activities

Tap Global Limited was incorporated in Gibraltar on 31st May 2019 with registered number 118724. It was granted a Distributed Ledger Technology ("DLT") license by the Gibraltar Financial Services Commission ("GFSC") on 21st February 2020 and began trading on 22nd February 2020.

The principal activity of the Company during the reporting year was providing an App and trading platform that allows customers to hold and trade crypto currencies and conduct fiat FX. In addition, the product offering provides a supporting account and, if requested, a pre-paid MasterCard. TAP's key feature is the provision of liquidity for crypto currency trades, allowing customers to receive the proceeds of any trades instantly.

Review of the Business and Future Developments

The Company is principally focused on building up a strong customer base and providing growth by customer trading activity. Revenues are generated through a combination of crypto currency trading fees, FX trading fees, customer withdrawal fees and fees from other activities. In mid-March 2021, TAP introduced a marketing referral campaign to attract users by rewarding them with an amount of Bitcoin, which has seen an increase in active users, generating more business.

Strong risk management policies are implemented through the trading platform via a combination of real time, behavioural customer risk profiling and transaction monitoring and effective management oversight.

During the financial year, TAP's capital adequacy was supported by the founder member.

The Company has a strong capital adequacy, is well-funded and users of our facilities continue to grow and generate profitable business in accordance with our expectations.

In order to stay competitive within the market and offer its customers the best prices on the exchanges, TAP will be adding new exchanges onto their Middleware as well as adding new coins which will attract new customers. TAP is due to launch services which will allow businesses to use its products offering which will improve business productivity. However, ongoing reviews and monitoring will be required to ensure businesses comply within given jurisdictions and regulations.

Review of the Financial Results

Tap Global Limited was granted a DLT license by the GFSC in February 2020. Within the given financial year, TAP had a crypto trading volume of £33,873,073 (2020: £1,600,906) generating a revenue of £756,119 (2020: £32,036).

Dividends

No dividends have been declared or paid during the year (2020: nil).

Covid-19

In view of the continued Covid-19 pandemic, it is appropriate to make a comment on the position of the Company. During 2020/2021, TAP carried on its activities without any impact to its operations. The directors of TAP believe that positive steps have been taken in addressing the Covid-19 pandemic globally and due to the online nature of the Company's activities the impact of continued pandemic on the operations of the Company will be minimal. Management will, however, continue to assess the impact of Covid-19 on the Company.

Going Concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to maintain a net asset position and will continue to meet the regulatory minimum capital

requirements, even in the event of losses within the twelve months following approval of these financial statements.

The directors are of the opinion that this basis is appropriate because the shareholder has agreed to provide continuing financial support to enable the Company to meet its obligations as and when they fall due. Accordingly, it is not necessary to include any adjustments that would be required should the Company fail to continue as a going concern.

Risks and uncertainties

The Company's financial risk management objectives and policies are disclosed in Note 4 to the financial statements.

Auditors

A resolution to reappoint the retiring auditors, PKF Canillas Limited, who are eligible for reappointment will be proposed at the annual general meeting.

Statement of Directors' Responsibilities

The directors are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss for that year which comply with the Gibraltar Companies Act 2014.

Under that law, the directors have elected to prepare the financial statements in accordance with applicable law in Gibraltar and International Financial Reporting Standards. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with law. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other regularities.

By order of the Board

Date: 11 October 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAP GLOBAL LIMITED

Report on the Audit of the Financial Statements Opinion

We have audited the financial statements of Tap Global Limited (the "Company"), which comprise the statement of financial position as at 30th June 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 30th June 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the EU; and
- have been prepared in accordance with the Companies Act 2014.

Basis for Opinion

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

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with applicable law in Gibraltar and International Financial Reporting Standards as adopted by the EU, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

Opinion on other matter prescribed by the Companies Act 2014

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

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

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

Matters on which we are required to report by exception

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

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

Daniel Delgado FCA
Statutory Auditor
For and on behalf of
PKF Canillas Limited

Suite 2.1.09, 1st Floor
Building 2, Eurotowers
Gibraltar

Date: 11 October 2022

Tap Global Limited
Statement of Comprehensive
Income for the year ended 30
June 2021

	Notes	2021 £ (One year)	2020 £ (13 months)
Revenue			
Transaction fees	2	756,119	32,036
Cost of sales		<u>(363,930)</u>	<u>(135,144)</u>
Gross profit/(loss)		392,189	(103,108)
Operating expenses		(1,636,960)	(1,368,293)
Exchange rate variance		21,169	34,409
Gain on sale of cryptoassets		<u>571,745</u>	<u>11,493</u>
Loss before income tax		(651,857)	(1,425,499)
Tax on loss	5	<u>-</u>	<u>-</u>
Loss for the year/period		(651,857)	(1,425,499)
Other comprehensive income	7	<u>79,715</u>	<u>44,609</u>
Total comprehensive loss for the year/period		<u><u>(572,142)</u></u>	<u><u>(1,380,890)</u></u>

The notes form part of these financial statements.

Tap Global Limited
Statement of Financial Position
as at 30 June 2021

	Notes	2021 £	2020 £
ASSETS			
Non-current assets			
Tangible assets, including right-of-use assets	6	160,784	191,838
Intangible assets - cryptoassets held for investment	7	434,659	445,411
		<u>595,443</u>	<u>637,249</u>
Current assets			
Cash and cash equivalents		212,386	133,151
Trade and other receivables	8	266,102	55,537
		<u>478,488</u>	<u>188,688</u>
Total assets		<u>1,073,931</u>	<u>825,937</u>
LIABILITIES AND EQUITY			
Non-current liabilities			
Lease liability	6	<u>125,923</u>	<u>157,207</u>
		<u>125,923</u>	<u>157,207</u>
Current liabilities			
Trade payables		25,879	80,804
Accruals		72,618	37,827
Director's current account	11	2,768,259	1,900,416
Lease liability	6	<u>31,284</u>	<u>30,373</u>
		<u>2,898,040</u>	<u>2,049,420</u>
Equity			
Capital and reserves			
Called up share capital	9	3,000	200
Profit and loss account		(2,032,747)	(1,425,499)
Accumulated other comprehensive income	7	79,715	44,609
Equity shareholders' funds		<u>(1,950,032)</u>	<u>(1,380,690)</u>
Total liabilities and equity		<u>1,073,931</u>	<u>825,937</u>

The financial statements were signed and approved by the board of directors on..... by:

.....
 Director

.....
 Director

The notes form part of these financial statements.

Tap Global Limited
Statement of Changes in Equity
For the year ended 30 June
2021

	Called up share capital £	Profit & loss account £	Accumulated other comprehensive income £	Total £
At incorporation	200	-	-	200
Net loss for the period	-	(1,425,499)	-	(1,425,499)
Other comprehensive income	-	-	44,609	44,609
At 30 June 2020	200	(1,425,499)	44,609	(1,380,690)
Increase in share capital	2,800	-	-	2,800
Net loss for the year	-	(651,857)	-	(651,857)
Reversal of OCI brought forward	-	44,609	(44,609)	-
Other comprehensive income	-	-	79,715	79,715
At 30 June 2021	3,000	(2,032,747)	79,715	(1,950,032)

The notes form part of these financial statements.

Tap Global Limited
Statement of Cash Flows
For the year ended 30 June
2021

	Notes	2021 £ (One year)	2020 £ (13 months)
Cash flows from operating activities			
Loss before income tax		(651,857)	(1,425,499)
Adjustments to net income:			
Depreciation	6	34,510	8,552
Gain on sale of cryptoassets		(571,745)	(11,493)
Interest expense on lease	6	5,627	1,430
Changes in working capital:			
Increase in debtors		(210,565)	(55,537)
Increase in director's current account		867,843	1,900,416
Increase (decrease) in creditors		(54,925)	80,804
Increase in accruals		34,791	37,827
Net cash (used in)/provided by operating activities		(546,321)	536,500
Cash flows from investing activities			
Additions to tangible assets	5	(3,456)	(9,740)
Proceeds from sale of cryptoassets		1,526,544	334,727
Purchases of cryptoassets		(864,332)	(724,036)
Net cash provided by/(used in) investing activities		658,756	(399,049)
Cash flows from financing activities			
Share capital issued		2,800	200
Capital lease payment	6	(36,000)	(4,500)
Net cash used in financing activities		(33,200)	(4,300)
Net increase in cash and cash equivalents during the year		79,235	133,151
Cash and cash equivalents at the beginning of the year		133,151	-
Cash and cash equivalents at the end of the year		212,386	133,151

The form part of these financial statements.

Tap Global Limited
Notes to the financial statements
for the year ended 30 June 2021

1 General Information

Tap Global Limited (the “Company” or “TAP”) is a company limited by shares, incorporated in Gibraltar on 31st May 2019. Its registered address is Madison Building, Midtown, Gibraltar. It was granted a Distributed Ledger Technology (“DLT”) license by the Gibraltar Financial Services Commission on 21st February 2020 and began trading on 22nd February 2020.

2 Summary of Significant Accounting Policies

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

Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards including standards and interpretations issued by the International Accounting Standards Board and in accordance with IFRSs adopted by the European Union and the Companies Act 2014.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention except for digital assets which are stated at their revalued amounts or fair value. The financial statements are prepared in Pounds Sterling (GBP) which is the functional currency. All amounts have been rounded to the nearest GBP.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company’s financial statements are disclosed below. The Company has not early adopted the new or amended standards in preparing these financial statements.

The following amended standards and interpretations which are relevant to the Company are not expected to have a significant impact on the Company’s financial statements:

- Classification of Liabilities as Current or Non-current (*Amendments to IAS 1*);
- Property, Plant and Equipment: Proceeds before Intended Use – *Amendments to IAS 16*;
- IFRS 9 *Financial Instruments* – Fees in ‘10 per cent’ test for derecognition for financial liabilities

New and amended standards and interpretations

There are new and amended standards and interpretations that came into effect in the current year, these did not have a material impact on the Company’s financial statements.

Revenue Recognition

The Company applies IFRS 15 Revenue from Contracts with Customers for the recognition of revenue. IFRS 15 established a comprehensive framework for determining whether, how much and when revenue is recognised. It affects the timing and recognition of revenue items, but not generally the overall amount recognised. The performance obligations of all revenue streams are satisfied on the transaction date or by the provision of the service for the period described in the contract. Revenue is not recognised where there is evidence to suggest that customers do not have the ability or intention to pay. The Company does not have any contracts with customers where the performance obligations have not been fully satisfied. How the Company recognises revenue for its significant revenue streams is described below.

2 Summary of Significant Accounting Policies – continued

Revenue Recognition (continuation)

Type of revenue	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policy
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 Company and the customer. Performance obligations and transaction prices are set out in the contract.	Revenue is recognised on the transaction date.
Account fees	This service relates to the provision of account services. A contract is identified when a customer enters an agreement with the Company for a Tap Global account. Performance obligations and transaction prices are set out in the contract.	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.

Expenditure

Expenses are recognised on the accrual basis.

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such costs includes 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%
Furniture 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.

Leases

At inception of a contract, the Company 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 Company 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 Company 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 Company 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 Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company 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 Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The Company 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 Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company 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 Company 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 Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Cryptoassets

Cryptoassets are held principally for the purpose of trading in the near term or used in operations (hereafter called "Cryptoassets held for trading") or held for investment purposes. The Company accounts for cryptoassets at their initial cost and subsequently re-measures the carrying amounts it owns at the end of the reporting period based on the quoted price published on the cryptocurrency exchanges.

Cryptoassets owned by the Company are derecognized when the Company has transferred all the risks and rewards of ownership by selling to verified third parties or through exchanges to obtain fiat currency delivered to its banking accounts, utilized by paying its vendors and personnel who accept this form of payment, or otherwise, losing control and therefore, access to the economic benefits associated with ownership of cryptoassets.

The IFRS Interpretations Committee (“IFRIC”) published a tentative agenda decision: Holding of Cryptocurrencies - Agenda Paper 12, in 2019, which clarifies how to apply the holdings of cryptocurrencies’ classification, recognition and measurement within issued IFRS Standards.

The IFRIC observed that a holding of cryptocurrency meets the definition of an (1) intangible asset in IAS 38 on the grounds that (a) it is capable of being separated from the holder and sold or transferred individually; and (b) it does not give the holder a right to receive a fixed or determinable number of units of currency; or (2) in certain circumstances, inventory in accordance with IAS 2. Based on this conclusion, the classification, recognition and measurement, and disclosure requirements of IAS 38 or IAS 2 should be applied in regards to Bitcoin. Management has assessed the impact of the IFRIC’s agenda decision and determined that the Company’s policies are consistent with the IFRIC decision.

The Company’s cryptoassets held for trading are accounted under IAS 2 *Inventories* under the guidance for broker-traders since the Company holds cryptocurrencies for sale in the ordinary course of business. The cryptoassets held for trading is initially measured at fair value less cost to sell and subsequently being remeasured using fair value less cost to sell with the changes in profit or loss. The Company has determined that costs to sell are negligible and immaterial to the financial statements.

Cryptoassets is considered Level 1 in accordance with the fair value hierarchy as it is based on a quoted (unadjusted) market price in an active market for identical assets.

Cash and cash equivalents

Cash and cash equivalents comprises 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.

Financial instruments

The Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivables and payables.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset’s carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Provisions

Provisions are recognised when the Company has a legal or constructive obligation at the reporting date as a result of a past event, and it is probable that the company will be required to settle the obligation and the amount of the obligation can be reliably estimated.

Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Income Tax

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to a business combination, or items recognised directly in equity or other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

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.

Foreign currencies

Transactions in foreign currencies are translated into GBP at the rates ruling at the date of the transactions. Monetary assets and liabilities expressed in foreign currency are translated to sterling at the rates of exchange ruling at the end of the financial year. Differences on exchange are taken to statement of comprehensive income.

3 Judgements and key sources of estimation and uncertainty

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.

Fair value

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.

At the year end, the Company has no financial instruments measured at fair value on a recurring or non-recurring basis.

For financial instruments where fair value is disclosed such as the amounts due to/from related parties measured at amortised cost, the fair values approximate the carrying values as the balances are interest free and repayable on demand. The Company's holdings of cryptoassets are measured at fair value.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Measurement of fair values

All assets and liabilities for which fair value is disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

4 Financial risk management

A. Financial risk factors

The Company is exposed to market risk (primarily currency risk), credit risk and liquidity risk arising from financial instruments and cryptoassets the Company may hold from time to time, which may have an

adverse impact on its capital position. The risk management policies employed by the Company to manage these risks are discussed in this note.

The Company's exposure to risk is managed by the Company's board of directors who have overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Risk Management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

B. Capital management

The Company manages its capital in line with the Company's Capital Management Policy. The key objective is to maintain a strong capital position to support business growth, absorb losses and to sustain investor, depositor, customer and market confidence. In line with this, the Company ensures that its capital ratios are comfortably above the statutory minimums, while balancing shareholders' desire for sustainable returns and high standards of prudence. The Company actively manages its capital composition to optimise its overall cost.

The ultimate objective is to ensure the implementation of an effective capital management approach that is consistent with the Company achieving its operating objectives. In doing so and while it is not a regulatory requirement, it follows accepted principles and guidelines for managing risk, particularly those used by banks and financial institutions under international standards. The Company monitors capital adequacy levels on a monthly basis and projects capital adequacy using financial projections through an internal self-assessment exercise. The Company remains capital accretive and has no plans to pay dividends in the foreseeable future.

C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument or cryptoasset will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Management has determined that the Company's exposure to interest rate risk is not deemed material in the current market interest environment as the majority of the Company assets and liabilities are not subject interest per their terms.

I. Currency risk

The Company is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective functional currency of the Company. The currencies in which these transactions are primarily denominated are British Pound (GBP) and Euro (€).

This risk is managed by matching the currency in which revenue is generated and expenses are incurred and through the Company's Treasury management, who based on their monitoring activities and market outlook determine the Company's positional management of different currencies. For the year 2020 the risk is not deemed material due to limited impact to its capital position which is within the Company's risk appetite during the year.

II. Other price risk

The Company faces risks related to cryptoassets due to the lack of consistent regulatory guidance for Digital Assets. Additionally, the volatility of the cryptoassets price impacts the valuation of the cryptoassets and potentially the profitability of the Company. Other risks could emerge as the technology and the market develops.

Digital assets are loosely regulated within the larger industry, and there is no central marketplace for currency exchange. Supply is determined by a computer code, not by a central bank, and prices can be extremely volatile. Digital asset exchanges have been closed due to fraud, failure or security breaches. As

such, the Company's digital assets under custody of the exchanges may not be insured, which could expose the Company to the risk of loss of its digital assets.

D. Credit risk

Credit risk is the risk of financial loss arising from the failure of counterparties to fully honour their obligations to the Company (or its customers).

Given the nature of its business activity, the Company is required to utilise various payment services banking institutions (counterparties) and digital asset exchanges to facilitate payments to and from customers treasury management and for its own internal risk management and investment purposes.

The Company manages exposures following its credit risk policy the main objective of which is to manage its counterparty credit risk via a defined limit structure consistent with the Board's risk appetite, and ensuring an optimal balance between risk and return. The underlying objective of the Counterparty Credit Risk Policy is to ensure that any counterparty credit risk taken does not represent a material risk to the Company's financial stability and viability.

The financial security of intercompany balances within the Company is supported by service agreements between the entities.

The carrying amount of financial assets, consisting of other receivables, amounts due from related parties, cryptoassets, cash and cash equivalents, represents the maximum credit exposure.

Concentration of risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of liquidity risk may arise from the repayment terms of financial liabilities, sources of borrowing facilities or reliance on a particular market in which to realise liquid assets. Concentrations of foreign exchange risk may arise if the Company has a significant net open position in a single foreign currency, or aggregate net open positions in several currencies that tend to move together.

E. Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its contractual or contingent obligations or that it does not have the appropriate amount, tenor and composition of funding and liquidity to support its assets and liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next 60 days.

5	Tax on profit on ordinary activities	2021 £ (One year) (651,857)	2020 £ (13 months) (1,425,499)
	Loss on ordinary activities before taxation	<u>(651,857)</u>	
	Profit at the standard rate of corporation tax in Gibraltar: 10%	-	-
	Effects of:		
	Loss during the period	(65,186)	(142,550)
	Difference between depreciation and capital allowances	3,105	(119)
	Nondeductible expense	1,071	4,056
	Loss brought forward	(138,613)	-
	Loss carried forward	<u>199,623</u>	<u>138,613</u>
	Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

At the end of each reporting period, the Company reassesses unrecognised deferred tax assets. The Company did not recognise the deferred tax asset related to unused tax losses as these are not yet deemed to meet the recognition criteria.

6 Tangible assets, including right-of-use asset

In April 2020, the Company entered into a 6 year long-term lease for its head office. The Company recognised right of use asset discounted using the Company's incremental borrowing rate of 3.0%.

	Right-of-use asset £	Computer equipment £	Fixtures & Fittings £	Total
Cost				
At 1 July 2020	190,650	6,004	3,736	200,390
Additions	-	3,456	-	3,456
Balance as at 30 June 2021	<u>190,650</u>	<u>9,460</u>	<u>3,736</u>	<u>203,846</u>
Depreciation				
At 1 July 2020	7,944	608	-	8,552
Charge for the period	31,775	2,175	560	34,510
At 30 June 2021	<u>39,719</u>	<u>2,783</u>	<u>560.00</u>	<u>43,062</u>
Net book value				
At 30 June 2021	<u>150,931</u>	<u>6,677</u>	<u>3,176</u>	<u>160,784</u>
At 30 June 2020	<u>182,706</u>	<u>5,396</u>	<u>3,736</u>	<u>191,838</u>
Lease liability			2021 £	2020 £
At the beginning			187,580	-
Additions			-	190,650
Interest expense			5,627	1,430
Payments			<u>(36,000)</u>	<u>(4,500)</u>
At the end of the year			<u>157,207</u>	<u>187,580</u>
Current			31,284	30,373
Non-current			<u>125,923</u>	<u>157,207</u>
			<u>157,207</u>	<u>187,580</u>

7 Intangible assets - cryptoassets held for investment

	2021 £	2020 £
Cryptoassets	<u>434,659</u>	<u>445,411</u>
At the beginning of the year	445,411	-
Additions	856,062	724,036
Disposals	(946,529)	(323,234)
Revaluation	<u>79,715</u>	<u>44,609</u>
At the end of the year	<u>434,659</u>	<u>445,411</u>

Cryptoassets is considered level 1 in accordance with the fair value hierarchy and it is valued with reference to quoted and available price in an active market at the reporting date. Fair value is derived from the weighted average price at the Company's partner exchanges. A revaluation increase amounting to £79,715 (2020: £44,609) was recognised and presented as "Accumulated other comprehensive income" in the statement of financial position.

8 Trade and other receivables

	2021 £	2020 £
Due from related party (see Note 11)	231,351	10,700
Rent deposit	3,000	3,000
Prepayments	28,951	41,837
Other receivable	2,800	-
	<u>266,102</u>	<u>55,537</u>

9 Share capital

	Number of Ordinary shares		Par Value (£1 each)
	Authorized No.	Issued No.	£
At incorporation	200	200	200
As at 30 June 2020	200	200	200
Increase in authorized and issued share capital	2,800	2,800	2,800
As at 30 June 2021	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>

10 Employee information

	2021 No.	2020 No.
Average no. of employees	<u>3</u>	<u>1</u>
Gross wages	92,556	33,750
Social security costs	5,407	1,860
Directors' remuneration	<u>24,000</u>	<u>-</u>

11 Related party transactions

	2021 £	2020 £
Transactions during the year	Outstanding Balance	Outstanding Balance
Due from:		
Tap Technologies Limited	220,651	10,700
	<u>231,351</u>	<u>10,700</u>
Director's current account	<u>2,768,259</u>	<u>1,900,416</u>

Director's current account

A director made financial contributions to the Company for its start up costs and paid expenses on behalf of the Company.

12 Subsequent events

The Company acquired the entire share capital of Tap Technologies Limited, a company registered in Gibraltar, on the 26th August 2021.

On the 2nd December 2021, the Company entered into a Convertible Loan Note (CLN) arrangement with Quetzal Capital Plc, listed on the London Aquis Stock Exchange. The Company subsequently received £1,500,000 on the 6th December 2021 as part of the CLN arrangement.

On the 7th May 2022, the Company entered into an agreement with its major shareholder, Mr Arsen Torosian, to write off part of the shareholder loan owed to Mr Torosian. The agreement stipulated that the revised shareholder loan owed to Mr Torosian was £1,500,000, with any balance above this amount to be written off.

Tap Global Limited
Annual Report and Accounts for the year ended 30 June 2020

Directors' Report

The directors present their report and the financial statements for Tap Global Limited ("the Company" or "TAP") for the thirteen month period ended 30 June 2020.

Principal activities

Tap Global Limited was incorporated in Gibraltar on 31st May 2019 with registered number 118724. It was granted a Distributed Ledger Technology ("DLT") license by the Gibraltar Financial Services Commission on ("GFSC") 21st February 2020 and began trading on 22nd February 2020.

The principal activity of the Company during the reporting period was to apply for a GFSC license and commence business as a DLT provider. Predominantly, TAP provides an App and a trading platform that allows customers to hold and trade crypto currencies and conduct fiat FX. In addition, the product offering provides a supporting account and if required, a pre-paid Mastercard. TAP's key feature is the provision of liquidity for crypto currency trades, allowing customers to receive the proceeds of any trades instantly.

Review of the Business and Future Developments

The Company is principally focused on building up a strong customer base and providing growth by customer trading activity. Revenues are generated through a combination of crypto currency trading fees, FX trading fees, customer withdrawal fees and fees from other activities.

Strong risk management policies are implemented through the trading platform via a combination of real time, behavioural customer risk profiling and transaction monitoring and effective management oversight.

During the financial period, TAP's capital adequacy was supported by the founder member.

Review of the Financial Results

Tap Global Limited was granted a DLT license by the GFSC in February 2020. In the four months of trading within the given financial period, TAP had a crypto trade volume of £1,600,906 generating a revenue of £32,036.

Dividends

No dividends have been declared or paid during the period.

Covid-19

In view of the continued Covid-19 pandemic, it is appropriate to make a comment on the position of the Company. During 2020, TAP carried on its activities without any impact to its operations. The Directors of TAP believe that positive steps have been taken in addressing the Covid-19 pandemic globally and due to the online nature of the Company's activities the impact of continued pandemic on the operations of the Company will be minimal. Management will, however, continue to assess the impact of Covid-19 on the Company.

Going Concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to maintain a net asset position and will continue to meet the regulatory minimum capital requirements, even in the event of losses within the twelve months following approval of these financial statements.

The directors are of the opinion that this basis is appropriate because the shareholder has agreed to provide continuing financial support to enable the Company to meet its obligations as and when they fall due. Accordingly, it is not necessary to include any adjustments that would be required should the Company fail to continue as a going concern.

Auditors

A resolution to reappoint the retiring auditors, PKF Canillas Limited, who are eligible for reappointment will be proposed at the annual general meeting.

Statement of Directors' Responsibilities

The directors are responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss for that year which comply with the Gibraltar Companies Act 2014.

Under that law, the directors have elected to prepare the financial statements in accordance with applicable law in Gibraltar and International Financial Reporting Standards. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with law. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other regularities.

By order of the Board

Date: 11 October 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAP GLOBAL LIMITED

Report on the Audit of the Financial Statements Opinion

We have audited the financial statements of Tap Global Limited (the "Company"), which comprise the statement of financial position as at 30th June 2020, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the 13 month period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 30th June 2020 and of its loss for the period then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the EU; and
- have been prepared in accordance with the Companies Act 2014.

Basis for Opinion

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

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with applicable law in Gibraltar and International Financial Reporting Standards as adopted by the EU, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude

that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

Opinion on other matter prescribed by the Companies Act 2014

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

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

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

Matters on which we are required to report by exception

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

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

Daniel Delgado FCA
Statutory Auditor
For and on behalf of
PKF Canillas Limited

Suite 2.1.09, 1st Floor
Building 2, Eurotowers
Gibraltar

Date: 11 October 2022

Tap Global Limited
Statement of Comprehensive Income
For the thirteen month period ended 30 June 2020

	Notes	2020 £
Revenue		
Transaction fees	2	32,036
Cost of sales		<u>(135,144)</u>
Gross loss		(103,108)
Operating expenses		(1,368,293)
Exchange rate variance		34,409
Gain on sale of cryptoassets		<u>11,493</u>
Loss before income tax		(1,425,499)
Tax on loss	5	<u>-</u>
Loss for the period		(1,425,499)
Other comprehensive income	7	<u>44,609</u>
Total comprehensive loss for the period		<u>(1,380,890)</u>

The notes form part of these financial statements.

Tap Global Limited
Statement of Financial Position
as at 30 June 2020

	Notes	2020 £
ASSETS		
Non-current assets		
Tangible assets, including right-of-use assets	6	191,838
Intangible assets - cryptoassets held for investment	7	445,411
		<u>637,249</u>
Current assets		
Cash and cash equivalents		133,151
Trade and other receivables	8	55,537
		<u>188,688</u>
Total assets		<u>825,937</u>
LIABILITIES AND EQUITY		
Non-current liabilities		
Lease liability	6	157,207
		<u>157,207</u>
Current liabilities		
Trade payables		80,804
Accruals		37,827
Director's current account	11	1,900,416
Lease liability	6	30,373
		<u>2,049,420</u>
Equity		
Capital and reserves		
Called up share capital	9	200
Profit and loss account		(1,425,499)
Accumulated other comprehensive income	7	44,609
Equity shareholders' funds		<u>(1,380,690)</u>
Total liabilities and equity		<u>825,937</u>

The financial statements on pages I to I were signed and approved by the board of directors on _____ by:

The notes form part of these financial statements.

Tap Global Limited
Statement of Changes in Equity
For the thirteen month period ended 30 June 2020

	Called up share capital £	Profit & loss account £	Accumulated other comprehensive income £	Total £
At incorporation	200	-	-	200
Net loss for the period	-	(1,425,499)	-	(1,425,499)
Other comprehensive income	-	-	44,609	44,609
At 30 June 2020	<u>200</u>	<u>(1,425,499)</u>	<u>44,609</u>	<u>(1,380,690)</u>

The notes form part of these financial statements.

Tap Global Limited
Statement of Cash Flows
For the thirteen month period ended 30 June 2020

	Notes	2020 £
Cash flows from operating activities		
Loss before income tax		(1,425,499)
Adjustments to net income:		
Depreciation	6	8,552
Gain on sale of cryptoassets		(11,493)
Interest expense on lease	6	1,430
Changes in working capital:		
Increase in debtors		(55,537)
Increase in director's current account		1,900,416
Increase in creditors		80,804
Increase in accruals		37,827
Net cash provided by operating activities		<u>536,500</u>
Cash flows from investing activities		
Additions to tangible assets	5	(9,740)
Proceeds from sale of cryptoassets		334,727
Purchases of cryptoassets		<u>(724,036)</u>
Net cash used in investing activities		<u>(399,049)</u>
Cash flows from financing activities		
Share capital issued		200
Capital lease payment	6	<u>(4,500)</u>
Net cash used in financing activities		<u>(4,300)</u>
Net increase in cash and cash equivalents during the year		133,151
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents at the end of the year		<u><u>133,151</u></u>

The notes form part of these financial statements.

Tap Global Limited

Notes to the financial statements

for the period ended 30 June 2020

1 General Information

Tap Global Limited (the “Company” or “TAP”) is a company limited by shares, incorporated in Gibraltar on 31st May 2019. Its registered address is Madison Building, Midtown, Gibraltar. It was granted a Distributed Ledger Technology (“DLT”) license by the Gibraltar Financial Services Commission on 21st February 2020 and began trading on 22nd February 2020.

2 Summary of Significant Accounting Policies

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

Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards including standards and interpretations issued by the International Accounting Standards Board and in accordance with IFRSs adopted by the European Union and the Companies Act 2014.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention except for digital assets which are stated at their revalued amounts or fair value. The financial statements are prepared in Pounds Sterling (GBP) which is the functional currency. All amounts have been rounded to the nearest GBP.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company’s financial statements are disclosed below. The Company has not early adopted the new or amended standards in preparing these financial statements.

The following amended standards and interpretations which are relevant to the Company are not expected to have a significant impact on the Company’s financial statements:

- Classification of Liabilities as Current or Non-current (*Amendments to IAS 1*);
- Property, Plant and Equipment: Proceeds before Intended Use – *Amendments to IAS 16*;
- IFRS 9 *Financial Instruments* – Fees in ‘10 per cent’ test for derecognition for financial liabilities

New and amended standards and interpretations

There are new and amended standards and interpretations that came into effect in the current year, these did not have a material impact on the Company’s financial statements.

Revenue Recognition

The Company applies IFRS 15 Revenue from Contracts with Customers for the recognition of revenue. IFRS 15 established a comprehensive framework for determining whether, how much and when revenue is recognised. It affects the timing and recognition of revenue items, but not generally the overall amount recognised. The performance obligations of all revenue streams are satisfied on the transaction date or by the provision of the service for the period described in the contract. Revenue is not recognised where there is evidence to suggest that customers do not have the ability or intention to pay. The Company does not have any contracts with customers where the performance obligations have not been fully satisfied. How the Company recognises revenue for its significant revenue streams is described below.

Type of revenue	Nature and timing of satisfaction of performance obligations, Including significant payment terms	Revenue recognition policy
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 Company and the customer. Performance obligations and transaction prices are set out in the contract.	Revenue is recognised on the transaction date.
Account fees	This service relates to the provision of account services. A contract is identified when a customer enters an agreement with the Company for a Tap Global account. Performance obligations and transaction prices are set out in the contract.	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.

Expenditure

Expenses are recognised on the accrual basis.

Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such costs includes 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%
Furniture 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.

Leases

At inception of a contract, the Company 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 Company 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 Company 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 Company 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 Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company 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 Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The Company 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 Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company 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 Company 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 Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Cryptoassets

Cryptoassets are held principally for the purpose of trading in the near term or used in operations (hereafter called "Cryptoassets held for trading") or held for investment purposes. The Company accounts for cryptoassets at their initial cost and subsequently re-measures the carrying amounts it owns at the end of the reporting period based on the quoted price published on the cryptocurrency exchanges.

Cryptoassets owned by the Company are derecognized when the Company has transferred all the risks and rewards of ownership by selling to verified third parties or through exchanges to obtain fiat currency delivered to its banking accounts, utilized by paying its vendors and personnel who accept this form of payment, or otherwise, losing control and therefore, access to the economic benefits associated with ownership of cryptoassets.

The IFRS Interpretations Committee ("IFRIC") published a tentative agenda decision: Holding of Cryptocurrencies - Agenda Paper 12, in 2019, which clarifies how to apply the holdings of cryptocurrencies' classification, recognition and measurement within issued IFRS Standards.

The IFRIC observed that a holding of cryptocurrency meets the definition of an (1) intangible asset in IAS 38 on the grounds that (a) it is capable of being separated from the holder and sold or transferred individually; and (b) it does not give the holder a right to receive a fixed or determinable number of units of currency; or (2) in certain circumstances, inventory in accordance with IAS 2. Based on this conclusion, the classification, recognition and measurement, and disclosure requirements of IAS 38 or IAS 2 should be applied in regards to Bitcoin. Management has assessed the impact of the IFRIC's agenda decision and determined that the Company's policies are consistent with the IFRIC decision.

The Company's cryptoassets held for trading are accounted under IAS 2 *Inventories* under the guidance for broker-traders since the Company holds cryptocurrencies for sale in the ordinary course of business. The cryptoassets held for trading is initially measured at fair value less cost to sell and subsequently being remeasured using fair value less cost to sell with the changes in profit or loss. The Company has determined that costs to sell are negligible and immaterial to the financial statements.

Cryptoassets is considered Level 1 in accordance with the fair value hierarchy as it is based on a quoted (unadjusted) market price in an active market for identical assets.

Cash and cash equivalents

Cash and cash equivalents comprises 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.

Financial instruments

The Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivables and payables.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Provisions

Provisions are recognised when the Company has a legal or constructive obligation at the reporting date as a result of a past event, and it is probable that the company will be required to settle the obligation and the amount of the obligation can be reliably estimated.

Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Income Tax

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to a business combination, or items recognised directly in equity or other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

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.

Foreign currencies

Transactions in foreign currencies are translated into GBP at the rates ruling at the date of the transactions. Monetary assets and liabilities expressed in foreign currency are translated to sterling at the rates of exchange ruling at the end of the financial year. Differences on exchange are taken to statement of comprehensive income.

3 Judgements and key sources of estimation and uncertainty

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.

Fair value

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.

At the year end, the Company has no financial instruments measured at fair value on a recurring or non-recurring basis.

For financial instruments where fair value is disclosed such as the amounts due to/from related parties measured at amortised cost, the fair values approximate the carrying values as the balances are interest free and repayable on demand. The Company's holdings of cryptoassets are measured at fair value.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Measurement of fair values

All assets and liabilities for which fair value is disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

4 Financial risk management

A. Financial risk factors

The Company is exposed to market risk (primarily currency risk), credit risk and liquidity risk arising from financial instruments and cryptoassets the Company may hold from time to time, which may have an adverse impact on its capital position. The risk management policies employed by the Company to manage these risks are discussed in this note.

The Company's exposure to risk is managed by the Company's board of directors who have overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Risk Management committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

B. Capital management

The Company manages its capital in line with the Company's Capital Management Policy. The key objective is to maintain a strong capital position to support business growth, absorb losses and to sustain investor,

depositor, customer and market confidence. In line with this, the Company ensures that its capital ratios are comfortably above the statutory minimums, while balancing shareholders' desire for sustainable returns and high standards of prudence. The Company actively manages its capital composition to optimise its overall cost.

The ultimate objective is to ensure the implementation of an effective capital management approach that is consistent with the Company achieving its operating objectives. In doing so and while it is not a regulatory requirement, it follows accepted principles and guidelines for managing risk, particularly those used by banks and financial institutions under international standards. The Company monitors capital adequacy levels on a monthly basis and projects capital adequacy using financial projections through an internal self-assessment exercise. The Company remains capital accretive and has no plans to pay dividends in the foreseeable future.

C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument or cryptoasset will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Management has determined that the Company's exposure to interest rate risk is not deemed material in the current market interest environment as the majority of the Company assets and liabilities are not subject interest per their terms.

I. Currency risk

The Company is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective functional currency of the Company. The currencies in which these transactions are primarily denominated are British Pound (GBP) and Euro (€).

This risk is managed by matching the currency in which revenue is generated and expenses are incurred and through the Company's Treasury management, who based on their monitoring activities and market outlook determine the Company's positional management of different currencies. For the year 2020 the risk is not deemed material due to limited impact to its capital position which is within the Company's risk appetite during the year.

II. Other price risk

The Company faces risks related to cryptoassets due to the lack of consistent regulatory guidance for Digital Assets. Additionally, the volatility of the cryptoassets price impacts the valuation of the cryptoassets and potentially the profitability of the Company. Other risks could emerge as the technology and the market develops.

Digital assets are loosely regulated within the larger industry, and there is no central marketplace for currency exchange. Supply is determined by a computer code, not by a central bank, and prices can be extremely volatile. Digital asset exchanges have been closed due to fraud, failure or security breaches. As such, the Company's digital assets under custody of the exchanges may not be insured, which could expose the Company to the risk of loss of its digital assets.

D. Credit risk

Credit risk is the risk of financial loss arising from the failure of counterparties to fully honour their obligations to the Company (or its customers).

Given the nature of its business activity, the Company is required to utilise various payment services banking institutions (counterparties) and digital asset exchanges to facilitate payments to and from customers treasury management and for its own internal risk management and investment purposes.

The Company manages exposures following its credit risk policy the main objective of which is to manage its counterparty credit risk via a defined limit structure consistent with the Board's risk appetite, and ensuring an optimal balance between risk and return. The underlying objective of the Counterparty Credit Risk Policy is to ensure that any counterparty credit risk taken does not represent a material risk to the Company's financial stability and viability.

The financial security of intercompany balances within the Company is supported by service agreements between the entities.

The carrying amount of financial assets, consisting of other receivables, amounts due from related parties, cryptoassets, cash and cash equivalents, represents the maximum credit exposure.

Concentration of risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are

engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of liquidity risk may arise from the repayment terms of financial liabilities, sources of borrowing facilities or reliance on a particular market in which to realise liquid assets. Concentrations of foreign exchange risk may arise if the Company has a significant net open position in a single foreign currency, or aggregate net open positions in several currencies that tend to move together.

E. Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its contractual or contingent obligations or that it does not have the appropriate amount, tenor and composition of funding and liquidity to support its assets and liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next 60 days.

5 Tax on profit on ordinary activities	2020
	£
Loss on ordinary activities before taxation	<u>(1,425,499)</u>
Profit at the standard rate of corporation tax in Gibraltar: 10%	-
Effects of:	
Loss during the period	(142,550)
Difference between depreciation and capital allowances	(119)
Nondeductible expense	4,056
Loss carried forward	<u>138,613</u>
Tax on profit on ordinary activities	<u>-</u>

At the end of each reporting period, the Company reassesses unrecognised deferred tax assets. The Company did not recognise the deferred tax asset related to unused tax losses as these are not yet deemed to meet the recognition criteria.

6 Tangible assets, including right-of-use asset

In April 2020, the Company entered into a 6 year long-term lease for its head office. The Company recognised right of use asset discounted using the Company's incremental borrowing rate of 3.0%.

	Right-of-use asset £	Computer equipment £	Fixtures & Fittings £	Total
Cost				
At incorporation	-	-	-	-
Additions	190,650	6,004	3,736	200,390
Balance as at 30 June 2020	190,650	6,004	3,736	200,390
Depreciation				
At incorporation	-	-	-	-
Charge for the period	7,944	608	-	8,552
At 30 June 2020	7,944	608	-	8,552
Net book value				
At 30 June 2020	182,706	5,396	3,736	191,838

Lease liability

At incorporation	-
Additions	190,650
Interest expense	1,430
Payments	(4,500)
Balance as at 30 June 2020	187,580
Current	30,373
Non-current	157,207
	187,580

7 Intangible assets - cryptoassets held for investment

	2020 £
Cryptoassets	445,411
At incorporation	-
Additions	724,036
Disposals	(323,234)
Revaluation	44,609
At the end of the year	445,411

Cryptoassets is considered level 1 in accordance with the fair value hierarchy and it is valued with reference to quoted and available price in an active market at the reporting date. Fair value is derived from the weighted average price at the Company's partner exchanges. A revaluation increase amounting to £44,609 was recognised and presented as "Accumulated other comprehensive income" in the statement of financial position.

8 Trade and other receivables 2020

	£
Due from related party (see Note 11)	10,700
Rent deposit	3,000
Prepayments	41,837
	<u>55,537</u>

9 Share capital

	2020 £
Authorised, Issued and Paid	
200 Ordinary shares of £1 each	<u>200</u>

10 Employee information

	2020 No.
Average no. of employees	<u>1</u>
Gross wages	33,750
Social security costs	1,860

The directors received no remuneration for their services during the period.

11 Related party transactions

	2020 £
Transactions during the period	Outstanding Balance
Due from: Tap Technologies Limited	10,700
	<u>10,700</u>
Director's current account	<u>1,900,416</u>

Director's current account

A director made financial contributions to the Company for its start up costs and paid expenses on behalf of the Company.

12 Subsequent events

The Company acquired the entire share capital of Tap Technologies Limited, a company registered in Gibraltar, on the 26th August 2021.

On the 2nd December 2021, the Company entered into a Convertible Loan Note (CLN) arrangement with Quetzal Capital Plc, listed on the London Aquis Stock Exchange. The Company subsequently received £1,500,000 on the 6th December 2021 as part of the CLN arrangement.

On the 7th May 2022, the Company entered into an agreement with its major shareholder, Mr Arsen Torosian, to write off part of the shareholder loan owed to Mr Torosian. The agreement stipulated that the revised shareholder loan owed to Mr Torosian was £1,500,000, with any balance above this amount to be written off.

PART IV (C)

HISTORICAL FINANCIAL INFORMATION RELATING TO TAP TECHNOLOGIES LIMITED

Tap Technologies Limited

Annual Report and Accounts for the year ended 30 June 2021

Directors' report for the year ended 30 June 2021

The Directors present their report and the financial statements for Tap Technologies Limited ("the Company") for the year ended 30 June 2021.

Principal activities

The Company was incorporated on the 15th February 2018 under its previous name Swipe Limited. The Company changed its name to the current on 16th November 2020.

The principal activity of the Company during the reporting year is the creation of Intellectual Property through the software development of a crypto asset brokerage platform. The software is licensed to Tap Global Limited, a DLT provider licenced by the Gibraltar Financial Services Commission (GFSC). The software developed by the Company provides an app and a trading platform that allows customers to hold and trade crypto currencies and conduct fiat FX.

Review of the business and future developments

The Company is principally focused on building, developing, and improving the technology and in app software for better ease for customers and ensuring the Company is ahead of the ever-growing fintech industry and security. The Company licences the software to Tap Global Limited on the basis of a revenue share of Tap Global Limited's revenue. This revenue is expected to grow following the successful launch of the Tap Application by Tap Global Limited and the Company further expects other licensing opportunities to become available as a result of this success.

Dividends

No dividends have been paid during the year.

Covid-19

In view of the continued Covid-19 pandemic, it is appropriate to make a comment on the position of the Company. During 2020, the Company carried on its activities without any impact to its operations. The directors believe that positive steps have been taken in addressing the Covid-19 pandemic globally and due to the online nature of the Company's activities the impact of continued pandemic on the operations of the Company will be minimal. Management will, however, continue to assess the impact of Covid-19 on the Company.

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to maintain a net asset position and will continue to meet its obligations as they fall due, even in the event of losses within the twelve months following approval of these financial statements.

The directors are of the opinion that this basis is appropriate because the shareholder has agreed to provide continuing financial support to enable the Company to meet its obligations as and when they fall due. Accordingly, it is not necessary to include any adjustments that would be required should the Company fail to continue as a going concern.

Auditor

A resolution to reappoint the retiring auditor, PKF Canillas Limited, who is eligible for reappointment will be proposed at the annual general meeting.

Statement of Directors' Responsibilities

The directors are responsible for preparing financial statement for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss for that year which comply with the Gibraltar Companies Act 2014.

Under that law, the directors have elected to prepare the financial statements in accordance with applicable law in Gibraltar and International Financial Reporting Standards. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with law. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other regularities.

By order of the Board

Date: 11 October 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAP TECHNOLOGIES LIMITED

Report on the Audit of the Financial Statements Opinion

We have audited the financial statements of Tap Technologies Limited (the "Company"), which comprise the statement of financial position as at 30 June 2021, the statement of comprehensive income and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 30th June 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards; and
- have been prepared in accordance with the Companies Act 2014.

Basis for Opinion

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

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with applicable law in Gibraltar and International Financial Reporting Standards as adopted by the EU, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

Opinion on other matter prescribed by the Companies Act 2014

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

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

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

Matters on which we are required to report by exception

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

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

Daniel Delgado FCA
Statutory Auditor
For and on behalf of
PKF Canillas Limited

Suite 2.1.09, 1st Floor
Building 2, Eurotowers
Gibraltar

Date: 11 October 2022

Statement of Comprehensive Income For the year ended 30 June 2021

	Notes	2021 £	2020 £
Revenue	2	189,030	8,009
Administrative expenses		<u>(271,034)</u>	<u>(70,416)</u>
Loss on ordinary activities before taxation		<u>(82,004)</u>	<u>(62,407)</u>
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
Net loss for the year		<u>(82,004)</u>	<u>(62,407)</u>
Total comprehensive loss for the year		<u>(82,004)</u>	<u>(62,407)</u>

The notes form part of these financial statements.

Statement of Financial Position
as at 30 June 2021

	Notes	2021 £	2020 £
ASSETS			
Non-current assets			
Intangible assets	5	959,919	767,288
Current assets			
Other receivables		450	-
Total assets		960,369	767,288
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables		178,740	144,765
Due to related parties	7	903,040	676,730
Accruals		20,000	8,000
		1,101,780	829,495
Equity			
Capital and reserves			
Called up share capital	6	3,000	200
Profit and loss account		(144,411)	(62,407)
Equity shareholders' funds		(141,411)	(62,207)
Total liabilities and equity		960,369	767,288

The notes form part of these financial statements.

Statement of Changes in Equity
For the year ended 30 June 2021

	Called up share capital	Profit & Loss Account	Total
	£	£	£
At 15 February 2018 and 1 July 2019 (unaudited)	100	-	100
Subscription	100	-	100
Net loss for the year	-	(62,407)	(62,407)
at 30 June 2020	200	(62,407)	(62,207)
Subscription	2,800	-	2,800
Net loss for the year	-	(82,004)	(82,004)
at 30 June 2021	3,000	(144,411)	(141,411)

The notes form part of these financial statements.

Cash flow statement**For the year ended 30 June 2021**

	Notes	2021	2020
		£	£
Cash flows from operating activities			
Loss before income tax		(82,004)	(62,407)
Adjustments to net income:			
Amortization	5	259,034	62,416
Changes in working capital:			
Decrease / (increase) in receivables		(450)	100
Increase in amounts due to related parties		226,310	676,730
Increase in trade payables		33,975	144,765
Increase in accruals		12,000	8,000
Net cash provided by in operating activities		448,865	829,604
Cash flows from investing activities			
Additions to intangible assets	5	(451,665)	(829,704)
Net cash used in investing activities		(451,665)	(829,704)
Cash flows from financing activities			
Share capital issued		2,800	100
Net cash provided by financing activities		2,800	100
Net movement in cash during the year		-	-
Cash at the beginning of the year		-	-
Cash at the end of the year		-	-

The notes form part of these financial statements.

Tap Technologies Limited

Notes to the financial statements for the year ended 30 June 2021

1 General Information

Tap Technologies Limited (the "Company") is a company limited by shares. It was incorporated in Gibraltar on 15th February 2018 as Swipe Limited. As of 16th November 2020 the Company changed its name to Tap Technologies Limited. Its registered address is Madison Building, Midtown, Gibraltar.

2 Summary of Significant Accounting Policies

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

Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards including standards and interpretations issued by the International Accounting Standards Board and in accordance with IFRSs adopted by the European Union and the Companies Act 2014.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention. The financial statements are prepared in Pounds Sterling (GBP) which is the functional currency. All amounts have been rounded to the nearest GBP.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company has not early adopted the new or amended standards in preparing these financial statements.

The following amended standards and interpretations which are relevant to the Company are not expected to have a significant impact on the Company's financial statements:

- Classification of Liabilities as Current or Non-current (*Amendments to IAS 1*);
- Property, Plant and Equipment: Proceeds before Intended Use – *Amendments to IAS 16*;
- IFRS 9 *Financial Instruments* – Fees in '10 per cent' test for derecognition for financial liabilities

New and amended standards and interpretations

There are new and amended standards and interpretations that came into effect in the current year, these did not have a material impact on the Company's financial statements.

Revenue Recognition

The Company recognises license fee revenue on an accrued basis for the use of the Company's assets in accordance with the substance of the underlying agreement.

Expenditure

Expenses are recognised on the accrual basis.

Intangible assets – Computer software

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

Computer software 4 years

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

Cash and cash equivalents

Cash and cash equivalents comprises 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.

Financial instruments

The Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivables and payables.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Provisions

Provisions are recognised when the Company has a legal or constructive obligation at the reporting date as a result of a past event, and it is probable that the company will be required to settle the obligation and the amount of the obligation can be reliably estimated.

Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Income Tax

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to a business combination, or items recognised directly in equity or other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

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.

Foreign currencies

Transactions in foreign currencies are translated into GBP at the rates ruling at the date of the transactions. Monetary assets and liabilities expressed in foreign currency are translated to sterling at the rates of exchange ruling at the end of the financial year. Differences on exchange are taken to statement of comprehensive income.

3 Judgements and key sources of estimation and uncertainty

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 Tax on loss on ordinary activities

	2021 £	2022 £
Loss on ordinary activities before taxation		
Profit at the standard rate of corporation tax in Gibraltar: 10%	(82,004)	(62,407)
Effects of:		
Loss during the year	(8,200)	(6,241)
Difference between wear & tear allowances and depreciation expense	4,937	(10,454)
Loss brought forward	(16,695)	-
Loss carried forward	19,958	16,695
Tax on profit on ordinary activities	-	-

At the end of each reporting period, the Company reassesses unrecognised deferred tax assets. The Company did not recognise the deferred tax asset related to unused tax losses as these are not yet deemed to meet the recognition criteria.

5 Intangible assets – Computer software

	Computer Software £
Cost	
As at 1 July 2020	829,704
Additions	451,665
Disposal	-
Balance as at 30 June 2021	1,281,369
Amortization	
As at 1 July 2020	62,416
Charge for the year	259,034
Disposal	-
Balance as at 30 June 2021	321,450
Net book value	
At 30 June 2021	959,919
At 30 June 2020	767,288

6 Share Capital

	Number of Ordinary shares		Par Value (£1 each)
	Authorized	Issued	£
As at 15 February 2018 and 1 July 2019 (unaudited)	No. 100	No. 100	100
Increase in authorized and issued share capital	100	100	100
As at 30 June 2020	200	200	200

Increase in authorized and issued share capital	<u>2,800</u>	<u>2,800</u>	<u>2,800</u>
As at 30 June 2021	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>

7 Related party transactions

		2021 £		2020 £
	Transactions during the year	Outstanding Balance	Transactions during the year	Outstanding Balance
Due to:				
Tap Global Limited	(228,660)	(231,351)	(2,691)	(2,691)
Director's current account	2,350	(671,689)	(674,039)	(674,039)
		<u>(903,040)</u>		<u>(676,730)</u>

Tap Global Limited

In August 2021, Tap Global Limited became the sole shareholder of the Company, making it its parent company. The balances due to Tap Global Limited represent the net of advances from Tap Global Limited to fund the software development less software licence fees payable by Tap Global Limited to the Company.

Director's current account

The Director's current account represents funding provided to the Company in the early stages of the software development.

8 Subsequent events

The Company was acquired by Tap Global Limited, a company registered in Gibraltar, on the 26th August 2021.

Tap Technologies Limited
Annual Report and Accounts for the year ended 30 June 2020

**Directors' report
for the year ended 30 June 2020**

The Directors present their report and the financial statements for Tap Technologies Limited ("the Company") for the year ended 30 June 2020.

Principal activities

The Company was incorporated on the 15th February 2018 under its previous name Swipe Limited. The Company changed its name to the current on 16th November 2020.

The principal activity of the Company during the reporting year is the creation of Intellectual Property through the software development of a crypto asset brokerage platform. The software is licensed to Tap Global Limited, a DLT provider licenced by the Gibraltar Financial Services Commission (GFSC). The software developed by the Company provides an app and a trading platform that allows customers to hold and trade crypto currencies and conduct fiat FX.

Review of the business and future developments

The Company is principally focused on building, developing, and improving the technology and in app software for better ease for customers and ensuring the Company is ahead of the ever-growing fintech industry and security. The Company licenses the software to Tap Global Limited on the basis of a revenue share of Tap Global Limited's revenue. This revenue is expected to grow following the successful launch of the Tap Application by Tap Global Limited and the Company further expects other licencing opportunities to become available as a result of this success.

Dividends

No dividends have been paid during the year.

Covid-19

In view of the continued Covid-19 pandemic, it is appropriate to make a comment on the position of the Company. During 2020, the Company carried on its activities without any impact to its operations. The directors believe that positive steps have been taken in addressing the Covid-19 pandemic globally and due to the online nature of the Company's activities the impact of continued pandemic on the operations of the Company will be minimal. Management will, however, continue to assess the impact of Covid-19 on the Company.

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to maintain a net asset position and will continue to meet its obligations as they fall due, even in the event of losses within the twelve months following approval of these financial statements.

The directors are of the opinion that this basis is appropriate because the shareholder has agreed to provide continuing financial support to enable the Company to meet its obligations as and when they fall due. Accordingly, it is not necessary to include any adjustments that would be required should the Company fail to continue as a going concern.

Auditor

A resolution to reappoint the retiring auditor, PKF Canillas Limited, who is eligible for reappointment will be proposed at the annual general meeting.

Statement of Directors' Responsibilities

The directors are responsible for preparing financial statement for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss for that year which comply with the Gibraltar Companies Act 2014.

Under that law, the directors have elected to prepare the financial statements in accordance with applicable law in Gibraltar and International Financial Reporting Standards. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

- state whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with law. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other regularities.

By order of the Board

.....

Director

.....

Date

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAP TECHNOLOGIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tap Technologies Limited (the "Company"), which comprise the statement of financial position as at 30th June 2020, the statement of comprehensive income and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 30th June 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards; and
- have been prepared in accordance with the Companies Act 2014.

Basis for Opinion

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

Other matter

Without modifying our opinion, we draw attention to the fact that the financial information for the period ended 30 June 2019 is unaudited.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with applicable law in Gibraltar and International Financial Reporting Standards as adopted by the EU, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting

estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

Opinion on other matter prescribed by the Companies Act 2014

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

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

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

Matters on which we are required to report by exception

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

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

Daniel Delgado
FCA Statutory Auditor
For and on behalf of
PKF Canillas Limited

Suite 2.1.09, 1st Floor
Building 2, Eurotowers
Gibraltar

Date: 11 October 2022

Tap Technologies Limited
Statement of Comprehensive Income
For the year ended 30 June 2020

		2020	Unaudited
	Notes	£	2019
			£
Revenue	2	8,009	-
Administrative expenses		(70,416)	-
Loss on ordinary activities before taxation		(62,407)	-
Tax on loss on ordinary activities	4	-	-
Net loss for the year		(62,407)	-
Total comprehensive loss for the year		(62,407)	-

The notes form part of these financial statements.

Tap Technologies Limited
Statement of Financial Position
as at 30 June 2020

	Notes	2020 £	Unaudited 2019 £
ASSETS			
Non-current assets			
Intangible assets	5	<u>767,288</u>	<u>-</u>
Current assets			
Other receivable		<u>-</u>	<u>100</u>
Total assets		<u>767,288</u>	<u>100</u>
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables		144,765	-
Due to related parties	7	676,730	-
Accruals		<u>8,000</u>	<u>-</u>
		<u>829,495</u>	<u>-</u>
Equity			
Capital and reserves			
Called up share capital	6	200	100
Profit and loss account		<u>(62,407)</u>	<u>-</u>
Equity shareholders' funds		<u>(62,207)</u>	<u>100</u>
Total liabilities and equity		<u>767,288</u>	<u>100</u>

The notes form part of these financial statements.

Tap Technologies Limited
Statement of Changes in Equity
For the year ended 30 June 2020

	Called up share capital £	Profit & Loss Account £	Total £
At 15 February 2018 and 1 July 2019 (unaudited)	100	-	100
Subscription	100	-	100
Net loss for the year	-	(62,407)	(62,407)
at 30 June 2020	200	(62,407)	(62,207)

The notes form part of these financial statements.

Tap Technologies Limited
Cash flow statement
For the year ended 30 June 2020

	Notes	2020 £	Unaudited 2019 £
Cash flows from operating activities			
Loss before income tax		(62,407)	-
Adjustments to net income:			
Amortization	5	62,416	-
Changes in working capital:			
Decrease (increase) in receivables		100	(100)
Increase in amounts due to related parties		676,730	-
Increase in trade payables		144,765	-
Increase in accruals		8,000	-
Net cash provided by/(used in) in operating activities		<u>829,604</u>	<u>(100)</u>
Cash flows from investing activities			
Additions to intangible assets	5	<u>(829,704)</u>	<u>-</u>
Net cash used in investing activities		<u>(829,704)</u>	<u>-</u>
Cash flows from financing activities			
Share capital issued		<u>100</u>	<u>100</u>
Net cash provided by financing activities		<u>100</u>	<u>100</u>
Net movement in cash during the year		-	-
Cash at the beginning of the year		<u>-</u>	<u>-</u>
Cash at the end of the year		<u><u>-</u></u>	<u><u>-</u></u>

The notes form part of these financial statements.

Tap Technologies Limited

Notes to the financial statements

for the year ended 30 June 2020

1 General Information

Tap Technologies Limited (the "Company") is a company limited by shares. It was incorporated in Gibraltar on 15th February 2018 as Swipe Limited. As of 16th November 2020 the Company changed its name to Tap Technologies Limited. Its registered address is Madison Building, Midtown, Gibraltar.

2 Summary of Significant Accounting Policies

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

Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards including standards and interpretations issued by the International Accounting Standards Board and in accordance with IFRSs adopted by the European Union and the Companies Act 2014.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention. The financial statements are prepared in Pounds Sterling (GBP) which is the functional currency. All amounts have been rounded to the nearest GBP.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company has not early adopted the new or amended standards in preparing these financial statements.

The following amended standards and interpretations which are relevant to the Company are not expected to have a significant impact on the Company's financial statements:

- Classification of Liabilities as Current or Non-current (*Amendments to IAS 1*);
- Property, Plant and Equipment: Proceeds before Intended Use – *Amendments to IAS 16*;
- IFRS 9 *Financial Instruments* – Fees in '10 per cent' test for derecognition for financial liabilities

New and amended standards and interpretations

There are new and amended standards and interpretations that came into effect in the current year, these did not have a material impact on the Company's financial statements.

Revenue Recognition

The Company recognises license fee revenue on an accrued basis for the use of the Company's assets in accordance with the substance of the underlying agreement.

Expenditure

Expenses are recognised on the accrual basis.

Intangible assets - Computer software

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

Computer software 4 years

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

Cash and cash equivalents

Cash and cash equivalents comprises 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.

Financial instruments

The Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivables and payables.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Provisions

Provisions are recognised when the Company has a legal or constructive obligation at the reporting date as a result of a past event, and it is probable that the company will be required to settle the obligation and the amount of the obligation can be reliably estimated.

Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Income Tax

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to a business combination, or items recognised directly in equity or other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

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.

Foreign currencies

Transactions in foreign currencies are translated into GBP at the rates ruling at the date of the transactions. Monetary assets and liabilities expressed in foreign currency are translated to sterling at the rates of exchange ruling at the end of the financial year. Differences on exchange are taken to statement of comprehensive income.

3 Judgements and key sources of estimation and uncertainty

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 Tax on loss on ordinary activities

	2020 £	Unaudited 2019 £
Loss on ordinary activities before taxation	<u>(62,407)</u>	<u>-</u>
Profit at the standard rate of corporation tax in Gibraltar: 10%		-
Effects of:		
Loss during the year	(6,241)	-
Difference between wear & tear allowances and depreciation expense	(10,454)	-
Loss carried forward	<u>16,695</u>	<u>-</u>
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

At the end of each reporting period, the Company reassesses unrecognised deferred tax assets. The Company did not recognise the deferred tax asset related to unused tax losses as these are not yet deemed to meet the recognition criteria.

5 Intangible assets - Computer software

	Computer software £
Cost	
As at 1 July 2019 (unaudited)	-
Additions	829,704
Disposal	-
Balance as at 30 June 2020	<u>829,704</u>
Amortization	
As at 1 July 2019 (unaudited)	-
Charge for the year	62,416
Disposal	-
Balance as at 30 June 2020	<u>62,416</u>
Net book value	
At 30 June 2020	<u>767,288</u>

6 Share Capital

	Number of Ordinary shares		Par Value (£1 each)
	<u>Authorized</u>	<u>Issued</u>	£
As at 15 February 2018 and 1 July 2019 (unaudited)	No. 100	No. 100	100
Increase in authorized and issued share capital	100	100	100
As at 30 June 2020	<u>200</u>	<u>200</u>	<u>200</u>

7 Related party transactions

	2020		Unaudited 2019	
	£		£	
	Transactions during the year	Outstanding Balance	Transactions during the year	Outstanding Balance
Due to:				
Tap Global Limited	(2,691)	(2,691)	-	-
Director's current account	(674,039)	(674,039)	-	-
		<u>(676,730)</u>		

Tap Global Limited

In August 2021, Tap Global Limited became the sole shareholder of the Company, making it its parent company. The balances due to Tap Global Limited represent the net of advances from Tap Global Limited to fund the software development less software licence fees payable by Tap Global Limited to the Company.

Director's current account

The Director's current account represents funding provided to the Company in the early stages of the software development.

8 Subsequent events

The Company was acquired by Tap Global Limited, a company registered in Gibraltar, on the 26th August 2021.

PART V

UNAUDITED PROFORMA CONSOLIDATED NET ASSET STATEMENT FOR ENLARGED GROUP

Set out below is an unaudited pro forma statement of net assets of the Company, TAP Global Limited and TAP Technologies Limited (together the “Enlarged Group”) as at 30 June 2022 and as at 30 June 2021 respectively. The unaudited pro forma net asset statement has been prepared on the basis set out in the notes below to illustrate the impact of the Subscription and the Acquisition as if it had taken place on 30 June 2022.

The unaudited pro forma information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Enlarged Group’s actual financial position or results. Such information may not, therefore, give a true picture of the Enlarged Group’s financial position or results nor is it indicative of the results that may or may not be expected to be achieved in the future.

The unaudited pro forma information is based on the audited net assets of the Company, TAP Global and TAP Technologies as at 30 June 2022 and 30 June 2021 respectively and is based on the audited historical financial information as shown in Part IV Section A, B and C of this Document. No adjustments have been made to take account of trading, expenditure or other movements subsequent to 30 June 2022 being the date of the audited historical financial information of the Company.

The unaudited pro forma information does not constitute financial statements within the meaning of section 434 of the Act. Investors should read the whole of this Document and not rely solely on the summarised financial information contained in this Part V.

	<i>Quetzal Capital plc</i> Audited net assets as at 30 June 2022 (Note 1) £	<i>TAP Global Limited</i> Audited net assets as at 30 June 2021 (Note 2) £	<i>TAP Technologies Ltd</i> Audited net assets as at 30 June 2021 (Note 3) £	<i>TAP consolidation adjustments</i> (Note 4) £	<i>Issue and conversion of Convertible Loan Notes. Repayment of directors loan</i> (Note 5) £	<i>Issue of the Subscription Shares, net of costs and Acquisition adjustment</i> (Note 6) £	<i>Unaudited pro forma adjusted aggregated net assets of the Enlarged Group on Admission</i> £
Assets							
Non-current assets							
Intangible assets	-	434,659	-	-	-	20,250,000	20,684,659
Property, plant and equipment	-	160,784	959,919	-	-	-	1,120,703
Investments	1,987	-	-	-	-	-	1,987
	1,987	595,443	959,919	-	-	20,250,000	21,807,349
Current assets							
Cash and cash equivalents	1,066,912	212,386	-	-	1,000,000	2,596,000	4,875,298
Trade and other receivables	114,595	266,102	450	(231,351)	-	-	149,796
Financial assets	1,815,320	-	-	-	(1,500,000)	-	315,320
	2,996,827	478,488	450	(231,351)	(500,000)	2,596,000	5,340,414
Total assets	2,998,814	1,073,931	960,369	(231,351)	(500,000)	22,846,000	27,147,763
Current liabilities							
Trade and other payables	(139,964)	(98,497)	(198,740)	-	-	-	(437,201)
Related party loans	-	(2,768,259)	(903,040)	231,351	2,439,948	-	(1,000,000)
Lease liability	-	(31,284)	-	-	-	-	(31,284)
	(139,964)	(2,898,040)	(1,101,780)	231,351	2,439,948	-	(1,468,485)
Noncurrent liabilities							
Lease liabilities	-	(125,923)	-	-	-	-	(125,923)
	-	(125,923)	-	-	-	-	(125,923)
Total liabilities	(139,964)	(3,023,963)	(1,101,780)	231,351	2,439,948	-	(1,594,408)
Total assets less total liabilities	2,858,850	(1,950,032)	(141,411)	-	1,939,948	22,846,000	25,553,355

Notes

The pro forma statement of net assets has been prepared on the following basis:

1. The audited net assets of the Company as at 30 June 2022 have been extracted without adjustment from the audited historical financial information as shown in section A of Part IV of this Document.
2. The audited net assets of TAP Global as at 30 June 2021 have been extracted without adjustment from the audited historical financial information as shown in section B of Part IV of this Document.
3. The audited net assets of TAP Technologies as at 30 June 2021 have been extracted without adjustment from the audited historical financial information as shown in section (C) of Part IV of this Document.
4. A consolidation adjustment has been made to remove the intercompany accounts between TAP Global and TAP Technologies totalling £231,351 in relation to historic trading between the entities which eliminate on consolidation.
5. A pro forma adjustment has been made to reflect the issue of the Convertible Loan Note totalling £1,500,000 to TAP Global on 3 December 2021. An adjustment has also been made to show this balance being converted on Admission in line with the terms of the Convertible Loan Note.

A pro forma adjustment has been made to reflect the settlement of £500,000 and write off of £1,400,000 of the directors loan account, leaving an amount of £1,000,000 payable as per Part VII paragraph 10.14 of this Document.
6. A pro forma adjustment has been made to reflect the initial accounting for the Acquisition of TAP Global by the Company, being the issuance of the Consideration shares, the elimination of the investment in TAP Global against the non-monetary assets acquired and recognition of goodwill. The Company will need to determine the fair value of the net assets acquired pursuant to the proposed Acquisition within 12 months of the acquisition date in accordance with IFRS 3. This process, known as a Purchase Price Allocation exercise may result in a reduction of goodwill, which may be material. The Purchase Price Allocation process will require a valuation of the identifiable intangible assets acquired. The approach adopted by the Board is permissible and appropriate.

An adjustment has been made to reflect the proceeds of the Subscription for 68,888,890 new Ordinary Shares of the Company at an Issue Price of £0.045 per Ordinary Share less an adjustment to reflect the payment in cash of Admission costs of approximately £0.352m and other related costs of approximately £0.152 million exclusive of any non-recoverable sales taxes.
7. No adjustments have been made to reflect the trading or other transactions, other than described above of:
 - i. the Company since 30 June 2022;
 - ii. the Company's dormant subsidiaries TAP Global Pty Ltd and TAP Americas LLC who have not traded since their incorporation on 10 August 2021 and 19 August 2022 respectively; and
 - iii. TAP Global and TAP Technologies since 30 June 2021.
8. The pro forma statement of net assets does not constitute financial statements.

PART VI TAKEOVER CODE DISCLOSURES

1. Information on the Concert Party

The Concert Party is made up of 2 existing Vendors of Tap Global Limited who, by virtue of presumption 9 of the definition of acting in concert under the Code, whereby shareholders in a private company who sell their shares in that company in consideration for the issue of new shares in a company to which the Code applies, are presumed under the Code to be acting in concert. Full details of the members of the Concert Party are shown below.

At the date of this Document members of the Concert Party hold no Existing Ordinary Shares, options or other rights to subscribe for shares in the Company. Set out below is a table showing the potential interests of the members of the Concert Party in the Enlarged Ordinary Share Capital:

Vendors	Ordinary Shares held immediately following Admission	Milestone 1	Ordinary Shares held immediately following Milestone 1	Milestone 2	Maximum amount of Ordinary Shares held following Milestone 2	% of Enlarged Share Capital held following Milestone 2
David Carr	33,750,000	14,250,000	48,000,000	14,250,000	62,250,000	8%
Arsen Torosian	389,250,000	14,250,000	403,500,000	14,250,000	417,750,000	56%
Total	423,000,000	28,500,000	451,500,000	28,500,000	480,000,000	64%

The maximum controlling position of the Concert Party is 480,000,000 New Ordinary Shares representing approximately 64 per cent. of the Enlarged Share Capital. This is based on the following assumptions:

- completion of the Acquisition (resulting in the issue of the Consideration Shares);
- the members of the Concert Party exercising all the LTIP Options held by them in full at the earliest opportunity; and
- there being no other issue of shares, or conversion of Warrants or Options in the share capital of the Company.

Biographical details about David Carr and Arsen Torosian are set out in paragraph 9 of Part I of this Document.

2. Definitions

For the purposes of this Part VI:

- (a) references to persons “acting in concert” comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. A person and each of its affiliated persons will be deemed to be acting in concert all with each other. Without prejudice to the general application of this definition, the following persons will be presumed to be persons acting in concert with other persons in the same category unless the contrary is established:
- (i) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other (for this purpose ownership or control of 20% or more of the equity share capital of a company is regarded as the test of associated company status);
 - (ii) a company with any of its directors (together with their close relatives and related trusts of any of them);
 - (iii) a company with any of its pension schemes and the pension schemes of any company described in (i);
 - (iv) a fund manager (including an exempt fund manager) with any investment company, unit trust or other person whose investments such fund manager manages on a discretionary basis, in respect of the relevant investment accounts;

- (v) a person, the person's close relatives, and the related trusts of any of them, all with each other;
 - (vi) the close relatives of a founder of a company to which the Code applies, their close relatives, and the related trusts of any of them, all with each other;
 - (vii) a connected adviser with its client and, if its client is acting in concert with an offeror or with the offeree company, with that offeror or with that offeree company respectively, in each case in respect of the interests in shares of that adviser and persons controlling, controlled by or under the same control as that adviser (except in the capacity of an exempt fund manager or an exempt principal trader);
 - (viii) directors of a company which is subject to an offer or where the directors have reason to believe a *bona fide* offer for their company may be imminent; and
 - (ix) shareholders in a private company who sell their shares in that company in consideration for the issue of new shares in a company to which the Code applies, or who, following the re- registration of that company as a public company in connection with an initial public offering or otherwise, become shareholders in a company to which the Code applies.
- (b) an "arrangement" includes any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature, relating to Relevant Securities which may be an inducement to deal or refrain from dealing;
- (c) a "connected adviser" means an organisation which is advising the offeror or the offeree company;
- (d) "connected person" has the meaning attributed to it in sections 252 to 255 of the Act;
- (e) "control" means an interest, or interests, in shares carrying in aggregate 30% or more of the voting rights of a company, irrespective of whether such interest or interests give de facto control;
- (f) "dealing or dealt" include:
- (i) the acquisition or disposal of securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or general control of securities;
 - (ii) the taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option (including a traded option contract) in respect of any securities;
 - (iii) subscribing or agreeing to subscribe for securities;
 - (iv) the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or subscription rights;
 - (v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of (by either party) of any rights under, or variation of, a derivative referenced directly or indirectly, to securities;
 - (vi) entering into, terminating or varying the terms of any agreement to purchase or sell securities;
 - (vii) the redemption or purchase of, or taking or exercising an option over, any of its own relevant securities by the offeree company or an offeror; and
 - (viii) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position;
- (g) "derivative" includes any financial product whose value in whole or in part is determined, directly or indirectly, by reference to the price of an underlying security;
- (h) "disclosure date" means 29 November 2022, being the latest practicable date prior to the publication of this document;
- (i) "disclosure period" means the period of 12 months ending on the disclosure date;

- (j) an “exempt fund manager” means a person who manages investment accounts on a discretionary basis and is recognised by the Panel as an exempt fund manager for the purposes of the Code;
- (k) an “exempt principal trader” means a person who is recognised by the Panel as an exempt principal trader for the purposes of the Code;
- (l) being “interested” in securities (or having an “interest”) in such securities includes where a person:
 - (i) owns them; or
 - (ii) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control over them; or
 - (iii) by virtue of an agreement to purchase, option or derivative, has the right or option to acquire them or to call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
 - (iv) is party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them;
- (m) “Relevant Securities” means Ordinary Shares and securities convertible into rights to subscribe for, derivatives referenced to and options (including traded options) in respect of, Ordinary Shares and “relevant securities” shall be construed accordingly; and
- (n) “short position” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

3. Interests and Dealings

3.1. Concert Party

Neither the Concert Party nor any person acting in concert (within the meaning of the Code) with it had (i) any interest in or right to subscribe for any Relevant Securities of the Company; nor (ii) any short positions in respect of Relevant Securities (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; nor (iii) borrowed or lent any relevant Securities (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code); (iv) nor is a party to any dealing arrangement of the kind referred to in Note 11 of the definition of acting in concert in the Code.

3.2. Quetzal Capital

Other than set out in paragraph 10.3 of Part VII, neither the Company nor any persons acting in concert with the Company has (i) any interest in or right to subscribe for any Relevant Securities of the Company; nor (ii) any short positions in respect of Relevant Securities (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; nor (iii) borrowed or lent any Relevant Securities (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code); (iv) nor is a party to any dealing arrangement of the kind referred to in Note 11 of the definition of acting in concert in the Code.

3.3. Quetzal Capital's Connected Advisers

In addition to the Existing Directors (together with their close relatives and related trusts) and members of the Company, the persons who, for the purposes of the City Code, are acting in concert with Quetzal Capital in respect of the Acquisition and who are required to be disclosed are:

Name	Type	Registered Address	Relationship with the Company
Peterhouse Capital Limited	Private Limited Company registered	3rd Floor 80 Cheapside London	Connected Adviser

4. Middle Market Quotations

The closing middle market quotations for an Ordinary Share for the first business day in each of the six months immediately preceding the date of this Document and the Business Day immediately preceding the date of this Document are:

Date	Price
1 July 2022	3.65 p
1 August 2022	3.15 p
1 September 2022	3.35 p
3 October 2022	2.85p
1 November 2022	3.40p*
1 December 2022	3.40p*
15 December 2022	3.40p*

* trading in the Company's Ordinary Shares on the AQSE Growth Market was suspended on 1 November 2022.

5. Additional disclosures required by the Code

At the close of business on the disclosure date:

- (a) other than as set out in paragraph 5, 9, 10.2, 10.3 and 10.4 of Part VII, neither the Company nor any of the Existing Directors (including any members of such Existing Directors' respective immediate families, related trusts or connected persons) had any interest in or right to subscribe for, or had any short position in relation to any Relevant Securities of the Company;
- (b) the Company has not redeemed or purchased any of its Relevant Securities during the disclosure period;
- (c) there were no arrangements which existed between the Company or any person acting in concert with the Company or any other person;
- (d) neither Tap Global nor any person acting in concert with Tap Global had borrowed or lent any Relevant Securities of the Company, save for any borrowed shares which have either been on-lent or sold;
- (e) save for the Acquisition Agreement, the letters of appointment and the service contracts with the relevant Proposed Directors who are members of the Concert Party (further information in paragraphs 7.4 and 7.5 of Part VII), and other arrangements expressly referred to in this Document, no member of the Concert Party nor any person acting in concert with them has entered into an agreement, arrangement or understanding (including any compensation arrangement), and there are no arrangements (personal, financial or commercial), with any of the Existing Directors, recent directors, Shareholders, recent Shareholders or any other person interested or recently interested in Existing Ordinary Shares which are connected with or dependent upon the outcome of the Proposals;
- (f) no member of the Concert Party has entered into agreement, arrangement or understanding to transfer any interest acquired in the Company, pursuant to the Proposals;
- (g) no member of the Concert Party had any interest in, or right to subscribe for, or had any short position in relation to any Relevant Securities of the Company;
- (h) no member of the Concert Party nor any person acting in concert with them had dealt in any Relevant Securities of the Company (or, in the case of a securities exchange offer only, of the offeror) during the period beginning 12 months prior to the Disclosure Date;
- (i) there are no persons acting in concert with the Concert Party and consequently no persons acting in concert with the Concert Party had any interest in, or right to subscribe for, or had any short position in relation to any Relevant Securities of the Company; and no such person has dealt in any Relevant Securities of the Company during the period beginning 12 months prior to the Disclosure Date.

PART VII ADDITIONAL INFORMATION

1. Responsibility

- 1.1. The Existing Directors, whose names appear on page 11 of this Document, accept full responsibility, individually and collectively (including any expression of opinion), for the information contained in this Document (other than where responsibility is taken by other parties as set out in paragraphs 1.2 and 1.3 below), and for compliance with the AQSE Growth Market Rules. To the best of the knowledge and belief of the Existing Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and there are no other facts which, if omitted, would affect the import of such information.
- 1.2. Each of the Proposed Directors, whose names appear on page 11 of this Document, accept full responsibility, individually and collectively (including any expression of opinion), for the information contained in this Document which relates to the Tap Group and the Proposed Directors. To the best of the knowledge and belief of the Proposed Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document which relates to the Tap Group and the Proposed Directors is in accordance with the facts and there are no other facts which, if omitted, would affect the import of such information.
- 1.3. Each member of the Concert Party, whose names are set out in paragraph 1 of Part VI of this Document, accepts responsibility for the information contained in this Document relating to the Concert Party (including its intentions). To the best of the knowledge and belief of each member of the Concert Party (having taken all reasonable care to ensure that such is the case) the information contained in this Document for which they accept responsibility in accordance with the facts and does not omit anything likely to affect the import of such information.

2. The Company

- 2.1. The Company was incorporated in England and Wales on 8 June 2006 as a private company limited by shares with the name Hallco 1350 Limited and with registered number 05840813. On 6 November 2006, the Company re-registered as a public company limited by shares and changed its name to Metrocapital Information PLC and then on 27 November 2007, the Company changed its name to Metroelectric PLC. On 30 May 2014, the Company subsequently changed its name to Welney PLC and on 13 July 2020 the Company changed its name to Quetzal Capital PLC. With effect from and subject to Admission and the passing of the Resolutions, the Company will change its name to Tap Global Group PLC.
- 2.2. The Company is a public limited company and accordingly the liability of its members is limited. The Company and its activities and operations are principally regulated by the Act and the regulations made thereunder.
- 2.3. The registered office of the Company is 6th Floor 60 Gracechurch Street, London, United Kingdom, EC3V 0HR. The Company's business address is 6th Floor 60 Gracechurch Street, London, United Kingdom, EC3V 0HR. The Company's telephone number is +44 (0)20 3813 0175.
- 2.4. The accounting reference date of the Company is 30 June.
- 2.5. On Admission the Company will become the holding company of the following companies:

Name	Country of Incorporation	Company Registration Number	Registered Office	Ownership Interest
Tap Global Limited	Gibraltar	118724	Madison Building, Midtown, Queensway, Gibraltar, GX11 1AA	100% (direct ownership)
Tap Technologies Limited	Gibraltar	116939	Madison Building, Midtown, Queensway, Gibraltar, GX11 1AA	100% (indirectly via its ownership in Tap Global)
Tap Global Pty Limited	Australia	652 713 614	Suite 2 Level 1, 9-11 Grosvenor Street,	100% (indirectly via

Tap Americas LLC	Florida USA	L22000366354	Neutral Bay NSW 2089, Australia	its ownership in Tap Global)
			2875 S Orange Ave. STE 500 6109 Orlando FL US 32806	100% (indirectly via its ownership in Tap Global)

3. Share capital of the Company

- 3.1. As at 15 December 2022, the Company's share capital comprised 171,187,401 Ordinary Shares and 15,455,115 Deferred Shares.
- 3.2. The Company was incorporated with an authorised share capital of £1,000 divided into 1,000 ordinary shares of £1.00 each. On incorporation, 2 of these ordinary shares were issued credited as fully paid up to each of HL Secretaries Limited and HL Directors Limited being the subscribers to the Company's original memorandum of association.
- 3.3. On 3 November 2006, the authorised share capital of the Company was increased from £1,000 to £10,000,000 by the issue of an additional 9,999,000 ordinary shares of £1 each and each ordinary share of £1 each was subsequently sub-divided into 1,000 Ordinary Shares of 0.1p each.
- 3.4. The Company made the following allotments from incorporation until 29 June 2020:

Date	Number of Ordinary Shares	Nominal Value	Subscription Price
3 November 2006	49,998,000	£0.001	£0.001, raising an aggregate amount of £49,998
20 April 2007	125,000,000	£0.001	£0.001, raising an aggregate amount of £125,000
16 April 2009	10,000,000	£0.001	£0.001, raising an aggregate amount of £10,000
8 June 2009	10,000,000	£0.001	£0.001, raising an aggregate amount of £10,000
1 October 2009	5,000,000	£0.001	£0.001, raising an aggregate amount of £5,000
6 November 2009	25,000,000	£0.001	£0.001, raising an aggregate amount of £25,000
21 December 2009	135,099,640	£0.001	£0.00788 raising an aggregate amount of £1,064,797.10
10 March 2010	9,000,000	£0.001	£0.001, raising an aggregate amount of £9,000
15 September 2010	1,000,000	£0.001	£0.01, raising an aggregate amount of £10,000
3 February 2011	9,411,765	£0.001	£0.0085, raising an aggregate amount of £80,000
01 December 2011	100,000,000	£0.001	£0.001, raising an aggregate amount of £100,000
8 February 2012	122,500,000	£0.001	£0.001, raising an aggregate amount of £122,500
2 August 2012	309,000,000	£0.001	£0.001, raising an aggregate amount of £309,000
29 October 2013	50,000,000	£0.001	£0.002, raising an aggregate amount of £100,000
13 December 2013	50,000,000	£0.001	£0.001, raising an aggregate amount of £50,000
27 December 2013	100,000,000	£0.001	£0.0025, raising an aggregate amount of £250,000
3 January 2014	200,000,000	£0.001	£0.001, raising an aggregate amount of £200,000

31 January 2014	234,500,000	£0.001	£0.0025, raising an aggregate amount of £586,250
29 June 2020	95	£0.001	£0.001, raising an aggregate amount of £0.095

- 3.5. On 29 June 2020, the Company resolved to consolidate the Ordinary Shares of £0.001 each then existing into shares of £0.10 and then to subdivide such shares into Ordinary Shares of £0.001 and Deferred Shares of £0.099. Articles of association including reference to the Deferred Shares and Ordinary Shares were adopted pursuant to a resolution of the Shareholders on 6 December 2021 detailed at paragraph 3.8.
- 3.6. Immediately following the consolidation and sub-division detailed at paragraph 3.5, the total issued share capital of the Company was 15,455,115 Ordinary Shares and 15,455,115 Deferred Shares.
- 3.7. The Company made the following allotments after the passing of the resolution detailed at paragraph 3.5 to the close of business on 15 December 2022 (being the latest practicable date prior to the posting of this Document):

Date	Number of Ordinary Shares	Nominal Value	Subscription Price
29 June 2020	6,690,620	£0.001	£0.003, raising an aggregate amount of £20,072
9 July 2020	375,000	£0.001	£0.003, raising an aggregate amount of £1,125
5 February 2021	321,428	£0.001	£0.007, raising an aggregate amount of £2,249.99
8 March 2021	11,666,666	£0.001	£0.003, raising an aggregate amount of £35,000
8 March 2021	61,678,572	£0.001	£0.007, raising an aggregate amount of £431,750
7 April 2021	75,000,000	£0.001	£0.04, raising an aggregate amount of £3,000,000

- 3.8. On 6 December 2021, by or pursuant to resolutions of the Company passed on that date, the Company resolved amongst other things:
- 3.8.1. **THAT** the Directors be generally and unconditionally authorised in accordance with section 551 of the Act and in substitution for all existing authorities under that section, to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company ("Rights") up to an aggregate nominal amount of £171,187.40 during the period commencing on the date of the passing of this resolution and expiring at the conclusion of the next annual general meeting of the Company or on 6 December 2022, whichever is earlier, and provided further that the Company shall be entitled before such expiry to make an offer or agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights under such offer or agreement as if this authority had not expired.
- 3.8.2. **THAT** subject to the passing of the resolution detailed in paragraph 3.8.1 above, the directors be empowered under section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash under the general authority already given as if sub-section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:
- 3.8.2.1. the allotment of equity securities in connection with an offer of such securities to holders of ordinary shares where the equity securities for which ordinary shares are respectively entitled to subscribe are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or any legal or

practical problems under the laws of any overseas territory or the requirements of any regulatory body or stock exchange; and

- 3.8.2.2. the allotment (otherwise than under sub-paragraph (a) above) of equity securities up to an aggregate nominal value of £171,187.40;

and so that such power (unless previously revoked or varied) shall expire at the end of next year's annual general meeting, (or if earlier at the close of business on 6 December 2022) provided that the directors may, before the power expires, make an offer or enter into an agreement which would or might require equity securities to be allotted after such power expires.

- 3.8.3. **THAT** with effect from the conclusion of the meeting the draft articles of association produced to the meeting and for the purposes of identification, initialled by the Chairman be adopted as the articles of association of the Company and in substitution for, and to the exclusion of the Company's existing articles of association.
- 3.8.4. In accordance with the resolution passed on 29 June 2021 whereby each of the issued ordinary shares of 1 pence each in the capital of the Company were subdivided into one new ordinary share of 0.001 pence and one deferred share of 0.099 pence, **THAT**, subject to and conditional upon the passing of the resolution detailed in paragraph 3.8.3 above, each of the ordinary shares of 0.001 pence each and deferred shares of 0.099 pence each in issue or to be issued shall have the rights and restrictions set out in the articles of association as amended pursuant to resolution detailed at paragraph at 3.8.3.
- 3.9. As at the close of business on 15 November 2022 (being the latest practicable date prior to the posting of this Document), the Company's Existing Ordinary Shares consists of 171,187,401 Ordinary Shares and 15,455,115 Deferred Shares.
- 3.10. On Admission, the Company will issue as New Ordinary Shares the following:
- 3.10.1. the Subscription Shares;
- 3.10.2. the Introducer Ordinary Shares; and
- 3.10.3. the Consideration Shares.
- 3.11. The Company's issued share capital consists of two classes of shares comprising of the Ordinary Shares and the Deferred Shares:

Ordinary Shares

- 3.11.1. the Ordinary Shares shall have attached to them full voting rights together with such other rights and restrictions as set out in the Articles or as the Board may determine from time to time,

Deferred Shares

- 3.11.2. the Deferred Shares do not confer any right or rights to:
- 3.11.2.1. transmit or transfer the Deferred Shares to any person;
- 3.11.2.2. receive notice of, attend or vote at any general meeting of the Company;
- 3.11.2.3. receive dividends or distributions of the Company; or
- 3.11.2.4. participate in any pre-emptive offer of shares.
- 3.11.3. On a winding up or other return of capital, the holders of Deferred Shares are entitled to receive £0.01 in aggregate (this payment shall be deemed satisfied by payment to any one holder of Deferred Shares) and the holders of the Deferred Shares shall have no other right to participate in the assets of the Company.

4. Summary of the Articles of Association of the Company

Pursuant to section 31 of the Act, the objects for which the Company is established are unrestricted and the Company has full power and authority to carry out any object not prohibited by law. The Articles, which were adopted by special resolution of the Company passed on 6 December 2021, contain, inter alia, provisions to the following effect:

Voting Rights:

- a) At general meetings of the Company, on a show of hands every member holding Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, unless the proxy (in either case) or the representative is himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share held by him.
- b) No voting rights attached to a share may be exercised unless all amounts due and payable to the Company in respect of that share have been paid.
- c) The Deferred Shares do not confer any right to attend or vote at any general meeting of the Company.

Variation of Rights:

- d) Subject to the provisions of the Act, if the capital of the Company is divided into different classes of shares, the rights attached to any class may be varied or abrogated (a) in such manner as may be provided by such rights or (b) in the absence of any such provision with the written consent of the holders of three quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class.

Right to Share Certificates:

- e) Pursuant to the Articles, when a Shareholder is first registered as the holder of any class of certificated shares, he is entitled (unless he is a recognised person and therefore the not required by law), free of charge, to one certificate for all of the Ordinary Shares of that class which he holds. If a Shareholder holds shares of more than one class, he is entitled to a separate share certificate for each class however the Company need not issue share certificates to the holders of Deferred Shares in respect of their holding thereof. If a Shareholder receives more shares of any class, he is entitled, without charge, to a certificate for the extra shares. If a Shareholder transfers some of the shares represented by a share certificate, he is entitled, free of charge, to a new certificate for the balance to the extent the balance is to be held. Where a share is held jointly, the Company does not have to issue more than one certificate for that share. When the Company delivers a share certificate to one joint Shareholder, this is treated as delivery to all of the joint Shareholders. Every certificate shall state the number, class and distinguishing numbers (if any) of these shares and the amount paid up in respect of those shares.
- f) Unless otherwise determined by the Directors and permitted by the CREST Regulations no Shareholder shall be entitled to receive a certificate in respect of any share for so long as the title to that share is evidenced otherwise than by a certificate and for so long as transfers of that share may be made otherwise than by a written instrument by virtue of the CREST Regulations.

Transfer of Shares:

- g) All transfers of certificated shares may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors. The person making a transfer will continue to be treated as a Shareholder until the name of the person to whom the share is being transferred is put on the register for that share.
- h) All transfers of uncertificated shares shall be made in accordance with and be subject to the CREST Regulations and the facilities and requirements of the CREST System and subject thereto in accordance with any arrangements made by the Board.
- i) The Board may refuse to register a transfer of shares held unless:
 - it is in respect of a fully paid share;
 - it is in respect of a share on which the Company does not have a lien;
 - it is lodged at the Company's registered office or such other place as the Directors have appointed;
 - it is accompanied by the certificate for the shares to which it relates, or such other evidence as the Directors may reasonably require to show the transferor's right to

make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;

- it is in respect of only one class of share; or
 - it is in favour of not more than four joint holders as transferees.
- j) No fee shall be chargeable by the Company for registering any instrument of transfer or other document relating to or affecting title to any share.
- k) The Deferred Shares shall not be transferable except in accordance with the written consent of the Board.

Pre-emption:

- l) Subject to the provisions of the Act and any resolution of the Company relating thereto or relating to any authority to allot any shares in the Company or grant any right to subscribe for or convert any securities into any shares of the Company, the Directors may allot (with or without conferring a right of renunciation), grant options over offer or otherwise deal with or dispose of shares of the Company to or in favour of such persons on such terms and conditions at a premium or at par and at such times as the Directors think fit.

Dividends and Other Distributions:

- m) Subject to the provisions of the Act, the Company may by ordinary resolution in general meeting declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Board. The Board may pay interim dividends if it appears to them that the profits available for distribution justify the payment.
- n) All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
- o) Any unclaimed dividends in respect of a share unclaimed after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. Any dividend unclaimed after a period of twelve years from the date on which it became due for payment shall be forfeited and shall revert to the Company.
- p) The Board may, if authorised by an ordinary resolution of the Company in general meeting, offer members the right to elect to receive Ordinary Shares credited as fully paid up instead of cash, in respect of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution.
- q) The Deferred Shares do not confer any rights to dividends or other distributions of the Company.

Return of Capital on a Winding Up:

- r) On a winding up, the liquidator may with authority from a special resolution, divide among the Shareholders in proportion to their shareholdings in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders.
- s) On a winding up or other return of capital, the holders of Deferred Shares are entitled to receive £0.01 in aggregate (this payment shall be deemed satisfied by payment to any one holder of Deferred Shares) and the holders of the Deferred Shares shall have no other right to participate in the assets of the Company.

Disclosure of Interests in Shares:

- t) If the Board is satisfied that a member or any person appearing to be interested in shares in the Company has been duly served with a notice under section 793 of the Act and is in default in supplying to the Company the information thereby required within a prescribed period after the service of such notice, the following sanctions shall apply unless the Board determines otherwise:

- the defaulting shareholder or any transferee who acquires shares other than by an excepted transfer shall not be entitled in respect of the default shares and any other share held by the defaulting shareholder or the transferee to receive notice of or be present or to vote (either in person or by representative or proxy) at any General Meeting or at any separate meeting of the holders of any class of shares, or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll;
- where default shares represent at least 0.25 per cent. of the class of shares concerned the direction notice may in addition direct that (i) any dividend or other money payable in respect of the shares shall be withheld by the Company, which shall not have any obligation to pay interest on it, and the Member shall not be entitled to elect to receive Ordinary Shares instead of that dividend, and (ii) no transfer, other than an excepted transfer, of any shares held by the Member shall be registered unless the Member is not himself in default as regards supplying the information required, and the Member proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer

General Meeting

Quorum

- u) A quorum for a general meeting is two people who are entitled to vote. They can be Shareholders who are personally present by a duly authorised corporate representative or by proxy and entitled to vote. No business shall be transacted at any general meeting unless the requisite quorum shall be present when the meeting proceeds to business. If a quorum is not present within five minutes of the time fixed for a general meeting to start the meeting if convened by or upon the requisition of members shall be dissolved. In any other case it shall stand adjourned to such day and to such time and place as the chairman (or in default the Board) shall appoint.
- v) The chairman of a general meeting at which a quorum is present may, with the consent of the meeting adjourn any meeting from time to time and from place to place.

Voting

- w) Subject to the Act and to any rights or restrictions attached to any shares, on a show of hands every Shareholder (who is an individual) who is present in person or every Shareholder (who is a corporation) is present by a duly authorised representative and every proxy (regardless of the number of Shareholders for whom he is proxy) has one vote and on a poll each Shareholder present in person, by proxy or by representative has one vote for every share he holds.
- x) A resolution put to the vote at any general meeting will be decided on a show of hands unless a poll is demanded when, or before, the chairman of the meeting declares the result of the show of hands. A poll can be demanded by:
 - the chairman of the meeting;
 - at least five persons at the meeting who are entitled to vote;
 - one or more Shareholders at the meeting who are entitled to vote (or their proxies) and who have between them at least one-tenth of the total voting rights of all Shareholders who have the right to vote at the meeting; or
 - one or more Shareholders at the meeting who have shares which allow them to vote at the meeting (or their proxies) holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid equal to not less than one tenth of the total sum paid up on all the shares conferring that right.

Directors

Directors' meetings

- y) It shall be necessary to give notice (which need not be in writing) of a meeting of the Board to any Director whether or not for the time being he is absent from the country in which the meeting is proposed to take place. Notwithstanding the foregoing neither the accidental failure to give notice of a meeting of the Board to any Director nor the non-receipt in any case of such notice if given shall invalidate such meeting or any resolution passed or business transacted thereat.
- z) If no other quorum is fixed by the Directors, two Directors are a quorum.
- aa) Matters to be decided at a Directors' meeting will be decided by a majority vote. If votes are equal, the chairman of the meeting has a second, casting vote.

Appointment, Retirement and Rotation

- bb) The number of Directors (other than alternate directors) shall not be less than two, however, the Company may by ordinary resolution from time to time vary the minimum and maximum number of Directors
- cc) The Board may from time to time and at any time appoint any other person to be a Director either to fill a casual vacancy or by way of addition to the Board. A Director so appointed shall hold office only until the Annual General Meeting following next after his appointment, when he shall retire, but shall then be eligible for re-election. A Director so retiring shall not be taken into account in determining the number of Directors to retire by rotation at such meeting in accordance with the Articles.
- dd) At the Annual General Meeting in every year one-third of the Directors at the relevant time (other than those retiring in accordance with paragraph cc) above) or if their number is not a multiple of 3 then the number nearest to but not exceeding 33 3% shall retire from office provided always that if in any year the number of Directors (other than those retiring as aforesaid) is two, one of such Directors shall retire, and if in any year there is only one Director (other than those retiring as aforesaid) that Director shall retire.
- ee) The Directors to retire at the Annual General Meeting in every year shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be the Directors who have been longest in office since their last election. As between Directors of equal seniority, the Directors to retire shall in the absence of agreement be selected from among them by lot. A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.
- ff) The Company at the meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto, and in default the retiring Director shall if offering himself for re-election be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost.
- gg) the Company may by ordinary resolution remove any Director before the expiration of his period of office, and may (subject to these Articles) by ordinary resolution appoint another Director in his place. A person appointed in place of a Director so removed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.
- hh) Any Director is deemed to vacate their position if:
 - he ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
 - a bankruptcy order is made against him or a composition is made with his creditors generally;
 - he is, or may be, suffering from mental disorder and he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or any equivalent legislation or an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning

mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;

- he becomes physically or mentally incapable of performing the functions of a Director and the Board shall resolve that he be disqualified;
- he holds executive office subject to the terms of any contract between him and the Company, he resigns his office by notice in writing to the Company;
- he has missed Directors' meetings for a continuous period of six months without permission from the Directors and the Directors pass a resolution removing the Director from office;
- he is removed from office by notice in writing served on him signed by all his co-Directors but so that if he holds an appointment to an executive office which thereby automatically determines such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company; and
- he shall be removed from office by ordinary resolution of the Company in General Meeting in accordance with the Statutes.

Alternate Directors

- ii) Any Director can appoint any person approved by a resolution of the Board or another Director to act in his place (called an "Alternate Director").
- jj) The appointment of an Alternate Director ends on the happening of any event which, if he were a Director, would cause him to vacate that office. It also ends if the Alternate Director resigns his office by written notice to the Company, if his appointer stops being a Director (including in the event of death), unless that Director retires at a general meeting at which he is re-appointed or, if he is not a Director. An Alternate Director is entitled to receive notices of meetings of the Directors. He is entitled to attend and vote as a Director at any meeting at which the Director appointing him is not personally present and generally at that meeting is entitled to perform all of the functions of his appointer as a Director. If he is himself a Director, or he attends any meeting as an Alternate Director for more than one Director, he can vote cumulatively for himself and for each other Director he represents but he cannot be counted more than once for the purposes of the quorum.
- kk) An Alternate Director is entitled to be repaid expenses and to be indemnified by the Company to the same extent as if he were a Director. The Alternate Director shall not be entitled to be paid remuneration by the Company, however, such remuneration may be agreed and out of the remuneration payable to the appointing Director.

Expenses

- ll) The Director may be paid all travel, hotel and other expenses incurred in attending and returning from general meetings, meetings of the Directors or committees of the Directors or any other meetings which as a Director he is entitled to attend or otherwise in connection with the discharge of their duties.

Pensions and Gratuities for Directors

- mm) The Directors can decide to provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any former Director of the Company who held an executive office or employment with the Company or any of its subsidiary undertakings or former subsidiary undertakings or any predecessor in business of the Company, or any relation or dependant of such a person.

Directors' Interests

- nn) A Director who is in any way, directly or indirectly, interested in a proposed or existing transaction or arrangement with the Company must declare, either in writing or at a meeting of the Directors, the nature and extent of his interest to the other Directors in accordance with the Act. An interest of a person who is connected with a Director shall be treated as an interest of the Director.
- oo) Subject to certain exceptions, the relevant Director and any other Director with a similar interest will not count in the quorum and will not vote on any resolution concerning a matter in which he has, directly or indirectly, an interest which is material.

pp) If a question comes up at a meeting of the Directors about whether a Director (other than the chairman of the meeting) can vote or be counted in the quorum, the question must be referred to the chairman of the meeting. The chairman of the meeting's ruling about any other Director is final and conclusive unless the nature or extent of the Director's interest (so far as it is known to him) has not been fairly disclosed to the Directors in which case the question shall be decided by a resolution of the majority of the directors.

Borrowing Powers

qq) Subject to the provisions of the Act, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (both present and future), including its uncalled capital, and to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

Indemnity

Subject to the restrictions of the Act, the Company can indemnify any Director or officer or former Director or former officer of the Company or of any associated company against any liability; and can purchase and maintain insurance against any liability for any Director or former Director of the Company or of any associated company.

5. Directors and Proposed Directors' Interests

- 5.1. On Admission the interests of the Existing Directors and the Proposed Directors and the entities under their direct, immediate control and, so far as they are aware having made due and careful enquiries, of persons connected with them (all of which are beneficial, unless otherwise stated) (so far as is known to the Existing Directors and the Proposed Directors, or could with reasonable diligence be ascertained by them) in the Existing Ordinary Shares and Enlarged Share Capital are and will be as follows:

Director	Number of Ordinary Shares on Admission	% of Enlarged Share Capital
John Taylor	2,750,000	0.39
Tony Quirke	Nil	Nil
Arsen Torosian	389,250,000	56.14
David Aaron Carr	33,750,000	4.87
Desmond Hellicar-Bowman	Nil	Nil
Fungai Ndoro	Nil	Nil

** Mr. Taylor's shares are held on trust by Seguro Nominees Limited*

- 5.2. The Company, the Existing Directors and the Proposed Directors are not aware of any arrangements or operations which may, at a subsequent date, result in a change in control of the Company, nor are they aware that the Company is majority owned or controlled directly or indirectly by any entity.
- 5.3. Save as disclosed in paragraph 5.1 and paragraph 6.1 of this Part VII of this Document otherwise, as at the date of this Document, the Company, the Existing Directors and the Proposed Directors are not aware of any interest which will immediately following Admission represent 3% or more of the Enlarged Share Capital or voting rights of the Company or of any person who, directly or indirectly, jointly or severally, exercises or could exercise control of the Company.
- 5.4. There are no outstanding loans granted or guarantees provided by the Company to or for the benefit of any of the Existing Directors or Proposed Directors.
- 5.5. Save as disclosed in paragraph 9 of this Part VII or otherwise in this Document, no Existing Director or Proposed Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company taken as a whole and which was effected by the Company during the current or immediately preceding financial year, or during any earlier financial year and which remains in any respect outstanding or unperformed.

6. Significant Shareholders

- 6.1. As at 15 December 2022 (being the latest practicable date prior to the publication of this Document) the Company has been notified or is aware of the following holdings which will, following Admission, represent more than three per cent. of the Enlarged Share Capital or voting rights of the Company:

Name	Number of Existing Ordinary Shares	% of Current Issued Ordinary Share Capital
Chris Akers	41,250,000	24.1%
Monecor (London) Limited	14,769,036	8.6%
Mark Horrocks	10,350,000	6.0%

- 6.2. Immediately following Admission, the Acquisition and the Subscription, in addition to the Directors interests disclosed in paragraph 5.1 above, the followings persons will have an interest, directly or indirectly, in at least three per cent. of the voting rights attached to the Company's issued shares. Such persons will be required to notify such interests to the Company in accordance with the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules, and such interests will be notified by the Company to the public:

Name	Number of Existing Ordinary Shares	% of Enlarged Share Capital
Mr. Oliver Wu	66,666,666	9.61%
Chris Akers	41,250,000	5.95%

- 6.3. None of the Directors, nor any persons named in paragraphs 6.1 or 6.2 above, has, or will have, voting rights which are different to any other holder of Ordinary Shares.

7. Directors' Terms of Appointment

The Company has entered into or agreed to enter into service agreements and letter(s) of appointment as follows:

Existing Directors

The terms of the Existing Directors appointments are summarised at paragraph 7.1 – 7.3 below. Upon Admission Fungai Ndoro will resign as a director of the Company and consequently her agreement will be terminated.

7.1. Service Agreement with Fungai Ndoro

On 1 April 2021, Fungai Ndoro entered into a service agreement with the Company to act as an executive director of the Company. The service agreement will continue unless terminated, after one year's employment, by either party giving 3 calendar months' notice. The fee payable by the Company was £20,000 per annum from the commencement date and was amended to £50,000 per annum from 1 December 2021.

Resignation Letter

On 28 November 2022, Fungai Ndoro executed a resignation letter, pursuant to which her employment with the Company will terminate with effect from Admission ("**Resignation Letter**"). Ms Ndoro has agreed to waive her right to notice.

7.2. Letter of Appointment with John Taylor

On 2 March 2021, John Taylor signed a letter of appointment with the Company, pursuant to which he agreed to act as a non-executive director of the Company for an initial term of 3 years concluding on the Company's AGM occurring in 2024 unless terminated by 3 months' notice. The fee payable to Mr Taylor was £20,000 per annum and was amended to £50,000 per annum from 1 December 2021.

Mr Taylor has agreed to enter into a revised letter of appointment with effect from Admission pursuant to which he will serve as non-executive Chairman of the Company. Mr Taylor's revised appointment will commence on the date of Admission and may be terminated by either

party giving three months' written notice, such notice not to be given prior to the first anniversary of Admission. Mr Taylor is entitled to a fee of £48,000 per annum and is required to devote such of his time, attention and ability to his duties as may be necessary or desirable for the proper and effective discharge of all of his functions and responsibilities.

7.3. **Service Agreement with Anthony Quirke**

On 28 November 2022, Mr Anthony Quirke entered into a revised service agreement with the Company pursuant to which he agreed, subject to Admission, to act as finance director of the Company. Mr Quirke's appointment will commence on Admission and may be terminated by either party giving the other three months' written notice. Mr Quirke is expected to devote not less than 18 days per quarter to the proper performance of his duties, which include the co-ordination of all financial input to this Admission Document. Mr Quirke will be paid a salary of £60,000 per annum.

Proposed Directors

The terms of the Proposed Directors appointments are summarised at paragraphs 7.4 – 7.6 below. Upon Admission, each of the Proposed Directors will be appointed as a director of the Company and consequently each of their respective agreements will become effective.

7.4. **Service Agreement with David Carr**

On 28 November 2022, David Carr entered into a service agreement with the Company, under the terms of which he has agreed to act as a Chief Executive Officer of the Company. The service agreement is effective from the date of Admission and may be terminated by either party giving to the other three months' prior written notice, such notice not to be given prior to the first anniversary of Admission. Mr Carr will be paid a salary of £120,000 per annum.

7.5. **Service Agreement with Arsen Torosian**

On 28 November 2022, Arsen Torosian entered into a service agreement with the Company, under the terms of which he has agreed to act as a Chief Strategy Officer. The service agreement is effective from the date of Admission, and may be terminated by either party giving to the other three months' prior written notice, such notice not to be given prior to the first anniversary of Admission. Mr Torosian's salary will be paid by Tap Global pursuant to the terms of a separate service agreement, summarised directly below.

On 28 November 2022, Mr Torosian also entered into a service agreement with Tap Global, under the terms of which he has agreed to act as a Chief Strategy Officer. The service agreement is effective from the date of Admission, and may be terminated by either party giving to the other three months' prior written notice, such notice not to be given prior to the first anniversary of Admission. Mr Torosian will be paid a salary of £120,000 per annum.

7.6. **Letter of Appointment with Desmond Hellicar-Bowman**

On 28 November 2022, Desmond Hellicar-Bowman signed a letter of appointment with the Company, pursuant to which he agreed to act as a non-executive director of the Company. Mr Hellicar-Bowman's appointment will commence on the date of Admission and is terminable at any time on three months' written notice on either side. Mr Hellicar-Bowman is entitled to a fee of £20,000 per annum and is required to devote such of his time, attention and ability to his duties as may be necessary or desirable for the proper and effective discharge of all of his functions and responsibilities.

8. **Additional Information on Existing Directors and Proposed Directors**

- 8.1. In addition to directorships of the Company, the Existing Directors and the Proposed Directors hold or have held the following directorships (including directorships of companies registered outside England and Wales) or have been partners in the following partnerships within the five years prior to the date of this Document:

Director	Current Directorships	Previous Directorships
John Taylor	TECC Capital Plc Ugly Panda LLP Asimilar Group Plc BrandShield Systems Plc Ignis Capital Plc	Bidstack Group plc Sabien Technology Group plc AS Group Ventures Inc Pathfinder Minerals Plc IM Minerals Limited

	Sandonjo Capital Plc IamFire Plc Becket Invest Limited	Low 6 Security Trustee Limited Blenheim Natural Resources Limited
Fungai Ndoro	Oscillate Plc Hydrogen Future Industries Plc Helium Ventures Plc FN Advisory Limited	V22 London Limited
David Carr	EU Prepaid Ltd Tap Global Ltd Tap Technologies Ltd Tap n Go Limited Tap Global Pty Ltd	-
Arsen Torosian	Tap N Go Ltd Tap Global Ltd Tap Technologies Ltd Tap Global PTY Ltd Tap Americas LLP	SoftGamers Ltd Supply Technology Ltd Swipe Financial Ltd Tap Global-UK Ltd
Anthony Quirke	The Payments Practice Ltd Universe Payments Ltd	FairFX Plc Q Money Ltd Q Technology Ltd Spectrum Financial Group Ltd Spectrum Payment Services Ltd Red88 Ltd City Forex Ltd Equals Connect Ltd GoGo Remit Ltd Woodhall Gate Ltd Spectrum Card Services Limited Fair Payments Ltd
Desmond Hellicar Bowman	-	Payments Innovation Forum Pixxels Ltd Q Technology Ltd Q Money Ltd

8.2. None of the Directors or the Proposed Directors have:

- 8.2.1. had any previous names;
- 8.2.2. any unspent convictions in relation to indictable offences;
- 8.2.3. any convictions in relation to fraudulent offences;
- 8.2.4. had any bankruptcy order made against him or entered into any voluntary arrangements;
- 8.2.5. been a director of a company which has been placed in receivership, insolvent liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
- 8.2.6. been a partner in any partnership which has been placed in insolvent liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;

- 8.2.7. been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- 8.2.8. been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or
- 8.2.9. been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a Company.
- 8.3. None of the Directors or the Proposed Directors have, or have had, any conflict of interest between any duties to the Company and their private interests or any duties they owe. The Company does not intend to make investments which involve related parties, but if any such investment is to be proposed, the Company will comply with the requirements related to such transactions under the AQSE Growth Market Rules.

9. Options and Warrants

9.1. *Company Options*

The Company has the following share options in issue at present:

<i>Name of Option Holder</i>	<i>Number of Options</i>	<i>Grant Date</i>	<i>Exercise Period</i>	<i>Exercise Price</i>
Simon Grant-Rennick	37,500	10 March 2021	10 March 2021 - 31 December 2023	6p
	37,500	10 March 2021	10 March 2021 - 31 December 2023	8p
	37,500	10 March 2021	10 March 2021 - 31 December 2023	10p
John Edward Taylor	150,000	10 March 2021	10 March 2021 - 31 December 2023	6p
	150,000	10 March 2021	10 March 2021 - 31 December 2023	8p
	150,000	10 March 2021	10 March 2021 - 31 December 2023	10p
Fungai Ndoro	112,500	10 March 2021	10 September 2021 - 31 December 2023	6p
	112,500	10 March 2021	10 September 2021 - 31 December 2023	8p
	112,500	10 March 2021	10 September 2021 - 31 December 2023	10p
Anthony James Quirke	75,000	10 March 2021	10 March 2021 - 31 December 2023	6p
	75,000	10 March 2021	10 March 2021 - 31 December 2023	8p
	75,000	10 March 2021	10 March 2021 - 31 December 2023	10p

9.2. Warrants

Existing Warrants

Pursuant to a fundraising through the issue of 75,000,000 Ordinary Shares at 4p per share to raise £3m, as announced on 10 March 2021, the Company granted 37,500,000 warrants to the placees on the basis of one warrant for every two placing shares subscribed for. The Existing Warrants are exercisable at an exercise price of 8p per Ordinary Share and the exercise period for the Existing Warrants has been extended to 31 December 2023.

Subscription Warrants

A total of 34,444,445 Subscription Warrants will be issued to Subscribers on a one-for-two basis. The Subscription Warrants are exercisable at a price of 8.0 pence per Ordinary Share at any time from Admission until the third anniversary of Admission.

New Warrants

In addition to the Subscription Warrants, the Company intends to grant the following Warrants, subject to Admission:

Name Warrant Holder	of Number Warrants	of Grant Date	Exercise Period	Exercise Price
Riverfort	5,000,000	Admission Date	3 years from Admission	£0.08 per warrant
John Taylor	1,000,000	Admission Date	5 years from Admission	Subscription Price

10. Material Contracts

Documents Relating to the Company

10.1. Existing Warrant Instrument

On 7 April 2021, the Company entered into a warrant instrument pursuant to which the Company authorised the issue of warrants to subscribe for up to 37,500,000 Ordinary Shares for an exercise period until 31 December 2022, in the share capital of the Company on the terms set out in the Existing Warrant Instrument. On 15 December 2022 the exercise period for the Existing warrants was extended to 31 December 2023.

10.2. Director Option Deeds

On 9 June 2021, the Company entered into deeds of option grant with each of Simon Grant-Rennick, John Taylor and Fungai Ndoro and on 28 March 2022 the Company entered into a deed of option grant with Anthony James Quirke.

On 21 November 2022, deeds of variation were entered into between the parties to each of the Director Option Deeds which extended the option exercise period from 10 March 2023 to 31 December 2023 in respect of each of the Director Option Deeds.

The details of these deeds of option grant are set out above in paragraph 9.1 of this Part VII (Additional Information).

10.3. Convertible Loan Note

On 2 December 2021, the Company and TAP Global, Tap Technologies Limited and Tap Global Pty Ltd entered into a Secured Convertible Loan Note ("Loan Note Deed") pursuant to which TAP Global created up to £2,000,000 secured convertible loan notes ("CLNs"). The Company subscribed £1,500,000 for 1,500,000 CLNs under the Loan Note Deed on 2 December 2021. Under the Loan Note Deed the Company also had an option to acquire a further £500,000 of CLNs up to 31 December 2022. The CLNs will convert into ordinary shares in TAP Global at the completion of the Reverse Takeover contemplated in this Document when the principal amount of the CLNs will convert into ordinary shares of TAP Global at a 50 per cent. discount to the agreed purchase price of TAP Global as set out in the Acquisition Agreement.

On 5 May 2022, a deed of variation was entered into between the parties to the Loan Note Deed whereby the time period to acquire the further £500,000 of CLNs was extended until 30 June 2022.

On 27 June 2022, a further deed of variation was entered into between the parties to the Loan Note Deed whereby the time period to acquire the further £500,000 of CLNs was extended until 31 October 2022.

On 31 October 2022, a further deed of variation was entered into between the parties to the Loan Note Deed whereby the time period to acquire the further £500,000 of CLNs was extended until 31 December 2022.

10.4. Call Option Agreement

On 2 December 2021, the Company entered into the Call Option Agreement with TAP Global and its shareholders whereby the parties to the Call Option Agreement undertook to use all reasonable endeavours to enter into a binding Acquisition Agreement prior to 31 May 2022 (the “Longstop Date”). This Acquisition Agreement would relate to the three thousand ordinary shares of £1.00 each in the capital of TAP Global legally and beneficially owned by TAP Global’s shareholders.

On 5 May 2022, a deed of variation was entered into between the parties to the Call Option Agreement whereby the Longstop Date was extended to 30 June 2022.

On 27 June 2022, a deed of variation was entered into between the parties to the Call Option Agreement whereby the Longstop Date was extended to 31 October 2022.

On 31 October 2022, a deed of variation was entered into between the parties to the Call Option Agreement whereby the Longstop Date was extended to 31 December 2022.

10.5. Management Services Agreement

On 29 March 2022, the Company and TAP Global entered into a management services agreement, pursuant to which the Company agreed to provide certain management services to TAP Global in connection with the Reverse Takeover. In consideration of these services, TAP Global will pay £10,000 per month in arrears to the Company.

10.6. Introducer Fee Agreement

On 12 March 2021, the Company and Sports Resource Group Limited (SRG) entered into an agreement pursuant to which SRG agreed to services in connection with a Reverse Takeover including to identify (i) an appropriate body corporate for acquisition by the Company by way of a Reverse Takeover; and (ii) opportunities for the Company to invest in growth equity companies in the short term whilst it contemplates a Reverse Takeover. Upon and simultaneously with completion of a Reverse Takeover and the readmission of the Company’s Ordinary Shares to trading on the AQSE Growth Market, the Company agreed to pay SRG a fee of £150,000 to be satisfied by the allotment of new Ordinary Shares in the Company at the Subscription Price, equating to 3,333,333 Ordinary Shares. SRG is controlled by Christopher Akers, significant shareholder of the Company.

10.7. Riverfort Funding Agreement

For details of the Company’s agreement with Riverfort, please see paragraph 10.16 of this Part VII.

Documents Relating to Admission

10.8. Peterhouse Capital Limited Engagement Letter

On 10 January 2022 the Company entered into an engagement letter with Peterhouse pursuant to which Peterhouse was engaged to act as the Company’s AQSE Growth Market Corporate Adviser in connection with Admission. In consideration for the services provided under the engagement letter, the Company agreed to pay to Peterhouse: (i) a transaction cash fee, (ii) a commission of 6 per cent of gross funds raised by Peterhouse pursuant to any fundraising undertaken by the Company; and (iii) a commission of 1 per cent of the gross funds raised by the Company or third parties pursuant to any fundraising undertaken by the Company if Peterhouse handles and facilitates all related paperwork.

10.9. **Director Warrant Deed**

On 28 November 2022, the Company and John Taylor executed a warrant deed pursuant to which the Company granted John Taylor warrants to subscribe for 1,000,000 Ordinary Shares exercisable at the Subscription Price, at any time for a period of five years from the date of Admission.

10.10. **Warrant Instrument**

On 28 November 2022, the Company executed a warrant instrument pursuant to which the Company granted warrants to subscribe for 39,444,445 Ordinary Shares exercisable at a price of £0.08 per warrant, at any time for a period of three years from the date of Admission and these warrants shall be issued as follows:

- 34,444,445 Subscription Warrants to be issued to the Subscribers on a one-for-two basis; and
- 5,000,000 warrants to be issued to Riverfort.

10.11 **Lock-in and Orderly Market Agreements**

Lock-in and orderly market agreements dated 28 November 2022 were executed by the Company with, the Proposed Directors, John Taylor and Tony Quirke, pursuant to which the Proposed Directors, John Taylor and Tony Quirke have undertaken, save in certain circumstances, not to sell or otherwise dispose of or agree to sell or dispose of any of their interests (direct or indirect) in the Ordinary Shares held by them (or subsequently acquired by them) for a period of twelve months commencing on the date of Admission ("**Lock-in Period**"). In addition, the Proposed Directors, John Taylor and Tony Quirke have undertaken to the Company and Peterhouse not to dispose of their Ordinary Shares for a period of 12 months after the end of the Lock-in Period without first consulting the Company and Peterhouse in order to maintain an orderly market for the Ordinary Shares.

10.12 **Relationship Agreement**

On 30 November 2022 Arsen Torosian entered into a relationship agreement with Peterhouse and the Company (the "**Relationship Agreement**") pursuant to which Arsen Torosian has undertaken, for so long as the Ordinary Shares are admitted to trading on the AQSE Growth Market and Arsen Torosian (individually or together with his associates) continues to hold more than 20 per cent of the voting rights attaching to the Ordinary Shares in issue from time to time, to procure that, inter alia, the enlarged share capital of the Company and its business shall be managed for the benefit of Shareholders as a whole, any transactions between Arsen Torosian and a member of the Enlarged Group will be at arm's length, the board of directors of the Company will contain at least one independent director and certain reserved board matters will only be voted on by the independent directors of the Company.

10.13 **Share Purchase Agreement**

On 31 October 2022, the Company entered into a binding sale and purchase agreement with the Vendors in relation to the acquisition of 100 per cent. of the issued and to be issued share capital of Tap Global. The Vendors hold 3,000 ordinary shares of £1.00 each, fully paid, in Tap Global.

Completion of the Acquisition was made subject to and conditional upon the satisfaction of certain conditions (such conditions are required to be satisfied by no later than the long stop date, which has been agreed to be 31 January 2023).

The Company has agreed to acquire the entire issued share capital of Tap Global for an aggregate consideration of £20,250,000, to be satisfied by the issue and allotment of the Consideration Shares at the Subscription Price.

Pursuant to the terms of the Acquisition Agreement, the Vendors have provided title and capacity warranties to the Company, as well as customary warranties around the business, assets and financial and trading position of Tap Global.

The Acquisition Agreement is subject to English law and the courts of England have exclusive jurisdiction to settle claims.

Documents Relating to Tap Global

10.14 Torosian Loan Agreement

On 7 May 2022, Tap Global signed a letter from Arsen Torosian, a founder and director of Tap Global, acknowledging and agreeing the terms of a loan by Mr Torosian in a principal amount of £1,500,000 made to Tap Global on 1 June 2019 (the “Torosian Loan Agreement”). Under the terms of the Torosian Loan Agreement the full amount of the Loan is repayable on demand at any time after 30 June 2025 (“Redemption Date”) or following the occurrence of usual events of default. The loan may be repaid early by Tap Global. The principal amount of the Loan carries no interest save following a demand for repayment after the Redemption Date.

10.15 Convertible Loan Note

For details of the convertible loan note entered into between Tap Global, Tap Technologies Limited, Tap Global Pty Ltd and the Company, please see paragraph 10.3 of this Part VII above.

10.16 Riverfort Funding Agreement

On 9 February 2021, TAP Global entered into a strategic collaboration agreement with RiverFort, whereby Riverfort agreed to introduce TAP Global to potential investment opportunities, assist in the marketing aspects of these potential investment opportunities and assist in preparing TAP Global for a listing onto an equity market or a transaction which results in TAP Global forming part of an enlarged listed group. Pursuant to this agreement, Riverfort was entitled to the following fees:

- an initial fee of 7% of any gross monies received by a member of the TAP Global group by way of any form of investment received by a member of the TAP Global group from the Company;
- £2,000 per month during the term of the agreement; and
- warrants for 5% of the share capital of TAP Global, such warrants to be granted immediately prior to the listing event (the “Fee Warrants”). The Fee Warrants would be transferable by Riverfort and subject to a 3 year exercise period from the date of grant and exercisable at the Subscription Price.

On 10 June 2022, Tap Global, the Company and Riverfort entered into a letter of variation in respect of the original strategic collaboration agreement.

The Letter of variation amends the original agreement with respect to the commission due to Riverfort for the proposed Reverse Takeover as follows:

- the commission for sourcing the transaction payable from TAP Global to Riverfort (which will be procured by the Company) is the granting of 5,000,000 warrants in the Company with an exercise price of £0.08 per warrant and an exercise period commencing on the completion of the proposed Reverse Takeover and ending on 31 December 2025;
- no other commission will be due to Riverfort from TAP Global with respect to the proposed Reverse Takeover; and
- should Riverfort introduce placees to a placing, Riverfort will receive the same commission in cash and/or warrants for such placees’ funds as all other brokers or intermediaries appointed by the Company.

10.17 Program Manager Agreement with Transact

On 1 September 2019, Tap Global entered into a program manager agreement with Transact, pursuant to which Transact agreed to provide services including the marketing, processing, issuing, administration and maintenance of pre-paid cards and their accounts and other related payment services required by Tap Global. The services are designed to offer a convenient and secure payment mechanism for cardholders and the specific characteristics of each program shall be set out in separate program authorisation letters.

Pursuant to the terms of the agreement:

- cards are subject to cancellation by Transact in certain circumstances, including if Transact believes they are being used for fraudulent or illegal purposes. Tap Global is responsible to Transact for losses related to cardholder fraud, and Tap Global must maintain anti-money laundering and other security policies;
- both Tap Global and Transact have provided customary warranties to each other which include (but are not limited to) due incorporation, capacity and compliance with applicable laws and the distribution of liability;
- each party indemnifies the other for, amongst other things, gross negligence and fraud, negligent misstatement, certain breaches of applicable laws and rules, breaches of confidentiality and data protection obligations and the cost and expense of investigating any suspected or actual fraud, money laundering or regulatory non-compliance by the relevant indemnifying party, its agents, or representatives; and
- save in respect of indemnities relating to fines by regulatory authorities, or Transact's obligations to safeguard client funds, each party's liability is limited to the higher of the aggregate program revenues for each program accrued under the agreement in any one year, or €250,000.

The agreement may be terminated for certain breach or insolvency events but otherwise it continues for an initial term of 5 years and thereafter indefinitely for automatic additional 1 year periods until terminated by either party giving 120 days written notice prior to the expiry of the initial or subsequent renewal periods.

The agreement is subject to the laws of Gibraltar and the courts of Gibraltar have exclusive jurisdiction to settle claims.

10.18 Program Manager Agreement with Transact Malta

On 1 January 2021, Tap Global entered into a program manager agreement with Transact Malta, pursuant to which Transact Malta agreed to provide services including the marketing, processing, administration and maintenance of pre-paid cards and their accounts and other related payment services required by Tap Global.

Pursuant to the terms of the agreement:

- each of Tap Global and Transact Malta have provided customary warranties to each other which include (but are not limited to) due incorporation, capacity and compliance with applicable laws and the distribution of liability;
- Tap Global has agreed to provide a continuing guarantee and indemnity to Transact Malta of all sums due, and performance of all obligations owed, under the agreement;
- each party indemnifies the other for, amongst other things, gross negligence and fraud, negligent misstatement, certain breaches of applicable laws and rules, breaches of confidentiality and data protection obligations and the cost and expense of investigating any suspected or actual fraud, money laundering or regulatory non-compliance by the relevant indemnifying party, its agents, or representatives; and
- save in respect of indemnities relating to fines by regulatory authorities, or Transact's obligations to safeguard client funds, each party's liability is limited to the higher of the aggregate program revenues for each program accrued under the agreement in any one year, or €250,000.

The agreement may be terminated for certain breach or insolvency events but otherwise it shall take effect from 1 January 2021 and shall continue for an initial term of 5 years and indefinitely thereafter for automatic additional 1 year periods until terminated by either party submitting a termination notice 120 days' before the expiry of the relevant term.

The agreement is subject to Maltese law and the courts of Malta have exclusive jurisdiction to settle claims.

11. Related Party Transactions

There are no material related party transactions required to be disclosed under the accounting standards applicable to the Company, to which the Company was a party during the period of twelve months preceding the date of this Document.

12. Litigation

- 12.1. The Company is not involved in any legal, governmental or arbitration proceedings which may have or have had since incorporation a significant effect on the Company's financial position or profitability and, so far as the Existing Directors are aware, there are no such proceedings pending or threatened against the Company.
- 12.2. TAP Global is not involved in any legal, governmental or arbitration proceedings which may have or have had since incorporation a significant effect on TAP Global's financial position or profitability and, so far as the Proposed Directors are aware, there are no such proceedings pending or threatened against TAP Global.

13. United Kingdom Taxation

Taxation in the United Kingdom

The following information is based on UK tax law and HM Revenue and Customs (HMRC) practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

12.1 Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- (1) who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- (2) who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- (3) who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

12.2 Dividends

Where the Company pays dividends no UK withholding taxes are deducted at source, Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend income received by UK tax resident individuals will have a £2,000 annum dividend tax allowance. Dividend receipts in excess of £2,000 will be taxed at 8.75% for basic rate taxpayers, 33.75% for higher rate taxpayers, and 39.35% for additional rate taxpayers. The

dividend allowance will be reduced to £1,000 from 6 April 2023 and to £500 from 6 April 2024, as was announced in the Autumn Statement 2022.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

12.3 *Disposals of Ordinary Shares*

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10% and for higher and additional rate taxpayers, the rate is 20%.

For Shareholders within the charge to UK corporation tax, indexation allowance up until 31 December 2017 may reduce any chargeable gain arising on disposal of Ordinary Shares but will not create or increase an allowable loss.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19%. The main rate of corporation tax is due to increase to 25% from 1 April 2023.

12.4 *Further information for Shareholders subject to UK income tax and capital gains tax*

“Transactions in securities”

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HM Revenue and Customs to raise tax assessments so as to cancel “tax advantages” derived from certain prescribed “transactions in securities”.

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

The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or SDRT or (except where stated otherwise) to persons connected with depositary arrangements or clearance services who may be liable at a higher rate.

No stamp duty or SDRT will generally be payable on the issue of Ordinary Shares.

Neither UK stamp duty nor SDRT should arise on transfers of Ordinary Shares on the AQSE Growth Market (including instruments transferring Shares and agreements to transfer Ordinary Shares) based on the following assumptions:

- (A) the Ordinary Shares are admitted to trading on the AQSE Growth Market, but are not listed on any market (with the term “listed” being construed in accordance with section 99A of the Finance Act 1986), and this has been certified to Euroclear; and
- (B) AQSE Growth Market continues to be accepted as a “recognised growth market” (as construed in accordance with section 99A of the Finance Act 1986).

In the event that either of the above assumptions does not apply, stamp duty or SDRT may apply to transfers of Ordinary Shares in certain circumstances.

The above comments are intended as a guide to the general stamp duty and SDRT position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

12.6 *Inheritance tax*

Shareholders regardless of their tax status should seek independent professional advice when considering any event which may give rise to an inheritance tax charge.

Ordinary Shares beneficially owned by an individual Shareholder will be subject to UK inheritance tax on the death of the Shareholder (even if the Shareholder is not domiciled or deemed domiciled in the UK); although the availability of exemptions and reliefs may mean that in some circumstances there is no actual tax liability. A lifetime transfer of assets to another individual or trust may also be subject to UK inheritance tax based on the loss of value to the

donor, although again exemptions and reliefs may be relevant. Particular rules apply to gifts where the donor reserves or retains some benefit.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.

14. General

- 14.1. The total costs and expenses in relation to the Proposals payable by the Company are estimated to amount to approximately £350,000 ex VAT.
- 14.2. Except as disclosed in this Document, there has been no significant change in the financial or trading position of the Company since 30 June 2022, the date to which the Financial Information in Part IV (A) of this Document was prepared.
- 14.3. Except as disclosed in this Document, there has been no significant change in the financial or trading position of Tap Global or Tap Technologies since 30 June 2021, the date to which the Financial Information in Parts IV (B) and (C) of this Document were prepared.
- 14.4. PKF Littlejohn LLP has given and has not withdrawn its written consent to the issue of this Document with the inclusion herein of their reports as set out in Parts IV(B), (C) and Part V of this Document and the references thereto. PKF Littlejohn LLP also accepts responsibility for its reports.
- 14.5. Peterhouse Capital Limited has given and not withdrawn its written consent to the inclusion in this Document of references to its name in the form and context in which it appears.
- 14.6. There are no investments in progress and there are no future investments in respect of which the Existing Directors have already made firm commitments which are significant to the Company.
- 14.7. No financial information contained in this Document is intended by the Company to represent nor constitute a forecast of profits by the Company nor constitute publication of accounts by it.
- 14.8. The Existing Directors and the Proposed Directors accept responsibility for the financial information contained in Part IV of this Document which has been prepared in accordance with the law applicable to the relevant company.
- 14.9. Information in this Document sourced from third parties has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by the relevant third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 14.10. The Ordinary Shares have not been sold, nor are they available, in whole or in part, to the public in connection with the application for Admission.

15. Working Capital

The Existing Directors and the Proposed Directors are of the opinion, having made due and careful enquiry, that the working capital available to the Enlarged Group on Admission will be sufficient for the present requirements of the Enlarged Group, that is, for the period of twelve months following Admission.

16. Dividend Policy

The Directors do not intend to pay a dividend for the foreseeable future until the Company has achieved sufficient profitability and requirements for working capital are such that it is prudent to do so and, even then, the Directors may not determine to pay any dividend or make any

other form of distribution. It follows that no assurance is or can be given that the Company will every pay any dividend or make any other form of distribution.

17. Availability of this Document

Copies of this Document will be available free of charge to the public during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the registered office of the Company and from the offices of Peterhouse Capital Limited at 80 Cheapside, London, EC2V 6EE and shall remain available for at least one month after the date of Admission.

18. Documents Available for Inspection

Copies of the following documents will be available for inspection:

- a. a copy of this Document;
- b. the articles of association of Tap Global;
- c. the articles of association of Tap Technologies;
- d. the Articles;
- e. copies of the material contracts referred to in paragraph 10 of this Part VII;
- f. the audited accounts of the Company for the two years ended 30 June 2022 referred to in Part IV (A);
- g. the audited accounts of Tap Global for the two financial periods ended 30 June 2021 and 30 June 2020 referred to in Part IV (B); and
- h. the audited accounts of Tap Technologies for the two financial periods ended 30 June 2021 and 30 June 2020 referred to in Part IV (C); and
- i. the unaudited pro forma statement of net assets of the Enlarged Group referred to in Part V.

The documents will be available at (i) the Company's registered office during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) until the conclusion of the Annual General Meeting; (ii) the place of the meeting for at least 15 minutes prior to the Annual General Meeting until its conclusion; and (iii) for inspection on: <http://quetzalcapital.co.uk/>.

QUETZAL CAPITAL PLC

(a company incorporated in England and Wales under the Companies Act 1985 with registered number 05840813)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the shareholders of Quetzal Capital Plc (the **Company**) will be held at 10:00 a.m. (London Time) on 9 January 2023, at the offices of Peterhouse Capital, 3rd Floor, 80 Cheapside, London, EC2V 6EE, to consider and, if thought fit, pass the following resolutions of which resolutions 1 to 11 will be proposed as ordinary resolutions and resolutions 12 to 14 will be proposed as special resolutions. It should be noted that only the Independent Shareholders will be allowed to vote on Resolution 4 which will be held on a poll.

Ordinary Business

1. To receive and adopt the report of the Directors of the Company and the audited accounts for the Company for the year ended 30 June 2022.
2. To re-appoint Edwards Veeder (UK) Limited as auditors of the Company and to authorise the Directors to fix their remuneration.

Ordinary Resolutions

3. **THAT**, subject to passing of resolutions 4, 5 and 13, the proposed acquisition by the Company of the entire issued share capital of Tap Global Limited ("Tap Global") not already owned by the Company from the existing shareholders of Tap Global, which comprises a reverse takeover pursuant to Rule 3.6 of the AQSE Growth Market Access Rulebook (the "Acquisition") on the terms and subject to the conditions contained in the sale and purchase agreement dated 31 October 2022 (the "Acquisition Agreement") between the Company and the shareholders of Tap Global, as more particularly described in the admission document published by the Company and dated 16 December 2022, of which this notice forms part, (the "Admission Document") be and is hereby approved with such revisions and amendments (including as to price) of a non-material nature as may be approved by the directors of the Company (the "Directors") or any duly authorised committee thereof, and that the Directors be and are hereby authorised to take all steps necessary or, in the opinion of the Directors of the Company, desirable, to complete and give effect to the Acquisition.
4. **THAT** the waiver to be granted by the Panel on Takeovers and Mergers of any obligation under Rule 9 of the City Code on Takeovers and Mergers on any or all of the concert party (as defined in the Admission Document) (the "Concert Party") to make a general offer under Rule 9 of the City Code on Takeovers and Mergers, to Shareholders of the Company which obligation might otherwise have arisen as a result of the issue to the members of the Concert Party of, in aggregate of 480,000,000 Ordinary Shares of 0.1 pence each in the capital of the Company ("Ordinary Shares") as consideration under the Acquisition Agreement (as defined in Resolution 1 above), and the exercise of the LTIP Options (as defined in the Admission Document) held by members of the Concert Party following Admission as a result of which the Concert Party will own in aggregate up to 64% of the Enlarged Share Capital of the Company, be and is hereby approved.
5. **THAT**, subject to and conditional upon the passing of Resolutions 3 and 4 above, in accordance with section 551 of the Companies Act 2006 (the "Act"), the Directors be generally and unconditionally authorised to exercise all of the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into shares in the Company ("**Rights**"):
 - a. up to an aggregate nominal amount of £450,000 in accordance with the terms and conditions of the Acquisition Agreement;
 - b. up to an aggregate nominal amount of £68,889 in connection with the issue and allotment of the Subscription Shares;
 - c. up to an aggregate nominal amount of £3,334 in connection with the introducer fee agreement entered into between Sports Resource Group Limited and the Company;

- d. up to an aggregate nominal amount of £103,445 in connection with the issue and allotment of share options, the LTIP Options, the Subscription Warrants and the New Warrants (as such terms are defined in the Admission Document); and
 - e. in addition to sub-paragraphs a. to c. up to an aggregate nominal amount of £300,000; provided that the authority granted by this Resolution shall, unless renewed, varied or revoked by the Company, expire at the Company's next annual general meeting, except that the Company may, before it expires make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of that offer or agreement. This authority is in substitution for all previous authorities conferred on the directors in accordance with section 551 of the Act to the extent not utilised at the date it is passed.
6. **THAT**, subject to and conditional upon the passing of Resolutions 3 and 4, Mr A Torosian, having consented to act, be appointed as a director of the Company with effect from admission of the Consideration Shares to be issued pursuant to the Acquisition Agreement to trading on the Access segment of the AQSE Growth Market ("Admission").
 7. **THAT**, subject to and conditional upon the passing of Resolutions 3 and 4, Mr D Carr, having consented to act, be appointed as a director of the Company with effect from Admission.
 8. **THAT**, subject to and conditional upon the passing of Resolutions 3 and 4, Mr D Hellicar-Bowman, having consented to act, be appointed as a director of the Company with effect from Admission.
 9. **THAT** the appointment of Mr Anthony Quirke to the Board on 17 January 2022 be and is hereby confirmed.
 10. **THAT** the Annual Report and Accounts of the Company for the financial period ended 30 June 2017, together with the Director's Report and Auditor's Report be received and adopted.
 11. **THAT** the Annual Report and Accounts of the Company for the financial period ended 30 June 2018, together with the Director's Report and Auditor's Report be received and adopted.

Special Resolutions

12. **THAT** all previous share allotments undertaken by the Company since incorporation be ratified and approved notwithstanding that the then appointed directors who approved such allotments may not have had the requisite authority to allot those shares.
13. **THAT**, subject to and conditional upon the passing of Resolution 5, the Directors of the Company be and they are hereby empowered pursuant to sections 570 and 571 of the Act to allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authority conferred by Resolution 3, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities for cash:
 - a. up to an aggregate nominal amount of £450,000 in accordance with the terms and conditions of the Acquisition Agreement;
 - b. up to an aggregate nominal amount of £68,889 in connection with the issue and allotment of the Subscription Shares;
 - c. up to an aggregate nominal amount of £3,334 in connection with the introducer fee agreement entered into between Sports Resource Group Limited and the Company;
 - d. up to an aggregate nominal amount of £103,445 in connection with the issue and allotment of share options, the LTIP Options and the New Warrants (as such terms are defined in the Admission Document);
 - e. the allotment of equity securities in connection with an offer of, or invitation to apply for, equity securities made (i) to holders of ordinary shares in the Company in proportion (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on the record date for such offer and (ii) to holders of other equity securities as may be required by the rights attached to those securities or, if the directors consider it desirable, as may be permitted by such rights, but subject in each case to such exclusions or other arrangements as the directors may deem necessary or expedient in

relation to treasury shares, fractional entitlements, record dates or legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

- f. otherwise than in connection with sub-paragraphs a. to g., up to an aggregate nominal amount of £300,000,

provided that this authority shall expire at the Company's next annual general meeting. The Company may, before this authority expires, make an offer or agreement which would or might require equity securities to be allotted after it expires and the directors may allot equity securities pursuant to that offer or agreement.

14. **THAT** subject to and conditional upon the passing of Resolutions 3 and 4, the name of the Company be changed to "Tap Global Group Plc" and that the Company's memorandum and articles of association be amended to reflect such change of name.

Registered Office
6th Floor
60 Gracechurch Street
London EC3V 0HR
16 December 2022

John Taylor
by Order of the Company's Board

Notes:

1. Shareholders entitled to attend and to speak and vote are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint the Chairman as their proxy in relation to the Annual General Meeting. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice.
2. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
3. You can register your vote(s) for the Annual General Meeting either:
 - by logging on to www.shareregistrars.uk.com, clicking on the "Proxy Vote" button and then following the on-screen instructions (you can locate your log-in details on the top of the proxy form);
 - by post or (during normal business hours only) by hand to Share Registrars Limited, 3 The Millennium Centre, Crosby Way, Farnham, Surrey GU9 7XX using the proxy form accompanying this notice;
 - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in notes 8 to 11 below.

In order for a proxy appointment to be valid the proxy must be received by Share Registrars Limited by 10:00 a.m. on 5 January 2023.
4. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see note 3 above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
5. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
6. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrars, Share Registrars Limited, 3 The Millennium Centre, Crosby Way, Farnham, Surrey GU9 7XX. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
7. The revocation notice must be received by the Company's registrars, Share Registrars Limited, no later than 48 hours (excluding non-business days) before the time appointed for holding the meeting.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have

appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a **“CREST Proxy Instruction”**) must be properly authenticated in accordance with Euroclear UK & International Limited’s specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer’s agent, Share Registrars Limited (ID: 7RA36) by 10 a.m. (London Time) on 5 January 2023. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
10. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
11. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
12. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
13. To be entitled to vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of members of the Company at 10:00 a.m. (London Time) on 5 January 2023 or, in the event of any adjournment, 48 hours (excluding non-business days) before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
14. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
15. As at the close of business on 15 December 2022, the Company’s issued share capital comprised 171,187,401 ordinary shares of 0.1 pence each. Each Ordinary Share carries the right to one vote at a general meeting of the Company, and therefore the total number of voting rights in the Company as at the time and date given above is 171,187,401.