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## 2024 ANNUAL REPORT AND ACCOUNTS

[SUPPLY@ME CAPITAL PLC](#)

Released 07:00:11 13 October 2025

RNS Number : 0762D  
Supply@ME Capital PLC  
13 October 2025

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF REGULATION 2014/596/EU, WHICH IS PART OF DOMESTIC LAW OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND ("UK") PURSUANT TO THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS (SI 2019/310) ("UK MAR"). UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION (AS DEFINED IN UK MAR) IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

13 October 2025



Supply@ME Capital plc

(the "Company", "Supply@ME" or "SYME" and, together with its subsidiaries, the "Group")

### 2024 Annual Report and Accounts

SYME, the fintech business which provides an innovative fintech platform (the "Platform") for use by manufacturing and trading companies to access Inventory Monetisation© ("IM") solutions enabling their businesses to generate cashflow, is pleased to announce its 2024 Annual Report and Accounts providing the Group's final consolidated results for the year ended 31 December 2024 ("FY24 Annual Report and Accounts"). The Company acknowledges the delay in the publication of FY24 Annual Report and Accounts and the related temporary suspension of the Company's shares from the Official List and from trading on the London Stock Exchange which took effect at 7.30am on 1 May 2025. Following the publication of the FY24 Annual Report and Accounts, and the publication of the unaudited interim results for the six month period ended 30 June 2025 which is expected shortly, the Company intends to make an application to the Financial Conduct Authority ("FCA") for the temporary suspension of the Company's shares from the Official List and from trading on the London Stock Exchange to be lifted.

#### Financial summary from the year ended 31 December 2024:

- Group revenue of £129,000 was recognised during the year ended 31 December 2024 ("FY24") compared to £158,000 recognised during the year ended 31 December 2023 ("FY23"). This covers the full range of inventory monetisation revenue streams. The low level of revenue reflects the continuing challenges the Group has faced in fully converting inventory funding opportunities into inventory monetisation transactions. Despite this, the Group continues to work to further develop and prove its business model as detailed later in this announcement.
- Group operating loss from continuing operations before impairment charges and fair value adjustments of £2.3 million during FY24 compared to £3.6 million during FY23. The reduction of £1.3 million in the adjusted operating loss during

FY24 is due to a significant focus on cost saving efforts by the Group considering both the funding challenges and the continuing low level of revenue, together with a lower level of corporate activities than those that took place during FY23.

- The Group faced significant funding challenges during FY24. This is primarily the result of under performance by The AvantGarde Group S.p.A ("TAG") in terms of the £3.5 million top-up unsecured shareholder loan agreement dated 28 September 2023 and amended on 30 September 2024 (the "**Top-Up Shareholder Loan Agreement**"). To date the Group has not received any of this committed funding, however a total of £1.3 million was received from TAG during FY24 relating to other contractual commitments that were entered into during FY23. Further details can be found in the financial review section of this announcement and the Group's consolidated financial statements.
- A new equity subscription was completed during May 2024 in order to help address the significant funding challenges at that point in time. This resulted in gross proceeds received by the Group of £1.6 million.
- A new funding agreement with Nuburu Inc. ("**Nuburu**") was announced in March 2025 and subsequently amended in June 2025 and August 2025 following delays in the receipt of funding from Nuburu against the agreed payment schedules. As at the date of release of the FY24 Annual Report and Accounts, a total of USD \$2.95 million has been received by the Company from Nuburu under the new funding agreement.
- The continued low level of revenue has led to another year of losses, the fifth year in a row since the reverse take over in March 2020 which saw the Supply@Me Group listed on the standard list of the main market in London. This together with specific risks connected to the committed Nuburu funding has led to the Directors identifying certain material uncertainties in the going concern assumption used to prepare the Group's consolidated, and stand alone Company, FY24 financial statements. Further details can be found in the financial review section of this announcement and note 2 to the Group's consolidated FY24 financial statements.

#### **FY24 Operational Highlights**

- The current amount of inventory which has been monetised to date using the SYME Platform through "the first purchase" inventory monetisation transactions is £4.5 million as at 30 September 2025, this compares to £3.5 million as at 16 December 2024 and £1.9 million as at 20 September 2024. The above numbers are inclusive of VAT where applicable.
- As at 30 September 2025 (being the latest practicable date prior to this announcement) the Group had a client company inventory monetisation pipeline of £87.3 million which is supported by signed letters of interest or term sheets. This compares to £31.3 million reported in the 2023 Annual report as at 19 April 2024. The last market update of the client company pipeline was £125.2 million as at 16 December 2024 calculated on the same basis. The decline since December 2024 largely reflects the delays in securing further inventory funding for monetisation transactions. Further details of the Group's inventory monetisation pipeline KPI can be found later in this announcement.
- Continued focus on broadening the business models Supply@Me can provide its inventory monetisation solution to, and improvement of the processes that support pre and post monetisation activities including due diligence, monitoring and reporting and the IM Platform.
- Continued collaboration with a variety of different inventory funders in order to explore and develop a variety of business lines. This collaboration has at times taken a lot longer than initially anticipated due to the size of some of the inventory funders, the early stage of the Group in terms of fully rolling out its business model and the requirement for solutions to be proposed in order to address unforeseen changes to the model in certain circumstances.
- Successful first issuance of a secured bond valued at up to €5 million by one of the independent stock companies owned by Société Financière Européenne S.A ("**SFE**"), of which the first €3.5 million has been subscribed by a global player in the asset management industry. This resulted in the delivery of two new inventory monetisation transactions in December 2024 and January 2025. Together these two new transactions accounted for the first purchase of £2.4 million of inventory (inclusive of VAT) over the Group's Platform.

#### **Summary of FY24 financial results**

##### ***Consolidated financial summary:***

|                                                  | <b>2024</b>    | <b>2023</b>    |
|--------------------------------------------------|----------------|----------------|
|                                                  | <b>£000</b>    | <b>£000</b>    |
| <b>Continuing operations</b>                     |                |                |
| Revenue from continuing operations               | 129            | 158            |
| <b>Adjusted operating (loss)<sup>1</sup></b>     | <b>(2,329)</b> | <b>(3,625)</b> |
| (Loss) before tax from continuing operations     | (3,062)        | (4,160)        |
| Income tax                                       | 139            | -              |
| (Loss) from discontinued operations <sup>2</sup> | -              | (185)          |
| <b>Total loss for the year</b>                   | <b>(2,923)</b> | <b>(4,345)</b> |
| <b>Total assets</b>                              | <b>1,175</b>   | <b>2,184</b>   |
| <b>Net (liabilities)</b>                         | <b>(4,246)</b> | <b>(3,807)</b> |

<sup>1</sup> Adjusted operating loss is the operating (loss) from continuing operations before impairment charges and fair value adjustments.

<sup>2</sup> The discontinued operations reported in the comparative FY23 period relates to the operations of the TradeFlow Capital Management Pte. Ltd. ("**TradeFlow**") and its subsidiaries (the "**TradeFlow Group**"). The disposal of 81% of the TradeFlow operations (the "**TradeFlow Restructuring**") was completed on 30 June 2023.

#### **Operational Pipeline KPI**

|                                       | <b>As at 30 September<br/>2025<br/>Unaudited</b> | <b>As at 19 April<br/>2024<br/>Unaudited</b> |
|---------------------------------------|--------------------------------------------------|----------------------------------------------|
| Warehouse goods monetisation pipeline | £87.3m                                           | £31.3m                                       |

The pipeline KPI represents the current potential value of warehoused goods inventory to be monetised with client companies with whom there is either a signed letter of interest or term sheet in place between Supply@ME and the client company. The Group has made the decision that the reporting of the full pipeline number is no longer the most appropriate operational KPI

to report and instead going forward will only report the pipeline that is supported by signed letters of interest or term sheets. This updated pipeline figure aims to illustrate the value of the pipeline whereby there is a demonstrated level of commitment from the client company to move forward with the SYME due diligence and onboarding processes. This decision was made following the full review of the Group's pipeline that was referenced in the 2023 Annual Report.

It should be noted that the warehouse goods monetisation pipeline figure is not pipeline revenue expected to be earned by the Group and this reported pipeline figure does not represent all the client companies with whom the Company is currently discussing its products. It is reported at the most practicable date possible prior to the issue of this annual report (being 30 September 2025) and has been calculated on a consistent basis to the prior year comparative for the value of the pipeline supported by either a signed letter of interest or term sheet. It should be noted that of the current pipeline figure of £87.3 million, there is three individual clients that together account for approximately 95% of the total pipeline.

**Alessandro Zamboni, CEO, Supply@ME Capital plc, said:**

*"It has been a challenging year for all the Group's stakeholders and I hope that with the new funding from Nuburu and renewed focus on new business, we can accelerate our progress towards the goal of making SYME's IM platform a success"*

For the purposes of UK MAR, the person responsible for arranging release of this announcement on behalf of SYME is Alessandro Zamboni, CEO.

**Legal notices:**

An electronic copy of the FY24 Annual Report and Accounts will shortly be available for inspection on the Company's website at <https://www.supplymecapital.com/page-results-and-reports/> and will be submitted to the National Storage Mechanism maintained by the FCA and will be available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>. A hard copy version of the FY24 Annual Report and Accounts will be dispatched to those shareholders who have elected to receive paper communications in due course.

**Forward looking statements and other important information:**

This document contains forward looking statements, which are statements that are not historical facts and that reflect Supply@ME's beliefs and expectations with respect to future events and financial and operational performance. These forward looking statements involve known and unknown risks, uncertainties, assumptions, estimates and other factors, which may be beyond the control of Supply@ME and which may cause actual results or performance to differ materially from those expressed or implied from such forward looking statements. Nothing contained within this document is or should be relied upon as a warranty, promise or representation, express or implied, as to the future performance of Supply@ME or its business. Any historical information contained in this statistical information is not indicative of future performance.

The information contained in this document is provided as of the dates shown. Nothing in this document should be construed as legal, tax, investment, financial, or accounting advice, or solicitation for or an offer to invest in Supply@ME.

**Contact information:**

Alessandro Zamboni, CEO, Supply@ME Capital plc, [investors@supplymecapital.com](mailto:investors@supplymecapital.com)

**Notes:**

SYME and its operating subsidiaries provide its Platform for use by manufacturing and trading companies to access inventory trade solutions enabling their businesses to generate cashflow, via a non-credit approach and without incurring debt. This is achieved by their existing eligible inventory being added to the Platform and then monetised via purchase by third party inventory funders. The inventory to be monetised can include warehouse goods waiting to be sold to end-customers or goods/commodities that are part of a typical import/export transaction.

## **FY24 ANNUAL REPORT AND ACCOUNTS**

**Chairman's Statement**

Dear Shareholders,

2024 has been another challenging year for Supply@ME. The inventory funding solution offered by the Supply@ME Group is taking longer to implement at scale which has led to the anticipated revenue flows being slower to establish than the Board or executive team had envisaged.

As a result, the Group experienced a further year of losses despite the efforts undertaken to scale the business and improve the revenue generation. This, together with the funding issues, experienced as a result of the committed funders underperforming against their obligations has resulted in the Directors recognising certain material uncertainties exist in relation to the going concern assumptions made to support the preparation of the 2024 financial statements. Details of these can be found in the Group's consolidated financial statements.

As the team keeps working to refine the business model to marry certain in-built complexity with its scalable application, solving this challenge effectively will likely be what, with time, makes the Group successful and brings to fruition the substantial amount of effort invested to establishing the business to date.

As part of this, it was pleasing to see that during the second half of 2024 and early 2025 there has been real progress in terms of establishing a bond funding structure through a subsidiary of SFE to provide inventory funding for the Group's client company pipeline in a manner which will enable access to the asset class to a range of funders. This is expected to give Supply@ME the enhanced ability to service and develop its client company pipeline and hence over time improve the scale and predictability of revenue generation, the end result of which will be to give the Group a chance to restore investor confidence.

On the other hand, the high hopes we had for the White-Label strategy taking off starting with Banco BPM S.p.A. ("BBPM") have not yet materialised. While the team believes the White-Label value proposition and the strategy remain valid and continues the work to bring it about, we must wait to see the evidence of its success.

Considering this, attracting the funding to the business to continue developing and establishing itself and its Inventory Monetisation product whilst sufficient revenue is being generated has proved a significant challenge during 2024. The support afforded to Supply@ME through the Top-Up Shareholder Loan Agreement, and the subsequent amendments to this did not materialise as expected and, as result, the Company had to seek alternative funding options which resulted in securing new equity funding with gross proceeds of £1,552,500 in May 2024. At the time, the Company anticipated that TAG would then be able to continue its support until the flow of revenue increased. However, with the continued under performance of the Top-Up Shareholder Loan Agreement, it became apparent over time that the Company needed to find further alternative funding routes to allow the Group to continue operating.

These efforts culminated in the agreement with Nuburu in the form of the new funding facility announced on 19 March 2025, which was then amended in June 2025 and August 2025 following certain technical and regulatory limitations facing Nuburu in complying with the original payment schedule. These amendments updated the committed payment dates and aligned these with actions being taken by Nuburu to raise capital to allow it to complete its strategic investments and meet its commitment to the Company under the new funding facility. The Nuburu funding agreement is convertible into the Company's shares subject to various shareholder and regulatory approvals and following the full conversion of the new facility, Nuburu will have a controlling interest in Supply@ME. In addition to becoming the Group's new corporate funder, Nuburu has expressed an interest, and more recently taken positive steps, towards participating in the funding of the Inventory Monetisation transactions from the Group's client company pipeline which has the potential to further improve the future revenue generation by the Group.

**Albert Ganyushin, Chairman, Supply@ME**

### **CEO Statement**

Dear Shareholders,

As ever I am bullish about the need for, and applicability of, the unique concept of Inventory Monetisation that Supply@ME has spent considerable time developing and refining. Our progress in establishing and proving the business model's full potential has been slower than I had anticipated which has been frustrating for the team and shareholders, myself included. The delay in the publication of the FY24 Annual Report and Accounts by the required deadline earlier this year unfortunately resulted in the temporary suspension of trading of the Company's shares. The Board acknowledges the negative impact this has had on its various stakeholders and hopes to have the temporary suspension lifted as soon as possible. I also acknowledge that there are continued material uncertainties in the going concern assumption made to support the preparation of the 2024 financial statements and that the business needs to demonstrate that it can generate increased levels of revenue such that it can reduce its reliance of external funding.

During 2024 and early 2025 there has been some success through the delivery of two new Inventory Monetisation transactions underpinned by the issuance of a secured bond valued up to €5million issued by one of SFE's subsidiary stock companies, of which the first €3.5million was subscribed by a global player in the asset management industry. This endorsement by an institutional inventory funder is important progress, demonstrating trust in the Supply@ME model. It also provides a platform from which to provide impetus to develop the strategy of building a portfolio approach for inventory funders, enabling SMEs to access the inventory monetisation solution.

The delays in delivering the White-Label strategy with BBPM has been a disappointment, progress has been slow due to the bank's initial requirement for a remarketer to be present in each transaction. Competitors acting as remarketers for one another proved challenging to agree. Supply@ME has provided a proposed solution with the help of its legal advisors and is currently waiting for the approval from BBPM in order to move the project forward into the next stage also with additional clients of the bank who are potentially interested in Inventory Monetisation. It is my hope that this can commence again in earnest now that the potential acquisition discussions concerning BBPM have not been approved. External forces also thwarted the completion of the initial agreements with the neo banking group referred to in our previous business updates, with this initiative having to be placed on hold for now.

There have been a significant number of changes to the Supply@ME team during 2024 and to date in 2025, attrition has been higher than desirable due to delays in funding and revenue generation. This has resulted in the remaining team members working hard to cover more broader roles than those covered by their individual job descriptions and areas of specialism. I would like to take this opportunity to thank my team for their unwavering support of the Inventory Monetisation product and Supply@ME.

The new strategic funding partnership with Nuburu agreed in early 2025 addresses the funding challenges which coloured 2024. The delays that have been experienced to date in the funding from Nuburu were unfortunate and added further challenges for the Company to overcome. Given the recent payments received from Nuburu, the Board is now more confident that this agreement will support the current funding needs of the Company. It also offers the opportunity to facilitate further Inventory Monetisation transactions by Nuburu's expression of interest in providing the junior risk in each Inventory Monetisation transaction. This may unlock a barrier and allow the successful completion of larger Inventory Monetisation transactions through the test and learn processes which the Group has undertaken in recent years.

**Alessandro Zamboni, CEO, Supply@ME**

### **Our business model**

Supply@ME currently provides Open Market IM transactions (being an IM transaction from the pipeline originated by the Group and funded by third-party investors) and is developing its White-Label services to facilitate our unique inventory monetisation product.

The business model of a prospective client company will be initially categorised into one of the different inventory models set out below. The Supply@ME team has developed specialist inventory analysis expertise for each of

these models based on the characteristics of the industry and inventory as a "one size does not fit all" where inventory monetisation is concerned.

#### *Generic Goods*

Client companies who trade finished goods, so purchase and resell specific goods, are a tried and tested client model for the Group and hence can move through the onboarding and due diligence process swiftly.

#### *Orders Based Model*

Client companies who create or manufacture products "to order" can be serviced by Group's "orders based model". The Supply@ME team has developed a methodology to analyse the inventory SKUs required to satisfy orders received by the client company and which are used for internal client project required to deliver these orders.

#### *Maturing Goods*

The Group has developed a methodology for goods that mature over time and whose price appreciates or gathers wealth as they mature. These goods are typically in the agri-food sector such as cheese or wine, and leverage available external price matrices to benchmark the current value of the maturing products. The Group has also developed methodologies which will allow it to assess the inventory value for goods that appreciate during the maturation process but for which specific external pricing matrices are not available. This will open up the market to a broader base of companies whose goods mature, for example cheese, wine and cured meats. To date these methodologies have not been implemented in a specific inventory monetisation transaction, but the Group has been working closely with a number of customers that fit this specification and hopes to establish its credentials in this area in the future.

#### *Manufacturing*

Where a client company takes raw materials and transforms them into finished goods, Supply@ME has developed a methodology to identify eligible items that includes both the raw materials (before transformation) and the finished goods (after transformation).

The overall inventory monetisation structure involves a number of different players and the overall inventory monetisation structure aims to provide a unique working capital solution to client companies through the legal sale of their inventory to third party independent stock companies. Inventory Funders can then invest in or purchase this inventory and receive a return and access to inventory as an asset class.

The services Supply@ME provides are pre and post inventory monetisation as outlined below:

*Pre-Inventory Monetisation activities* are carried out directly with the client company wishing to have their inventory monetised, including due diligence in respect of the client company itself and its potential eligible inventory, and origination of the full IM contracts with the relevant stock company.

After initial discussions are held with the client, the appropriate inventory model, as outlined above, is applied. The Supply@ME team then, using secure data sharing and collaboration of the client, carry out an early-stage in-depth analysis of sales history, historical inventory data, and future projected sales which then allows an initial value of eligible monetisable inventory to be determined. During this stage, the Group's inventory analysis expertise is used to assess this data on a granular level which includes breaking the initial eligible inventory down to an individual Stock Keeping Units ("SKUs") level.

This detailed assessment further filters out and identifies typical ineligible inventory items according to the Supply@ME inventory due diligence parameters (or "**Risk Appetite**"). Further consideration is also given to inventory turns, forecast and historical sales, margins, seasonality, rates of obsolescence, and criticality of the SKU to the client. The selected SKUs chosen meet the Group's, the stock company, and the inventory funder's risk appetite. The result of this detailed analysis is a list of qualifying SKUs that are considered as eligible items for a potential Inventory Monetisation transaction. Alongside this, an in depth analysis is then completed on the client's business (e.g. credit analysis) and processes including, for example, how they track and store inventory, manage orders, and deliver orders etc. Additionally, analysis is carried out in terms of potential remarketers that can be used to mitigate the risk for the inventory funders of the disposal of any unsold goods, where required. Each deal is then run through the stock company's cashflow model to ensure sustainability parameters are not breached.

Once a specific inventory funder accepts a specific client company, the process moves from the due diligence to the contracting phase, and it is here that the formal commercial contract between the client company and the relevant stock company governing the IM transaction are negotiated and finalised.

Lastly, once the contracts are signed by the stock company and the client company, training is given on the Trading Module to ensure a best in class user experience for the client in uploading their first, and subsequent files. The client is then ready to carry out their first IM.

During the process our inhouse Customer Relation Management ("CRM") Module tracks each client's progress through the origination phase.

*Post-Inventory Monetisation activities* are carried out directly with the relevant stock company including the usage of the Supply@ME platform under a Software as a Service ("SaaS") contract and the support and administration activities such as the monitoring, controlling, and reporting on the inventory monetised.

The Supply@ME IM Platform records, monitors and reports on the inventory being monetised. The stock company also relies on the Group's expertise in monitoring, controlling, and reporting on the eligible inventory items post monetisation as part of the inventory servicer activities provided. To facilitate these activities, throughout the course of a contract the client company must provide inventory data extracted from their Enterprise Resource Planning ("ERP") system which allows the Group to carefully monitor the inventory monetised (via inventory analytics) and to identify anomalies to be queried with the client company.

In the case of the eligible order-based inventory models the Supply@ME team has developed a methodology to analyse the inventory SKUs required to satisfy orders received by the client company and which are used for internal client projects required to deliver these orders. The Group's monitoring team set Key Performance Indicators ("KPIs") and Key Risk Indicators ("KRIs") based on the in-depth knowledge of the client's business model and selected eligible SKUs gained during the due diligence process. This allows them to quickly, robustly, and efficiently monitor and assess the performance of each SKU as up to date data is received from the client company. The data used to complete the monitoring activities includes detailed information on the client company's sales, inventory movements, end customer orders, and supplier purchase orders. This continuous monitoring process enables the Group to understand and report to the stock company (who own the goods as a result of the Inventory Monetisation) if the client company is adhering to the operating cycles and behaviours observed during the due diligence phase. Data driven discussions are held with the client around any anomalies detected and if necessary, remediation strategies are agreed. Following this, the monitoring and reporting cycle begins again.

In our live clients we have seen evidence of minor anomalies due to unexpected client behaviours. Once we held the data driven discussions with the clients, they refined some of their processes to behave as per the expectations of our legal frameworks. It is reassuring that our monitoring procedures can identify these kinds of anomalies, and even more so that the clients amend their behaviours appropriately. This leads to a lasting value add relationship between Supply@ME, the stock company, and the clients.

The Platforms "data factory" module facilitates the level of data ingestion required, automated application of key business rules and the creation of a unique inventory data-lake to design and develop advanced inventory data analytic metrics such as seasonality, obsolescence risk, critical components, margin and sales trends, and to some extent, client behaviours. Together this enables the Group to effectively monitor and identify anomalies in the inventory data being collected for monitoring and reporting purposes.

The Group provide administrative support in the facilitation of the client company's buybacks of the inventory monetised, and refills of new eligible inventory items over the course of the IM transaction contract.

As a result of the granular level of data ingestion and storage available through the Platform, Supply@ME is able at any time to provide an up-to-date picture of the inventory monetised (and therefore owned) by the relevant stock company, together with any receivable amounts owed to the relevant stock companies. This seeks to provide our traditional funding partners with the necessary reassurance and transparency needed for such IM transactions.

As the Group's business scales up, the focus will be on how to augment the existing technology to allow the activities referred to above to be completed in the most efficient and effective way. This will be particularly important as the volume of data being collected, monitored, and reported on increases with each new IM transaction that is facilitated over the Platform, and as the business seeks to refine and improve its existing processes.

This model can be flexed and adapted based on the requirements of the inventory funders particularly in the case of White-Label partners. For example the level of due diligence required on a particular client company may vary if it is already a client of a White-Label inventory funder, or they may not require the use of a stock company in a particular structure, in which case some of the post-inventory monetisation fees (such as the SaaS license fee) may be charged directly to the White-Label inventory funder rather than to the relevant stock company.

## **Business line update**

### *Open Market Inventory Monetisation*

As outlined above Open Market IM transactions are those originated by the Group from its internal pipeline and which are funded by the independent stock companies through use of funds from third party investors.

### *Italian Neo Banking Group Alliance*

On 29 April 2024, the Company announced that it had entered into an agreement with SFE and an Italian neo banking group aimed at deploying an Inventory Monetisation programme. The Italian neo banking group, through its investment banking division, would act as arranger and, following the necessary internal approvals, was expected to fund the senior notes and part of the junior notes issued by securitisation special purpose entities formed directly by the bank. Progress was made regarding the analysis of the IM model and how the securitisation vehicle could fund the programme.

As set out in the Group's 2024 Interim Results, which were released on 30 September 2024, the Italian neo banking group and SYME decided to prioritise a programme of plain-vanilla inventory financing (up to €35million) receivables financing transactions (up to €100million) using the Group's Platform. This proposal had been made by the banking group considering the expected increase in appetite of some Italian corporates regarding inventory-backed financing facilities that will leverage the Italian legislation pegno non possessorio (the "**PNP Regulation**") and the opportunity to target specific client companies who prefer to follow a more traditional inventory financing model.

A standard term-sheet was agreed with the working group to be submitted to a list of selected client companies, included within the Group's current pipeline, in order to canvas interest in this new offering using the Group's Platform.

Due to potential acquisition activity which the neo banking group is being subjected to, this project is currently on hold and will be restarted when and if deemed appropriate by all parties. No formal termination of the previously signed agreement referred to above as been requested and as such Supply@ME still considers this active despite being on hold.

### *Cooperation with asset managers*

On 15 November 2024, one of Italian stock companies, which is a wholly owned subsidiary of SFE, issued a secured bond (applying the PNP Regulation) ("**IM Bond**") valued up to €5million and a global player in asset management subscribed for the first €3.5million. The use of these proceeds allowed the Italian stock company to deliver two additional IM transactions, one in 2024 for a new Italian client company from the Company's internal pipeline, and one in 2025 to an existing client company. Both of these were facilitated using the SYME IM Platform. To date in 2025 interest has been expressed by another potential inventory funder to subscribe to the existing bond and replicate this structure to complete a larger single name transaction. If this were to move forward it would enable the Italian stock company to undertake further monetisation of inventory from the Supply@ME client company pipeline.

#### *Digital Assets & Tokenisation*

As noted in the 2024 Interim Results, which were released on 30 September 2024, the Company is of the opinion that the digital asset market is still in its infancy, with global governance protocols still being developed and regulations evolving. This currently leads to high costs associated with the launch of any new related product. As such, at this stage further commitments and subscription to the targeted security token above the initial USD \$5 million commitment, are required to allow further development of this business line and ensure its profitability for all parties involved. The Group will provide further updates as they become available.

#### *White-Label*

The first White-Label IM agreement with BBPM was announced by the Company on 3 January 2024 (the "**White-Label Agreement**"). This commitment provided by BBPM is to fund an initial IM transaction with an inventory value to be monetised up to €10million of the White-Label client company. Following the internal credit risk management procedures, that commitment is now under review considering the original maturity date.

As explained in the 2024 Interim Results, which were released on 30 September 2024, Supply@ME and BBPM have been working together to overcome the requirement of a specific remarketer for each IM transaction originated. Supply@ME has provided a proposed solution with the help of its legal advisors and is currently waiting for the approval from BBPM in order to move the project forward into the next stage. We also note that BBPM was the subject of a proposed acquisition transaction with UniCredit S.p.A. which caused additional delays which are outside of the Group's control.

The objective is to allow, in certain circumstances, the requirement for a specific remarketer to be avoided, unlocking the potential and scalability of the IM facility. Additionally, the working group is continuing to engage with its targeted customer base (agri-food supply chains) which, as far as today, comprises the first White-Label client company (Italian cheese producer) and a new second one originated by BBPM, Italian leader in producing tomatoes products.

#### **Client Company Origination Update**

As outlined in the 2023 Annual Report and Accounts (announced on 1 May 2024) and the 2024 Interim Results (announced on 30 September 2024) the Company intended to refine its reporting of its client company pipeline so that it was limited to those client companies for which there is either a signed letter of interest or a signed term sheet in place with the client company. The reporting of this pipeline figure aims to illustrate the value of the pipeline whereby there is a demonstrated level of commitment from the client company to move forward with the SYME due diligence and onboarding processes. It should be noted that this is not pipeline revenue expected to be earned by the Group and this reported pipeline figure does not represent all the client companies with whom the Company is currently discussing its products.

Reporting of only those companies with either a signed letter of interest or term sheet in place is to support consideration of the fact that throughout the sales and onboarding process there maybe reasons client companies do not continue in the process and/or the volume of eligible inventory reduces. For example, they may be unable to supply the detail of ERP inventory data required to support the level of analysis underpinning the Supply@ME due diligence service or, once this ERP data is supplied and analysed, the volume of eligible inventory SKUs may reduce hence decreasing the value of inventory in the Supply@ME pipeline in relation to this client company.

#### *Operational Pipeline KPI*

As at 30 September 2025 SYME had a client company inventory monetisation pipeline of £87.3 million which was supported by either signed letters of interest or term sheets. This compares to £31.3 million reported in the 2023 Annual report as at 19 April 2024. The Group's client company inventory monetisation pipeline is made up of 100% Italian client companies. It should be noted that of the current pipeline figure of £87.3 million, there are three individual clients that together account for approximately 95% of the total pipeline.

|                                                                                                       | <b>30 September<br/>2025<br/>Unaudited</b> | <b>16 December<br/>2024<br/>Unaudited</b> | <b>19 April<br/>2024<br/>Unaudited</b> |
|-------------------------------------------------------------------------------------------------------|--------------------------------------------|-------------------------------------------|----------------------------------------|
| Client company inventory monetisation pipeline supported by either a letter of interest or term sheet | £87.3 million                              | £125.2 million                            | £31.1 million                          |
| Number of client companies included with the above pipeline figure                                    | 4                                          | 6                                         | 7                                      |
| Percentage of the above pipeline figure contributed by the single largest potential client            | 35%                                        | 66%                                       | 33%                                    |

#### **Financial review**

|                                                                                                       | <b>2024</b>    | <b>2023</b>    | <b>Movement</b> |
|-------------------------------------------------------------------------------------------------------|----------------|----------------|-----------------|
|                                                                                                       | <b>£000</b>    | <b>£000</b>    | <b>£000</b>     |
| <b>Continuing operations</b>                                                                          |                |                |                 |
| Revenue from continuing operations                                                                    | 129            | 158            | (29)            |
| <b>Operating loss from continuing operations before impairment charges and fair value adjustments</b> | <b>(2,329)</b> | <b>(3,625)</b> | <b>1,296</b>    |

|                                                       |                 |                 |                 |
|-------------------------------------------------------|-----------------|-----------------|-----------------|
| Fair value adjustment to investments                  | (284)           | (68)            | (216)           |
| Impairment charges - intangible assets                | (48)            | (384)           | 336             |
| Impairment charges - trade and other receivables      | (270)           | -               | (270)           |
| <b>Operating loss from continuing operations</b>      | <b>(2,931)</b>  | <b>(4,077)</b>  | <b>1,146</b>    |
| Finance costs                                         | (131)           | (83)            | (48)            |
| <b>Loss before tax from continuing operations</b>     | <b>(3,062)</b>  | <b>(4,160)</b>  | <b>1,098</b>    |
| Income tax                                            | 139             | -               | 139             |
| <b>Loss after tax from continuing operations</b>      | <b>(2,923)</b>  | <b>(4,160)</b>  | <b>1,237</b>    |
| <b>Discontinuing operations</b>                       |                 |                 |                 |
| Loss from discontinued operations                     | -               | (185)           | 185             |
| <b>Total loss for the year</b>                        | <b>(2,923)</b>  | <b>(4,345)</b>  | <b>1,422</b>    |
|                                                       | <b>2024</b>     | <b>2023</b>     | <b>Movement</b> |
|                                                       | <b>Pence</b>    | <b>Pence</b>    | <b>Pence</b>    |
| <b>Total basic and diluted loss per share ("EPS")</b> | <b>(0.0043)</b> | <b>(0.0073)</b> | <b>0.0030</b>   |

The Group's consolidated financial statements for the year ended 31 December 2024 ("FY24") have been prepared in line with UK adopted International Accounting Standards ("IAS"). In the comparative year ended 31 December 2023 ("FY23"), the operations of TradeFlow Capital Management Pte. Limited ("TradeFlow") continued to be classified as discontinued operations and assets held for resale in line with the requirements of IFRS 5 ("Non-current Assets Held for Sale and Discontinued Operations") from 1 January 2023 until the date of completion of the disposal of the Company's 81% stake in the ownership of TradeFlow (the "TradeFlow Restructuring"), being 30 June 2023.

#### *Revenue from continuing operations*

|                                                 | <b>2024</b> | <b>2023</b> | <b>Movement</b> |
|-------------------------------------------------|-------------|-------------|-----------------|
|                                                 | <b>£000</b> | <b>£000</b> | <b>£000</b>     |
| <b>Revenue</b>                                  |             |             |                 |
| Due Diligence fees                              | 55          | 94          | (39)            |
| Inventory Monetisation fees                     | 74          | 64          | 10              |
| <b>Total revenue from continuing operations</b> | <b>129</b>  | <b>158</b>  | <b>(29)</b>     |

The table above provides a break down of the Group's revenue from Inventory Monetisation activities during FY24. Revenue is recognised in accordance with IFRS 15 ("Revenue from Contracts with Customers") and more details on the Group's revenue recognition policies can be found in the note 2 to the Group's consolidated financial statements for the year ended 31 December 2024.

In line with IFRS 15 ("Revenue from Contracts with Customers") the Group recognised the due diligence revenues when the due diligence services have been delivered and the Group's performance obligation has been satisfied. During FY24, the Group has continued to carry out, and charge for due diligence activities, and the £55,000 recognised as revenue reflects the value of those due diligence activities completed during FY24 (FY23: £94,000).

Following the first Italian IM transactions during 2022, 2023 and at the end of 2024, which were facilitated using the Group's Platform, the Group recognised Inventory Monetisation fees of £74,000 during FY24 (FY23: £64,000). These fees related to the following activities:

- 1) *Origination fees* - the origination of the contracts between the client company wishing to have their inventory monetised and the independent stock company that purchased the inventory from the client company. In line with IFRS 15 ("Revenue from Contracts with Customers") the Group recognised these revenues at the point in time they are due to be received from the client;
- 2) *IM Platform usage fees* - usage of the Group's IM Platform, under a Software as a Service ("SaaS") contract, by the independent stock company to facilitate the purchase of the inventory from the client company. In line with IFRS 15 ("Revenue from Contracts with Customers") the Group recognised these revenues over the time period they related to; and
- 3) *IM service fees* - the support and administration activities, such as the monitoring of the inventory purchased, that the Group performs in connection with the use of the Group's IM Platform. In line with IFRS 15 ("Revenue from Contracts with Customers") the Group recognised these revenues over the time period they related to.

These revenues are expected to grow in future accounting periods in line with expected growth in both the number of IM transactions that are facilitated using the Group's IM Platform and, the quantum of inventory monetised by the independent stock companies per transaction, increases.

#### *Operating loss from continuing operations before impairment charges and fair value adjustments*

Over the course of 2024, the Group's main activities have been focused on:

- Continued improvement of the processes and workflows required for due diligence, monitoring and reporting of the inventory monetised over the IM Platform, as well as to support the sale and purchase of the inventory using the IM Platform.
- Collaboration with BBPM and the initial White-Label client company identified by BBPM to work towards the finalisation of the framework needed to deliver the Group's first White-Label IM transaction and wider White-Label go-to-market strategy. This has included working towards finding a proposed solution to avoid the requirement for a specific remarketer for each individual IM transaction.
- Discussing with a number of different potential inventory funders who have shown interest in the Group's business model and to gain a detailed understanding / explore options for funding this new asset class. These activities have been set out in more detail earlier in the business line update section of this announcement, and most recently included the working

with one of the Italian stock companies to issue a bond valued up to €5 million, of which €3.5 million has been subscribed, resulting in the delivery of one IM transaction at the end of 2024 with a new client company from the Group's pipeline and one additional IM transaction early in 2025 with an existing client company.

- Managing the extremely challenging cashflow situation that arose over the year due to the continued under performance of TAG against its contractual funding commitments outlined in the £3.5 million top-up unsecured shareholder loan agreement dated 28 September 2023 and amended on 30 September 2024 ("**Top-Up Shareholder Loan Agreement**"). As a result of this, a new equity capital raise was completed in May 2024 which raised gross proceeds of £1,552,500. Additionally, towards the end of 2024, it became apparent that a new source of funding needed to be identified by the Board in order to mitigate the risks being created due to the continued under performance by TAG. This resulted in the Group announcing a new funding facility with Nuburu in March 2025, which was then amended in June 2025 and August 2025 following various challenges facing Nuburu in complying with the original payment schedule. These amendments provided updated committed payment dates which aligned with actions being taken by Nuburu to raise capital to allow it to complete its strategic investments and meet its commitment to the Company under the new funding facility.

The Group recorded an operating loss from continuing operations before impairment charges and fair value adjustments for FY24 of £2,329,000 (FY23: £3,625,000 loss). The major contributing factors that resulted in the reduction of the operating loss from continuing operations before impairment charges and fair value adjustments of £1,296,000 are described below:

- an aggregate decrease in the loss from gross profit and administration expenses of £1,482,000 from £4,123,000 recognised in FY23, compared to £2,641,000 recognised in FY24. This decrease largely resulted from focused cost saving efforts by the Group that were initially implemented during 2023 and which continued and increased throughout 2024. These cost saving efforts were required due to the cash flow pressures resulting from the delayed contractual funding amounts due to the Group as explained above. Explanations as to the main areas of cost saving or reduced expenses during FY24 are as follows:
  - Professional and legal fees reduced by £926,000 or 60% during FY24 compared to FY23 as management made an effort to bring certain activities in house, together with the fact that there were less corporate activities undertaken compared to during 2023;
  - Staff costs reduced by £219,000 or 12% during FY24 compared to FY23 as certain staff members who left either during 2023 or 2024 were not replaced;
  - Contractor costs reduced by £142,000 or 66% during FY24 compared to FY23 as the Group ended certain agreements with contractors during the second half of 2023 as the specific activities that were being worked on came to an end;
  - Long-term incentive plan ("**LTIP**") costs reduced by £120,000 or 92% during FY24 compared to FY23 due to certain staff members leaving and a true up adjustment recognised during 2024 to reflect the Board's judgement that the non market vesting condition included in the May 2023 LTIP plan relating to the amount of inventory to be monetised by the Group was unlikely to be met over the relevant performance period;
  - Amortisation of the internally developed IM Platform costs reduced by £69,000 or 93% during FY24 compared to FY23 due to less costs capitalised during the course of 2024. This largely reflected the fact that the Group continued to focus on Italy for which the standard contract legal framework for Open Market IM transactions is now in place. The costs that were capitalised related to those incurred in developing the contractual and legal framework relating to the Group's White-Label offering, for which the first transaction is yet to be completed and is expected to be with BBPM; and
  - When the Group has sufficient cash balances in the future, management will look to increase some of the above costs again in order to support and drive growth and expansion.
- A decrease of £186,000 in other operating income recognised during FY24 of £312,000 compared to £498,000 recognised during FY23. The explanation for this decrease is set out as follows:
  - During FY23 £376,000 of the operating income recognised arose as a result of a settlement agreement reached with an existing supplier to reduce the total amount payable by the Group in exchange for payment of a lower agreed amount by a specific date. There was no similar balance recorded in FY24; and
  - The other operating income recognised in FY24 related to £312,000 of interest income accrued from late payments due from TAG. These funding arrangements with TAG are set out in more detail in notes 5 and 28 to the Group's consolidated financial statements for the year ended 31 December 2024. As detailed below an impairment charge of £270,000 was also recognised by the Group during FY24 in relation to these amounts.

#### *Impairment charges and fair value adjustments from continuing operations*

|                                                  | 2024         | 2023         | Movement     |
|--------------------------------------------------|--------------|--------------|--------------|
|                                                  | £000         | £000         | £000         |
| Impairment charges - intangible assets           | (48)         | (384)        | 336          |
| Impairment charges - trade and other receivables | (270)        | -            | (270)        |
| Fair value adjustments on investments            | (284)        | (68)         | (216)        |
| <b>Total</b>                                     | <b>(602)</b> | <b>(452)</b> | <b>(150)</b> |

The Group's internally developed IM platform was impaired by an amount of £48,000 during FY24 in line with the requirements of IAS 36 ("Impairment of Assets") (FY23:£384,000). This reflects the material uncertainty identified in the Group's going concern statement with respect to both the future timing and growth rates of the forecast cash flows arising from the use of the internally developed IM Platform intangible asset. The reduction in the impairment charges in FY24 compared to FY23 reflects the fact that no contractual frameworks for new geographical regions needed to be developed during 2024 and the standard Italian contractual framework now being in a more stable state. The costs capitalised by the Group during 2024 largely related to developing the contractual and legal framework relating to the Group's White-Label offering.

The impairment charges from continuing operations of £270,000 recognised during FY24 (FY23: £nil) related to the impairment of trade and other receivables, specifically the full receivable balance due from TAG as at 31 December 2024 that related to late payment interest on the Top-Up Shareholder Loan Agreement. These impairment charges were recognised given the latest information that the Board has regarding the financial position of TAG, as at 31 December 2024 which included:

- the auditors of TAG disagreeing with the going concern assumptions that had been used in the preparation of the TAG's latest financial statements for the year ended 31 December 2023;

- as a consequence of the above point, TAG elected to apply for a restructuring procedure as is allowable under Italian company law; and
- following on from this, on 7 August 2025 TAG entered into a formal liquidation process under Italian insolvency law. The Company understands that TAG is currently attempting to halt the liquidation process and return to the restructuring procedure referred to above.

The fair value adjustment to the investment in TradeFlow of £284,000 recognised during FY24 (FY23: £68,000) reflects the adjustment recorded as at 31 December 2024 to fully reverse the remaining fair value of the 19% investment in TradeFlow held on the balance sheet at this date. This reflected the lack of regular TradeFlow financial information available to the Group and also the increase in TradeFlow's underlying net liabilities that had been observed since the TradeFlow Restructuring was completed. This compares to the adjustment recorded as at 31 December 2023 which was based on the movement in TradeFlow's net liabilities between the date of the TradeFlow Restructuring and 31 December 2023.

#### ***Discontinued Operations included in FY23***

As detailed above, the TradeFlow operations had been classified as discontinued operations and assets held for resale in line with the requirements of IFRS 5 ("Non-current Assets Held for Sale and Discontinued Operations") in the six month period ended 30 June 2023. Following the date of completion of the TradeFlow Restructuring, being 30 June 2023, the Company's ownership in TradeFlow reduced from 100% to 19%. As a result, from this date, the results of the TradeFlow operations are no longer included within the Group's consolidated financial income statement and the assets and liabilities of TradeFlow, including the intangible assets acquired on the acquisition of TradeFlow in July 2021, are no longer included with the consolidated assets and liabilities of the Group.

Instead, following 30 June 2023, the fair value of the remaining 19% ownership in TradeFlow is recognised as an investment in the Group's balance sheet. As at 31 December 2024, this remaining investment in TradeFlow had a fair value of £nil following the fair value adjustment detailed above (31 December 2023: £284,000).

Details of the results and net cash flows from the TradeFlow operations which were classified as discontinued operations in FY23 are set out in detail in note 26 to the Group's consolidated financial statements for the year ended 31 December 2024.

#### ***Contractual funding facilities agreed with TAG***

During FY24, while TAG continued to under perform against the Top-Up Shareholder Loan Agreement, TAG did perform against its other contractual funding commitments to the Group, albeit on a delayed basis. A total of £1,322,000 was received by the Group from TAG during FY24 including:

- The remaining £550,000 that was due to the Company in respect of the TAG Unsecured Working Capital Facility that was initially agreed on 28 April 2023, and subsequently amended on 30 June 2023 (FY23: £250,000). Following this, the full amount of £800,000, that had been drawn down by the Company, had been fulfilled by TAG. This facility was repaid by the Company in March 2024, through the issue of 1,500,000,000 new ordinary shares issued to TAG in exchange for the repayment of the principal amount due. These new ordinary shares issued had a fixed subscription price of 0.053 pence per share; and
- Amounts totalling £772,000 that were due to the Company in respect of the £2,000,000 receivable that was assumed by TAG as a result of the TradeFlow Restructuring completed on 30 June 2023 (FY23: £1,228,000). Of this amount, £570,000 was received in cash (FY23: £771,000) and the remaining £202,000 was received by way of offset against amounts owed by the Group to TAG (FY23: £36,000).

The delays in the payments due to the Group from TAG continued to put significant cashflow pressures on the Group during 2024 and has been extremely challenging for the management team and the Board to navigate. The Board has continually monitored the payments received from TAG and the representations made to them by TAG, via Alessandro Zamboni, in respect of payments that were overdue.

During May 2024, the Group undertook a new equity capital raise to help mitigate the risks of the late payments by TAG. Additionally, towards the end of 2024, it became apparent that a new source of funding needed to be identified by the Board in order to mitigate the increasing risks being created due to the continued under performance by TAG. This resulted in the Group announcing a new funding facility with Nuburu in March 2025 which was then amended in June 2025 and August 2025 following various challenges facing Nuburu in complying with the original payment schedule. Further details of this new funding facility and the payments received to date can be found in note 30 to the Group's consolidated financial statements for the year ended 31 December 2024.

#### ***New Equity Subscription Agreement***

On 14 May 2024, the Company entered into a new equity subscription agreement with a UK investment firm, pursuant to which the UK investment firm committed to subscribe for 9,000,000,000 new ordinary shares of nominal value £0.00002 each (the "**Subscription Shares**"), on behalf of its private clients, at 0.01725 pence per Subscription Share (the "**New Equity Subscription Agreement**"). The issue of the Subscription Shares raised gross proceeds of £1,552,500 (or £1,428,300 net of an 8% commission charge). These Subscription Shares were admitted to standard segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange on 28 May 2024.

#### ***Cash flow***

The Group increased its net cash balance (prior to any foreign exchange differences on consolidation) by £29,000 during FY24 (FY23: £575,000 decrease) due to a combination of the following cash inflows and outflows:

- cash inflow of £1,413,000, net of commission and other issue costs paid in cash, during FY24 from the issue of new ordinary shares under the New Equity Subscription Agreement referred to above;
- inflows of £772,000 during FY24 from TAG in relation to the repayment of the outstanding cash consideration that was due, and which had been assumed by TAG, as a result of the TradeFlow Restructuring; and
- inflows from long-term borrowing of £374,000, net of cash repayments, predominantly due to amounts received under the amended TAG Unsecured Working Capital facility during FY24, less the cash repayments made during FY24 in relation to the other long-term bank borrowings held by the Group.

These net cash inflows were then offset by the following items:

- net outflows from operating activities of £2,496,000 (FY23: £3,633,000 net outflow); and

- net outflows due to net movements in non-current assets of £34,000 during FY24, being the increased investment in the Group's IM Platform of £53,000 (FY23: £458,000) offset by the write off of other non-current assets of £19,000 (FY23: £nil).

|                                                                            | <b>2024</b> | <b>2023</b>  |
|----------------------------------------------------------------------------|-------------|--------------|
|                                                                            | <b>£000</b> | <b>£000</b>  |
| Net cash flows from operating activities                                   | (2,496)     | (3,633)      |
| Net cash flows from investing activities                                   | 738         | 446          |
| Net cash flows from financing activities                                   | 1,787       | 2,612        |
| <b>Net movement in cash and cash equivalents</b>                           | <b>29</b>   | <b>(575)</b> |
| Foreign exchange differences to cash and cash equivalents on consolidation | -           | (1)          |
| Cash and cash equivalents at 1 January                                     | 5           | 581          |
| <b>Cash and cash equivalents as at 31 December</b>                         | <b>34</b>   | <b>5</b>     |

#### ***Net liabilities***

As at 31 December 2024 net liabilities of the Group were £4,246,000 (31 December 2023: net liabilities of £3,807,000). The £439,000 decrease in net liability position at 31 December 2024 compared to 31 December 2023 is due to the following:

- the increase in cash and cash equivalents of £29,000 during FY24 as a result for the factors referred to in the cash flow section above;
- an increase in the trade and other receivables of £62,000 as at 31 December 2024. This was largely due to an increase in trade receivables as at 31 December 2024, all of which was received post 31 December 2024;
- a decrease in trade and other payables of £95,000 as at 31 December 2024, largely as a result of an effort to settle a number of the balances outstanding at 31 December 2023 using the cash inflows received during first half of 2024, offset by balances increasing again in the second half of the year due to cashflow challenges experienced by the Group; and
- A decrease in long-term borrowings of £476,000 as at 31 December 2024, due to the repayment of the TAG unsecured working capital facility during FY24, the balance of which was £250,000 as at 31 December 2023, and the continued repayment of the long-term loan facility in place with Banco BPM S.p.A via the Group's subsidiary, Supply@ME Technologies S.r.l.

These increases in assets / decreases in liabilities compared to 31 December 2023 were then offset by:

- the decrease in the receivable from related party of £795,000 to £52,000 as at 31 December 2024 compared to £847,000 as at 31 December 2023, largely due to the repayments totalling £772,000 received from TAG during FY24 in relation to the outstanding consideration that was due, and which had been assumed by TAG, as a result of the TradeFlow Restructuring;
- the decrease in the fair value of the remaining 19% investment in TradeFlow of £284,000 to £nil as at 31 December 2024. This fair value adjustment reflects the lack of regular financial information provided by TradeFlow and the worsening of the underlying net liability position of TradeFlow that has been seen since the TradeFlow Restructuring was completed; and
- other small movements which net to an overall increase in net liabilities of £22,000 as at 31 December 2024.

#### ***Going Concern***

The Board's assessment of going concern and the associated key considerations are set out in the note 2 to the Group's consolidated financial statements for the year ended 31 December 2024. Due to the continued low level of revenue recognised during FY24, this led to another year of losses for the Group which is the fifth year in a row since the reverse take over in March 2020 which saw the Supply@Me Group listed on the standard list of the main market in London. This together with specific risks connected to the committed funding from Nuburu that a) is yet to be fully received and b) requires certain shareholder and regulatory approvals to be obtained to avoid repayment in cash, has led to the Directors identifying certain material uncertainties in the going concern assumption used to prepare the Group's consolidated, and stand alone Company, FY24 financial statements.

#### ***Related Parties***

Note 28 to the Group's consolidated financial statements for the year ended 31 December 2024 contains details of the Group's related parties.

#### ***Subsequent events***

Note 30 to the Group's consolidated financial statements for the year ended 31 December 2024 contains details of all material subsequent events post 31 December 2024.

#### ***Principal Risks and Uncertainties***

The Board considers the principal risks faced by the Group primarily through the application of the COSO (Committee of Sponsoring Organizations of the Treadway Commission) framework at least once a quarter. The leadership team take a bottom-up internal self-assessment approach to assessing risks across all areas of the business in line with the COSO framework. Consideration is given to perceived risk with regard to impact, likelihood, vulnerability and velocity. The identified risks are then reviewed and assessed centrally, key risks to the business are managed and mitigated. The key risks together with any significant changes to the risks and / or mitigations to these risks are then presented to the Board and Audit Committee.

The most significant risks and uncertainties the Group faces are listed in the table below, categorised by the principal risk, together with the approach that has been taken to manage the impact of this risk on the Group, any changes to the risk profile since the reporting included in the 2023 Annual Report and Accounts, and an assessment of the importance of this risk considering the likelihood and impact of it post the mitigating actions.

#### ***Strategic Risk***

Strategic risk is defined as the failure to build a sustainable, diversified and profitable business that can successfully adapt to environment changes due to the inefficient use of Group's available resources.

*Business Model and Strategic Competition*

|                     | Likelihood      |                 | Impact       |              |
|---------------------|-----------------|-----------------|--------------|--------------|
| Movement since 2023 | 2023            | Current         | 2023         | Current      |
| <i>Increased</i>    | <i>Unlikely</i> | <i>Possible</i> | <i>Major</i> | <i>Major</i> |

| Principal Risk                                                                                                                                                                                                                                                                                                                                                                              | How are we mitigating this risk?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Change in principal risk since 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Group's business model is that of an innovative Platform for inventory monetisation, aiming to capitalise upon market developments where supply chains may be placed under pressure.</p> <p>As a new FinTech product there is risk of limited market interest or on the converse a competitive offering being created by another organisation which outstrips our model or size.</p> | <p>The continued diversification of the business model to encompass a variety of routes to market mitigates some of this risk.</p> <p>During 2024 the delivery to clients with a range of different business models adds to the Group's competitive advantage, especially against potential new entrants to the market.</p> <p>The Group aims to continue to build a pipeline of client companies who can be serviced by the Group and develop other structures to service a variety of alternative business models to continue to mitigate this risk.</p> <p>The Group regularly monitors new market entrants to keep abreast of changes to this risk factor.</p> | <p>During 2024 this risk has increased due to the length of time it is taking to fully establish the business model and in particular the sourcing of a reliable and significant pool of inventory funding to support the inventory monetisation model in a flexible manner.</p> <p>The delays in sourcing a reliable pool of funding for inventory monetisation transactions is impacting the Group's ability to build and sustain as strong a client company pipeline as in the past.</p> <p>The delays to the launch of the White-Label offering with BBPM has also contributed to the increased risk in this area, and the Group hopes this can be addressed during 2025.</p> |

*Future development and strategy*

|                                 | Likelihood      |                 | Impact       |              |
|---------------------------------|-----------------|-----------------|--------------|--------------|
| Movement since 2023             | 2023            | Current         | 2023         | Current      |
| <i>Maintained at same level</i> | <i>Possible</i> | <i>Possible</i> | <i>Major</i> | <i>Major</i> |

| Principal Risk                                                                                                                                                            | How are we mitigating this risk?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Change in principal risk since 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Group is unable to build the inventory monetisation Platform in line with its strategy at a pace and cost aligned to funding available and revenue generation.</p> | <p>This risk will reduce as the Group's business model and product becomes more established and a larger track record of successful inventory monetisation transactions can be demonstrated.</p> <p>Successful transactions having been completed demonstrating that the model works. The scalability however continues to remain unproven, which could affect the Group's ability to increase revenues and profit margins in the future at the rate needed to ensure success of the business.</p> <p>The key to long-term business growth remains the IM Platform. The development of the product roadmap has stalled in 2024 due to the constraints on cash flow due to the under performance of the Group's contractual funding. With the new funding facility with Nuburu having been agreed in the first quarter of 2025 a renewed focus is required on developing the platform roadmap.</p> | <p>Delivering new inventory monetisation transactions during 2024 and early 2025 continues to prove the long term strategy.</p> <p>Client companies have been using the platform for inventory monetisation transactions since September 2022 and this also adds weight to this.</p> <p>It must however be acknowledged that the pace of growth continues to be slower than anticipated and as such the scalability of the business model is still to be fully demonstrated.</p> <p>This has resulted in the Directors highlighting revenue growth, in terms of timing and quantum, as one of the material uncertainties within the going concern statement set out in the Group's consolidated financial statements.</p> |

*Macro global and economic risks*

|                                 | Likelihood      |                 | Impact          |                 |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|
| Movement since 2023             | 2023            | Current         | 2023            | Current         |
| <i>Maintained at same level</i> | <i>Possible</i> | <i>Possible</i> | <i>Moderate</i> | <i>Moderate</i> |

| Principal Risk                                                                                                                                                                                                                                                                                                                                                                                                                               | How are we mitigating this risk?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Change in principal risk since 2023                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The current global macro environment effects all businesses, including the Group, its client companies and inventory funders.</p> <p>2024 and early 2025 have been tumultuous, the level of geopolitical tension and the trade war being waged by the US administration could potentially affect investor confidence and the success of businesses who would be client companies of Supply@ME, leading to a smaller potential market.</p> | <p>The business is currently focusing on clients based in the UK and Europe, Italy in particular. This narrowing of focus should mitigate some of the risk inherent from the increased global conflict. The fact that the transactions happen with a stock company within the same global jurisdiction as the client company should also reduce cross border trade risks. Additionally, the fact that the Group has already developed business models to service several different client company models should also reduce the risk to the Group.</p> | <p>The risk in this area has maintained at the same level year on year due to continued uncertainty in the macro economic environment. The uncertainty arising from continued global conflict is having an impact on overall business confidence which is also being felt by Supply@ME.</p> |

#### *Inventory Funding Risk*

|                          | Likelihood |          | Impact |         |
|--------------------------|------------|----------|--------|---------|
| Movement since 2023      | 2023       | Current  | 2023   | Current |
| Maintained at same level | Possible   | Possible | Major  | Major   |

| Principal Risk                                                                                                                                                                                                                                                                                                                                      | How are we mitigating this risk?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Change in principal risk since 2023                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Key to the Supply@ME business model is the interest of funders to acquire inventory and invest in the new model for which Supply@ME provides pre and post monetisation services. If there is no interest, or reduced interest by inventory funders to invest in this asset class of inventory there is risk to the Supply@ME business model.</p> | <p>During 2024 and early 2025 the IM Bond structure which was implemented by one of SFE's subsidiary companies enables exposure to inventory as an asset class to a broader range of investors by enabling portions of the bond to be subscribed too in an established structure.</p> <p>This has proven to some degree the model utilising SFE and its subsidiaries which was introduced and explained in the 2023 Annual Report and Accounts.</p> <p>The interest shown by BBPM in the White-Label offering also mitigates some of this risk, although it would do so to a far greater degree if the transaction had not experienced the delays it had to date. We hope to be able to address this during 2025.</p> | <p>The new strategic partnership with SFE has started to show its benefits in mitigating this risk. However larger pools of inventory funding are required to ensure a stable and profitable business.</p> |

#### *Technological Advancements*

|                     | Likelihood |          | Impact   |          |
|---------------------|------------|----------|----------|----------|
| Movement since 2023 | 2023       | Current  | 2023     | Current  |
| Increased           | Unlikely   | Possible | Moderate | Moderate |

| Principal Risk                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | How are we mitigating this risk?                                                                                                                                                                                                                                                          | Change in principal risk since 2023                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Technology is advancing at a phenomenal rate. The development of and increased use of AI being one of the recent most significant. The increased digitisation of assets is also a relevant advancement.</p> <p>As a Fintech business it is essential that our technology and the team's knowledge of new technology use cases keeps pace with the external environment so that any new relevant technologies can be included into the IM Platform as efficiently and effectively as possible.</p> | <p>A growth mindset and innovation is encouraged at Supply@ME across all members of the team. This will help the team and Group to stay abreast of new technology and their use. In the future as revenue grows the use of AI by the Group in its product roadmap should be explored.</p> | <p>During 2024 and to date in 2025 there have been significant changes to the Supply@ME workforce. Further expertise in technology will need to be acquired by the Group to continue to mitigate this risk. If Supply@ME can effectively leverage the benefits of AI and technological advancement it could lead to competitive advantage.</p> |

#### *Financial Risk*

Financial risk takes into consideration risk resulting from the loss of capital. Consideration is given to liquidity, market and credit risk.

#### Group Funding Risk

|                          | Likelihood |         | Impact |         |
|--------------------------|------------|---------|--------|---------|
| Movement since 2023      | 2023       | Current | 2023   | Current |
| Maintained at same level | Likely     | Likely  | Major  | Major   |

| Principal Risk                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | How are we mitigating this risk?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Change in principal risk since 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Company and the Group remain in the early stage of development and have not generated consistent revenues from operations to date and are not currently profitable. In addition, predicting the time frames within which the Group will commence the generation of consistent revenues remains difficult. As a result of the current stage of development, the Group has needed to rely on funding from various sources.</p> <p>Despite continued confidence in its long-term strategic aims, the Directors continue to recognise the challenges the Group faces in securing funding whilst it moves further towards revenue generation.</p> <p>During 2023 and 2024, the Group experienced repeated delays in delivery of contractual funding commitments that had been entered into with TAG (an entity ultimately beneficially wholly owned and controlled by Alessandro Zamboni, Chief Executive Officer of the Company). These delays have also continued during 2025 both from TAG and Nuburu following the signing of a new on-demand loan facility in March 2025 which was then amended in June 2025 and August 2025. It should be acknowledged there is a continued risk to the Group in terms of the relevant counterparty being able to provide funding in line with their contractual commitments to the Group, and the Group being able to obtain the required regulatory and shareholder approvals to allow repayment via shares to be issued to Nuburu rather than cash. These factors have resulted in the Directors highlighting this as one of the material uncertainties within the going concern statement set out in the Group's consolidated financial statements.</p> | <p>The Company and its Board are continually reviewing the cashflow position of the Group and, as required, will evaluate if additional funding facilities are required and available to meet the cash flow, working capital and growth needs of the Group.</p> <p>In light of the under performance of TAG against its contractual funding commitments, the Board has carefully monitored this position and has sought updates on the situation from TAG, via Alessandro Zamboni, at regular intervals. The finance function have also kept very tight control over the cash resources available to the Group at any time.</p> <p>The new on-demand loan facility agreed with Nuburu in March 2025 to provide USD\$5.15 million funding to the Company is designed to mitigate some of this risk, however the initial late payments did not help in this area. The Company has looked to mitigate this risk by renegotiating the agreement with Nuburu firstly on 10 June 2025, and secondly on 29 August 2025, in order to align the updated payment schedules with actions being taken by Nuburu to raise capital to allow it to complete its strategic investments and meet its commitment to the Company under the new funding facility. To date amounts totalling USD \$2.95 million have been received from Nuburu. It should be noted that regulatory and shareholder approval must be obtained to allow the Company to repay Nuburu through the issue of new ordinary shares rather than in cash.</p> <p>The Group must also focus on building the revenue flow to become self sufficient and no longer need funding.</p> | <p>Delays in the receipt of contractually agreed funding has continued to be extremely challenging for the Group during 2024 and to date in 2025. New sources of funding were sought and established, specifically the May 2024 equity raise and the on-demand loan agreed with Nuburu in March 2025 and which was subsequently amended in June 2025 and August 2025 following Nuburu facing various challenges in complying with the original payment schedule. To date amounts totally USD \$2.95 million have been received by the Company from Nuburu under the on-demand loan agreement.</p> <p>Taking into account the points above, it is evaluated that the risk has remained at the same significant level as during 2023. The impact of the funding delays has been profound on:</p> <ul style="list-style-type: none"> <li>• Our people, which increased the risk of attrition and placed extra work load on those team members who have remained.</li> <li>• Our third party suppliers, which increased the risk of the Group being unable to seek the external expertise it required.</li> <li>• Our ability to build the technology infrastructure at a pace originally planned.</li> </ul> <p>This risk will remain high until the Group is able to consistently generate revenue which is sufficient to cover its costs.</p> |

#### Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

#### Business Continuity Risk

|                     | Likelihood |          | Impact   |         |
|---------------------|------------|----------|----------|---------|
| Movement since 2023 | 2023       | Current  | 2023     | Current |
| Increased           | Unlikely   | Possible | Moderate | Major   |

| Principal Risk                                                                                                                    | How are we mitigating this risk?                                                                                                             | Change in principal risk since 2023                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| As a business evolves, processes need to adapt and improve. Not keeping abreast of these changes exposes the Group to the risk of | Policies, processes, and procedures are clearly documented, along with training videos, and standardised templates enabling alternative team | The levels of attrition during 2024 has led to a renewed focus on this area of risk due to the loss of knowledge attrition results in and |

|                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>not delivering for our clients and/or business failure.</p> <p>Failure or inaccessibility of our IM Platform is considered a principal risk for the Group, which requires any outage time to be kept to an absolute minimum. As such processes and policies being in place to allow for business continuity when faced with technical issues is key to the Group's success</p> | <p>members to be able to carry out part of a process. All our processes are able to be run manually should there be significant downtime of any of our components.</p> <p>Business continuity plans are in place and are presented to third parties when necessary. They are also reviewed and tested to ensure robustness.</p> <p>All our technological components are backed by Service Level Agreements and support plans, with scheduled back-ups and restoration plans should they fail.</p> <p>When working with third party suppliers we ensure agreement encompass business continuity measures / service level agreement in order to mitigate the risk that the IM Platform processes are impacted by the business interruption of services provided by key suppliers.</p> | <p>also the smaller overall team that is now employed by the Group. During early 2025 processes have been reviewed and team cross training has taken place to ensure robustness in the Group's reduced team size.</p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

#### *Talent and Diversity Risk*

|                     | Likelihood |         | Impact   |         |
|---------------------|------------|---------|----------|---------|
| Movement since 2023 | 2023       | Current | 2023     | Current |
| Increased           | Possible   | Likely  | Moderate | Major   |

| Principal Risk                                                                                                                                                                                                                    | How are we mitigating this risk?                                                                                                                                                                                                                                                                                         | Change in principal risk since 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Loss of certain members of the Board and team could lead to a reduced ability to effectively run the business and could hamper the speed at which the Group is able to scale up the business and increase operational efficiency. | The Board and leadership team worked closely to mitigate this risk by keeping lines of communication open with the team. Regular consideration has been given to business continuity, succession planning, cross training of team members and available suitable outsourced providers for specific skills and knowledge. | <p>The funding delays and resulting cash flow challenges faced by the Group during 2024 and to date in 2025 have had a profound effect on the Supply@ME team and led to higher than normal attrition. The risk of loss of key members of the team during this period has been significant. Due to the cash constrained environment it has also not been possible for the Group to back fill leavers and work has been distributed to the remaining team members.</p> <p>It is also worthy of note that the increased risk in this area could make it more challenging to hire high quality staff as and when the business is in a position to do so. This risk is being actively managed and the new funding agreement should reduce this as funds are received by the Group. However, ultimately the business needs to start to generate stable revenue streams to be able to mitigate this risk to a significant degree.</p> |

#### *Cyber Security Risk*

|                     | Likelihood |          | Impact |         |
|---------------------|------------|----------|--------|---------|
| Movement since 2023 | 2023       | Current  | 2023   | Current |
| Increased           | Unlikely   | Possible | Major  | Major   |

| Principal Risk                                                                                                                                                                                                                                                                                                                  | How are we mitigating this risk?                                                                                                                                                                                                                                                                     | Change in principal risk since 2023                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The proprietary fintech IM Platform developed by the Group and used to facilitate inventory monetisation transactions is the intellectual property of the Supply@ME Group. Given the global rise in the number of data and cybersecurity breaches carried out by malicious actors or hackers, the Group's intellectual property | <p>The Group is aware of growing cybersecurity risks and provides mandatory staff training to recognise data breach and / or phishing attempts.</p> <p>The major technology components of the IM Platform require Multi-Factor Authentication as an added level of security. All data is held in</p> | <p>Cyber security risk has continued to be one of the top business risks, continuing to be identified as the most important global business risk in 2025 by the Allianz Risk Barometer 2025. Check Point Software's 2025 Security Report revealed a 44% year-over-year increase since 2023 in global cyber-attacks, highlighting the</p> |

|                                                                                   |                                                                                                                                                                                                                                                                  |                                                                                                                                               |
|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| may be at risk of being stolen as a result of unauthorised access to its systems. | <p>a cloud environment that has threat monitoring, detection, and alerts as standard protocols.</p> <p>The Group has in place an approved Data Breach Response Policy.</p> <p>In the future a dedicated resource to focus on cyber security will be sourced.</p> | <p>evolving sophistication of threat actors.</p> <p>The increase in global risk has acknowledged to have increased the risk to Supply@ME.</p> |
|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|

### ***Regulatory, Legal and Reputational Risk***

Regulatory, Legal and Reputation Risk are defined as those relating to the legal and regulatory frameworks within which the Company operates. Reputational risk is linked to this as all of these areas related to the engagement in activities that detract from Group's goal of being a trusted and reputable Company.

#### ***Corporate Legal and Regulatory Risk***

|                     | Likelihood      |                 | Impact          |              |
|---------------------|-----------------|-----------------|-----------------|--------------|
| Movement since 2023 | 2023            | Current         | 2023            | Current      |
| <i>Increased</i>    | <i>Possible</i> | <i>Possible</i> | <i>Moderate</i> | <i>Major</i> |

| Principal Risk                                                                                                  | How are we mitigating this risk?                                                                                                                                                                                                                                                                                                                                                                                                       | Change in principal risk since 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Group breaches a legal or regulatory requirement which impacts its ability to deliver for its stakeholders. | Supply@ME was already a small team which has become even smaller over 2024 and 2025 due to the higher than normal levels of attrition. The internal Supply@ME team is supported by external experts to help ensure the Group is compliant with its various legal and regulatory requirements. The Board has oversight and has been thoughtfully hired for their combined expertise to challenge and support the business in this area. | <p>The funding challenges faced during 2024 and 2025, the need to secure additional funding, and the regulatory and shareholder approval required under the new on-demand loan facility with Nuburu, all require regulatory and corporate legal expertise. This risk will continue to be high whilst the regulatory steps to finalise the full extent of the funding agreement are managed. Enlisting the support of external experts comes at a cost which has to be balanced with the Group's current financial position.</p> <p>The Company was not able to meet the regulatory deadline for the issue of this FY24 Annual Report and Accounts due to several challenges that it faced to date in 2025. The impact of which was the temporary suspension of trading of the Company's shares. The Board intends to make an application to the FCA for the temporary suspension of the Company's shares from the Official List and from trading on the London Stock Exchange to be lifted following the publication of the FY24 Annual Report and Accounts.</p> <p>Additionally, due to the cash constraints the business has been placed under over the past few years, this has resulted in a significant amount of overdue payroll and withholding tax balances in both the UK and Italy. While some progress was made to repay outstanding amounts in the UK during 2024 and 2025, overall these amounts have increased. The Board is in contact with both authorities and expects to be able to agree payment plans following the publication of the FY24 Annual Report and Accounts, however currently these have not been formally agreed.</p> |

#### ***Reputational Risk***

|                     | Likelihood |         | Impact |         |
|---------------------|------------|---------|--------|---------|
| Movement since 2023 | 2023       | Current | 2023   | Current |

|                  |                 |               |                 |                 |
|------------------|-----------------|---------------|-----------------|-----------------|
| <i>Increased</i> | <i>Possible</i> | <i>Likely</i> | <i>Moderate</i> | <i>Moderate</i> |
|------------------|-----------------|---------------|-----------------|-----------------|

  

| Principal Risk                                                                                                                                                                                     | How are we mitigating this risk?                                                                                                                                                                                                                                                                                                                                                                             | Change in principal risk since 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A positive reputation will assist a business to become more successful. The Group's reputation becoming damaged will impact the speed at which it can expand, growth and prove its business model. | In the past Supply@ME sought support from external public and investor relations agencies to assist in brand and communications management. However, during 2024 there has not been sufficient budget to engage proactive external advisors. The Board and leadership team have becoming increasingly considered in the communications made externally based on previous advice received from these experts. | There has not been a budget for external public and investor relations support during 2024. The Board and leadership team give consideration to external communications, which has had mixed responses from the Group's wide retail shareholder base. Additionally, members of the retail shareholder community have been contacting client companies and stakeholders of Supply@ME in a manner which could potentially be damaging to the reputation of the business. It also takes valuable resource away from other areas of the business due to the small internal team, is a distraction to the client companies and partners being contacted, and creates negative sentiment.<br><br>Additional investment in external public and investor relations support will be sought in line with the resource and cash availability. |

#### Statement of Director's responsibilities

The responsibility statement below has been prepared in connection with the annual report and financial statements for the year ended 31 December 2024. Certain parts thereof are not included within this announcement. The Directors confirm that to the best of their knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the strategic report, contained within the annual report and financial statements for the year ended 31 December 2024, includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Supply@ME Capital PLC websites. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in the annual reports may differ from legislation in other jurisdictions.

This responsibility statement was approved by the Board of Directors and is signed on its behalf by:

Alessandro Zamboni  
Chief Executive Officer  
12 October 2025

#### Financial Statements

The final results announcement for the year ended 31 December 2024 is prepared in accordance with UK adopted International Accounting Standard and does not include all the information required for full annual financial statements. This announcement should be read in conjunction with the FY24 Annual Report and Accounts. The accounting policies adopted in this announcement are consistent with the Annual Report and Accounts for the year ended 31 December 2024.

The financial information has been extracted from the financial statements for the year ended 31 December 2024, which have been approved by the Board of Directors and on which the auditors have reported on without qualification.

The audit report also included a material uncertainty relating to going concern. Full details of the audit report can be seen in the FY24 Annual Report and Accounts.

#### Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2024

|                              |      | Year ended 31<br>December 2024 | Year ended 31<br>December 2023 |
|------------------------------|------|--------------------------------|--------------------------------|
|                              | Note | £ 000                          | £ 000                          |
| <b>Continuing operations</b> |      |                                |                                |
| Revenue                      | 3    | 129                            | 158                            |
| Cost of sales                |      | (427)                          | (603)                          |

|                                                                                                       |              |                 |                 |
|-------------------------------------------------------------------------------------------------------|--------------|-----------------|-----------------|
| <b>Gross loss</b>                                                                                     |              | <b>(298)</b>    | <b>(445)</b>    |
| Administrative expenses                                                                               | 6            | (2,343)         | (3,678)         |
| Other operating income                                                                                | 5            | 312             | 498             |
| <b>Operating loss from continuing operations before impairment charges and fair value adjustments</b> | <b>3</b>     | <b>(2,329)</b>  | <b>(3,625)</b>  |
| Fair value adjustments to investments                                                                 | 27           | (284)           | (68)            |
| Impairment charges - intangible assets                                                                | 6            | (48)            | (384)           |
| Impairment charges - trade and other receivables                                                      | 14           | (270)           | -               |
| <b>Operating loss from continuing operations</b>                                                      |              | <b>(2,931)</b>  | <b>(4,077)</b>  |
| Finance costs                                                                                         | 4            | (131)           | (83)            |
| <b>Loss before tax from continuing operations</b>                                                     |              | <b>(3,062)</b>  | <b>(4,160)</b>  |
| Taxation                                                                                              | 10           | 139             | -               |
| <b>Loss after tax from continuing operations</b>                                                      |              | <b>(2,923)</b>  | <b>(4,160)</b>  |
| <b>Discontinued operations</b>                                                                        |              |                 |                 |
| Loss from discontinued operations                                                                     | 26           | -               | (185)           |
| <b>Total loss for the year</b>                                                                        |              | <b>(2,923)</b>  | <b>(4,345)</b>  |
| <b>Other comprehensive income</b>                                                                     |              |                 |                 |
| Exchange differences on translating foreign operations                                                |              | 259             | 304             |
| <b>Total comprehensive loss for the year</b>                                                          |              | <b>(2,664)</b>  | <b>(4,041)</b>  |
| <b>Loss attributable to:</b>                                                                          |              |                 |                 |
| Owners of the Company                                                                                 |              | <b>(2,664)</b>  | <b>(4,041)</b>  |
| <b>Earnings/(loss) per share</b>                                                                      | <b>Pence</b> | <b>Pence</b>    |                 |
| Basic and diluted loss per share - continuing operations                                              | 11           | (0.0043)        | (0.0070)        |
| Basic and diluted loss per share - discontinued operations                                            | 11           | -               | (0.0003)        |
| <b>Basic and diluted loss per share - total</b>                                                       | <b>11</b>    | <b>(0.0043)</b> | <b>(0.0073)</b> |

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

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

|                                 |             | <b>As at 31 December 2024</b> | <b>As at 31 December 2023</b> |
|---------------------------------|-------------|-------------------------------|-------------------------------|
|                                 | <b>Note</b> | <b>£ 000</b>                  | <b>£ 000</b>                  |
| <b>Non-current assets</b>       |             |                               |                               |
| Intangible assets and goodwill  | 12          | -                             | -                             |
| Investment                      | 27          | -                             | 284                           |
| Property, plant and equipment   |             | 1                             | 3                             |
| Other non-current assets        |             | -                             | 19                            |
| <b>Total non-current assets</b> |             | <b>1</b>                      | <b>306</b>                    |
| <b>Current assets</b>           |             |                               |                               |
| Trade and other receivables     | 13          | 1,088                         | 1,026                         |
| Cash and cash equivalents       |             | 34                            | 5                             |

|                                                    |    |                |                |
|----------------------------------------------------|----|----------------|----------------|
| Receivable from related party                      | 14 | 52             | 847            |
| <b>Total current assets</b>                        |    | <b>1,174</b>   | <b>1,878</b>   |
| <b>Total assets</b>                                |    | <b>1,175</b>   | <b>2,184</b>   |
| <b>Current liabilities</b>                         |    |                |                |
| Trade and other payables                           | 16 | 4,474          | 4,569          |
| <b>Total current liabilities</b>                   |    | <b>4,474</b>   | <b>4,569</b>   |
| <b>Net current liabilities</b>                     |    | <b>(3,300)</b> | <b>(2,691)</b> |
| <b>Non-current liabilities</b>                     |    |                |                |
| Long-term borrowings                               | 17 | 364            | 840            |
| Provisions                                         | 18 | 577            | 575            |
| Deferred tax liabilities                           |    | 6              | 7              |
| <b>Total non-current liabilities</b>               |    | <b>947</b>     | <b>1,422</b>   |
| <b>Net liabilities</b>                             |    | <b>(4,246)</b> | <b>(3,807)</b> |
| <b>Equity attributable to owners of the parent</b> |    |                |                |
| Share capital                                      | 15 | 6,199          | 5,989          |
| Share premium                                      |    | 27,347         | 25,396         |
| Share-based payment reserve                        | 24 | 8,032          | 7,969          |
| Other reserves                                     |    | (10,788)       | (11,048)       |
| Retained losses                                    |    | (35,036)       | (32,113)       |
| <b>Total equity</b>                                |    | <b>(4,246)</b> | <b>(3,807)</b> |

The above consolidated statement of financial position should be read in conjunction with the accompanying notes. The consolidated financial statements were approved and authorised for issue by the Board on 12 October 2025 and signed on its behalf by:

**Alessandro Zamboni**

*Chief Executive Officer and Executive Director*

**David Bull**

*Independent Non-Executive Director and Chair of Audit Committee*

Supply@ME Capital Plc

Company registration number: 03936915

#### Consolidated Statement of Changes in Equity for the Year Ended 31 December 2023

| Note                                                                                                      | Share capital<br>£ 000 | Share premium<br>£ 000 | Other reserves*<br>£ 000 | Share-based payment reserve<br>£ 000 | Merger reserve*<br>£ 000 | Reverse takeover reserve*<br>£ 000 | Foreign currency reserve*<br>£ 000 | Retained losses<br>£ 000 | Total<br>£ 000 |
|-----------------------------------------------------------------------------------------------------------|------------------------|------------------------|--------------------------|--------------------------------------|--------------------------|------------------------------------|------------------------------------|--------------------------|----------------|
| At 1 January 2023                                                                                         | 5,897                  | 25,269                 | 37                       | 5,871                                | 226,905                  | (237,834)                          | (521)                              | (27,649)                 | (2,025)        |
| Loss for the year                                                                                         | -                      | -                      | -                        | -                                    | -                        | -                                  | -                                  | (4,345)                  | (4,345)        |
| Foreign currency translation reserve reclassified to comprehensive income on disposal of 81% of TradeFlow | -                      | -                      | -                        | -                                    | -                        | -                                  | 62                                 | -                        | 62             |
| Forex retranslation difference                                                                            | -                      | -                      | -                        | -                                    | -                        | -                                  | 304                                | -                        | 304            |
|                                                                                                           | 5,897                  | 25,269                 | 37                       | 5,871                                | 226,905                  | (237,834)                          | (155)                              | (31,994)                 | (6,004)        |
| Issuance of new shares                                                                                    | 15 90                  | 2,160                  | -                        | -                                    | -                        | -                                  | -                                  | -                        | 2,250          |

|                                                                       |    |              |               |           |              |                |                  |              |                        |
|-----------------------------------------------------------------------|----|--------------|---------------|-----------|--------------|----------------|------------------|--------------|------------------------|
| Costs incurred in connection with the issuance of new ordinary shares |    | -            | (1,971)       | -         | -            | -              | -                | -            | (1,971)                |
| Credit to equity for issue of warrants                                | 25 | -            | -             | -         | 1,717        | -              | -                | -            | - 1,717                |
| Exercise of Open Offer Warrants                                       | 15 | 2            | 70            | -         | (95)         | -              | -                | -            | 95 72                  |
| Increase in fair value of previously issued warrants                  | 25 | -            | (132)         | -         | 346          | -              | -                | -            | (214) -                |
| Equity settled employee share based payment schemes                   |    | -            | -             | -         | 130          | -              | -                | -            | - 130                  |
| Pension plan actuarial gain or loss                                   |    | -            | -             | (1)       | -            | -              | -                | -            | - (1)                  |
| <b>At 31 December 2023</b>                                            |    | <b>5,989</b> | <b>25,396</b> | <b>36</b> | <b>7,969</b> | <b>226,905</b> | <b>(237,834)</b> | <b>(155)</b> | <b>(32,113)(3,807)</b> |

*\*The "other reserves" balance in the consolidated statement of financial position represents an aggregate of other reserves, the merger relief reserve, the reverse takeover reserve and the foreign currency reserve.*

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

#### Consolidated Statement of Changes in Equity for the Year Ended 31 December 2024

|                                                                       | Note | Share capital<br>£ 000 | Share premium<br>£ 000 | Other reserves*<br>£ 000 | Share-based payment reserve<br>£ 000 | Merger reserve*<br>£ 000 | Reverse takeover reserve*<br>£ 000 | Foreign currency reserve*<br>£ 000 | Retained losses<br>£ 000 | Total<br>£ 000 |
|-----------------------------------------------------------------------|------|------------------------|------------------------|--------------------------|--------------------------------------|--------------------------|------------------------------------|------------------------------------|--------------------------|----------------|
| At 1 January 2024                                                     |      | 5,989                  | 25,396                 | 36                       | 7,969                                | 226,905                  | (237,834)                          | (155)                              | (32,113)                 | (3,807)        |
| Loss for the year                                                     |      | -                      | -                      | -                        | -                                    | -                        | -                                  | -                                  | (2,923)                  | (2,923)        |
| Forex retranslation difference                                        |      | -                      | -                      | -                        | -                                    | -                        | -                                  | 259                                | -                        | 259            |
|                                                                       |      | 5,989                  | 25,396                 | 36                       | 7,969                                | 226,905                  | (237,834)                          | 104                                | (35,036)                 | (6,471)        |
| Issuance of new shares                                                | 15   | 210                    | 2,143                  | -                        | -                                    | -                        | -                                  | -                                  | -                        | 2,353          |
| Costs incurred in connection with the issuance of new ordinary shares |      | -                      | (192)                  | -                        | -                                    | -                        | -                                  | -                                  | -                        | (192)          |
| Credit to equity for issue of warrants                                | 25   | -                      | -                      | -                        | 52                                   | -                        | -                                  | -                                  | -                        | 52             |
| Exercise of Open Offer Warrants                                       |      | -                      | -                      | -                        | -                                    | -                        | -                                  | -                                  | -                        | -              |
| Equity settled employee share based payment schemes                   |      | -                      | -                      | -                        | 11                                   | -                        | -                                  | -                                  | -                        | 11             |
| Pension plan actuarial gain or loss                                   |      | -                      | -                      | 1                        | -                                    | -                        | -                                  | -                                  | -                        | 1              |
| <b>At 31 December 2024</b>                                            |      | <b>6,199</b>           | <b>27,347</b>          | <b>37</b>                | <b>8,032</b>                         | <b>226,905</b>           | <b>(237,834)</b>                   | <b>104</b>                         | <b>(35,036)</b>          | <b>(4,246)</b> |

*\*The "other reserves" balance in the consolidated statement of financial position represents an aggregate of other reserves, the merger relief reserve, the reverse takeover reserve and the foreign currency reserve.*

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

#### Consolidated Statement of Cash Flows for the Year Ended 31 December 2024

|                                             | Note | Year ended 31 December 2024<br>£ 000 | Year ended 31 December 2023<br>£ 000 |
|---------------------------------------------|------|--------------------------------------|--------------------------------------|
| <b>Cash flows from operating activities</b> |      |                                      |                                      |

|                                                                                                     |    |                |                |
|-----------------------------------------------------------------------------------------------------|----|----------------|----------------|
| Loss before interest and tax for the year from continuing operations                                |    | (2,931)        | (4,077)        |
| Loss before interest and tax for the year from discontinued operations                              |    | -              | (115)          |
| <b>Total loss for the period before interest and tax</b>                                            |    | <b>(2,931)</b> | <b>(4,192)</b> |
| <i><b>Adjustment for impairment charge</b></i>                                                      |    |                |                |
| Impairment charges - intangible assets                                                              | 6  | 48             | 384            |
| Impairment charges - trade and other receivables                                                    | 14 | 270            | -              |
| <i><b>Adjustments for fair value on investments</b></i>                                             |    |                |                |
| Fair value adjustments to investments                                                               | 27 | 284            | 68             |
| <i><b>Adjustments for non-cash acquisition related costs</b></i>                                    |    |                |                |
| Amortisation of intangible assets arising on acquisition                                            | 26 | -              | 442            |
| <i><b>Adjustments for non-cash costs related to the disposal of the discontinued operations</b></i> |    |                |                |
| Foreign currency translation loss reclassified to comprehensive income                              | 26 | -              | 62             |
| Profit on disposal of 81% of TradeFlow                                                              | 26 | -              | (718)          |
|                                                                                                     |    | <b>602</b>     | <b>238</b>     |
| Other non-cash adjustments                                                                          |    | 150            | 137            |
| Other depreciation and amortisation                                                                 |    | 8              | 81             |
| Increase in provisions                                                                              |    | 2              | 118            |
| Decrease in accrued income                                                                          |    | 2              | 5              |
| (Increase) / decrease in trade and other receivables                                                |    | (52)           | 401            |
| (Decrease) in trade and other payables                                                              |    | (28)           | (759)          |
| Other (increases) / decreases in net working capital                                                |    | (255)          | 385            |
| <b>Net cash flows from operations</b>                                                               |    | <b>(2,502)</b> | <b>(3,586)</b> |
| Interest paid in cash                                                                               |    | (91)           | (47)           |
| Cash received from Research & Development Tax Credit under the UK SME tax credit scheme             |    | 97             | -              |
| <b>Net cash flow from operating activities</b>                                                      |    | <b>(2,496)</b> | <b>(3,633)</b> |
| <b>Cash flows from investing activities</b>                                                         |    |                |                |
| Purchase of intangible assets                                                                       | 12 | (53)           | (458)          |
| Other movements in non-current assets                                                               |    | 19             | -              |
| Consideration received from related party on disposal of discontinued operations                    |    | 772            | 1,228          |
| Cash outflow on disposal of discontinued operations                                                 | 26 | -              | (324)          |
| <b>Net cash flows from investing activities</b>                                                     |    | <b>738</b>     | <b>446</b>     |
| <b>Cash flows from financing activities</b>                                                         |    |                |                |
| Net cash inflow from new long-term borrowings                                                       |    | 550            | 655            |
| Cash repayment of existing long-term borrowings                                                     |    | (176)          | (105)          |
| Cash inflow from issue of new ordinary shares                                                       |    | 1,553          | 2,322          |
| Cost of share issue paid in cash                                                                    | 25 | (140)          | (254)          |
| Other finance costs paid in cash                                                                    |    | -              | (6)            |
| <b>Net cash flows from financing activities</b>                                                     |    | <b>1,787</b>   | <b>2,612</b>   |
| Net movement in cash and cash equivalents                                                           |    | 29             | (575)          |
| Foreign exchange differences to cash and cash equivalents on consolidation                          |    | -              | (1)            |
| Cash and cash equivalents at 1 January                                                              |    | 5              | 581            |
| <b>Cash and cash equivalents at 31 December</b>                                                     |    | <b>34</b>      | <b>5</b>       |

During the year ended 31 December 2024, the Group reported the following significant non-cash transaction:

- A total of 1,500,000,000 new ordinary shares were issued during the year to settle the full amount of £800,000 that was owed by The AvantGarde Group S.p.A ("TAG") under the unsecured working capital facility entered into on 28 April 2023 and amended on 30 June 2023 between TAG and the Company (the "TAG Unsecured Working Capital Facility").

During the prior year ended 31 December 2023, there were no significant non-cash transactions.

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

## Notes to the Consolidated Financial Statements for the Year Ended 31 December 2024

### 1 General information

Supply@ME Capital plc is a public limited company incorporated in England and Wales. The address of its registered office is 27/28 Eastcastle Street, London, W1W 8DH, United Kingdom. Supply@ME Capital's shares are listed on the Standard List of the main market of the London Stock Exchange.

These consolidated financial statements have been prepared in accordance with UK adopted International Accounting Standards.

The financial statements of the Group, consisting of Supply@ME Capital plc (the "**Company**") and its subsidiaries (the "**Group**"), are presented in Pounds Sterling and all values are rounded to the nearest thousand pounds (£'000) except when otherwise stated.

These consolidated financial statements have been prepared in accordance with the accounting policies set out below, which have been consistently applied to all the years presented.

### 2 Accounting policies

#### Going concern

##### *Background and relevant facts*

As at the 31 December 2024 the Group had cash and cash equivalents of £34,000 (31 December 2023: £5,000 cash and cash equivalents) and consolidated net current liabilities of £3,300,000 (31 December 2023: £2,691,000). The Group has posted a total loss for the year ended 31 December 2024 of £2,923,000 (2023: total loss £4,345,000) and the retained losses were £35,036,000 as at 31 December 2024 (31 December 2023: retained losses £32,113,000).

##### *General business progress*

As outlined earlier in the 2024 Annual Report, the Group has continued to experience delays in the delivery of its business model to the extent it needs to cover its operating costs and break even from at least a cash flow perspective. The continued low levels of revenue generated and recognised during 2024 has led to another year of losses, the fifth year in row since the reverse take over in March 2020 which saw the Group listed on the standard list of the main market in London. These delays reflect the challenges the Group has experienced in converting its potential opportunities with inventory funders into completed IM transactions. The reasons for these delays and the work the Group is doing to address these with existing and new inventory funders is outlined in the Business Line Update section of the Strategic Report in the 2024 Annual Report.

In light of the continued delays to the revenue generation and other cash flow pressures experienced by the Group, management has been focused on implementing cost saving efforts which started in 2023 and have continued into 2024. While the Group is continuing to generate losses, the operating loss from continuing operations before impairment charges and fair value adjustments has again reduced in 2024 compared to the prior year. Management expects to carry on the cost saving implementation until such time that the revenue generation and/or cash funding situation is able to sustain increased costs.

##### *Group funding*

During the year ended 31 December 2024 and in early 2025, the Group continued to source additional equity and debt funding with the primary aim of allowing it to meet its ongoing working capital requirements as it seeks to deploy an increasing number of IM transactions and scale up the business model. In sourcing this new funding, the Board has always sought to enter into funding agreements, being either debt or equity, that are in the best interests of the Group and its shareholders. At the current time, there are not many options available to the Group and when possible, the Board will look to move to more vanilla funding options to support the Group as it grows.

During 2024 the Group experienced significant cash flow pressures as a result of the under performance of TAG in the delivery against its contractual funding commitment with the Group. The Company and its Board has continued to work closely with TAG to ensure, where possible, delivery against the contractual funding commitments that were agreed during 2023, albeit on a delayed basis. Details of these contractual commitments can be found in note 28 to these financial statement and included a) TAG Unsecured Working Capital Facility, b) the debt novation deed entered into on 30 June 2023 whereby TAG assumed the remaining £2,000,000 consideration arising from the TradeFlow Restructuring to be receivable by the Group from the Buyers (the "**Deed of Novation**"), and c) the unsecured £3,500,000 shareholder loan agreement between TAG and Company dated 28 September 2023 (the "**Top-Up Shareholder Loan Agreement**").

During the year ended 31 December 2024 the Group received a total of £1,322,000 from TAG in terms of the TAG Unsecured Working Capital Facility and the Deed of Novation. Following these amounts being received, both these contractual commitments had been fully delivered by TAG by 31 December 2024, albeit on a delayed basis. No amounts were received under the Top-Up Shareholder Loan Agreement during 2024.

During 2024 the Board relied on the continued delivery of funds from TAG as a demonstration of the ongoing commitment from TAG to support the Group and to provide the funds due under its contractual commitments with the Company, albeit on a delayed payment schedule. Additionally, the Board continually monitored the payments received from TAG and the representations made to them by TAG, via Alessandro Zamboni in respect of payments that were overdue. These representations included information as to the expected timing of the continued future fulfilment of the amounts due to the Group from TAG under the contractual funding commitments currently in place, and the actions that TAG itself is putting in place to allow them to demonstrate their ongoing commitment to support the Company and to provide the contractual payments. The delayed contractual payments resulted from TAG itself experiencing delays in receiving expected funding.

As referred to above, the delays in the payments due to the Group from TAG resulted in significant cashflow pressures on the Group during 2024 and has been extremely challenging for the management team and the Board to navigate. To mitigate these challenges, the Group undertook a new equity capital raise in May 2024 which raised in gross proceeds of £1,552,500. Additionally, towards the end of 2024, it became apparent that a new source of funding needed to be identified by the Board in order to mitigate the increasing risks being created due to the continued under performance by TAG. This resulted in the Group announcing a new funding facility with Nuburu Inc. ("**Nuburu**") in March 2025, which was amended on 10 June 2025 and 29 August 2025 to address delays in the receipt of the initial tranches under the new facility following certain technical and regulatory limitations facing Nuburu (the "**Nuburu On-Demand Facility**"). The amendments signed in June 2025 and

August 2025 aligned new payment schedules with actions being taken by Nuburu to raise capital to allow it to complete its strategic investments and meet its commitment to the Company under the Nuburu On-Demand Facility.

The full details of this new funding facility can be found in note 30 to these financial statements for the year ended 31 December 2024. The full USD\$5,150,000 to be received under the Nuburu On-Demand Facility is to be received in tranches over a period of up to 31 October 2025 and requires the Group to gain various regulatory and shareholder approvals by 30 June 2026 in order to allow the facility to be repaid through the issue of new ordinary shares rather than in cash. As at the date of publication of these consolidated financial statements for the year ended 31 December 2024, Nuburu have paid amounts totalling USD\$2,952,000 to the Company under the amended funding facility with Nuburu.

***The Group's cash flow forecast model***

In order to determine the appropriate basis of preparation for the financial statements for the year ended 31 December 2024 the Directors must consider whether the Group can continue in operational existence for the foreseeable future, being at least 12 months from the approval date of these financial statements, taking into account the cash inflows under the Group's committed funding facilities.

Taking into account the factors above and in order to consider their assessment of the Group as a going concern, the Directors have reviewed the Group's forecast cash flows for the next 12 months. The cash flow forecast takes into account that the Group meets its day to day working capital requirement through a combination of the cash inflows it receives from revenue and from its available and committed cash resources. The Directors have prepared the forecast using their best estimates, information and judgements at this time, including:

- a) The forecast cash inflows arising from revenue generated by the use of the Group's innovative Platform to facilitate inventory monetisation transactions. This reflects the fact that the Directors expect the Group to continue to prove the concept of its business model and to fully operationalise in the near future;
- b) The forecast cash outflows arising from the Group's monthly operational expenditure;
- c) The forecast cash outflows arising from additional capital expenditure that is expected to be required to allow the Group to fulfil the revenue forecasts;
- d) The forecast cash outflows arising from the repayment of overdue amounts that the Group has accumulated as a result of the significant recent cash flow pressures it has faced. The Group intends to reduce these as quickly as possible but in some cases has forecast to repay these via instalment plans. Such instalment plans have been forecast in line with previous experience with the relevant counterparty and / or agreements that have been reached; and
- e) The forecast cash inflows to be received from the Nuburu On-Demand Facility in line with the committed amended payment profile and have assumed that the required regulatory and shareholder approvals will be received by 30 June 2026 in order to allow repaying of this facility through the issue of new ordinary shares rather than a cash repayment. Under the Nuburu On-Demand Facility the Company has agreed to released TAG from its obligations under the Top-Up Shareholder Loan Agreement once the full US\$5,150,000 of funding from Nuburu has been received. As such the forecast does not include any amounts to be received from TAG under the Top-Up Shareholder Loan Agreement.

The Directors also ran several sensitivities over the base case forecast cash flow that modelled a number of timing delays to the forecast revenue to illustrate the impact of such delays, together with certain mitigating actions that the Directors are confident they can control, on the overall cash flow position of the Group over the next 12 months.

***Uncertainties relating to forecast revenue inflows***

As outlined above, there is currently an absence of a historical track record relating to multiple Inventory Monetisation transactions being facilitated by the Group's Platform and the Group being cash flow positive as a result of its revenue generation. As such the Directors have identified a material uncertainty in the cash flow model. This uncertainty arises with respect to both the future timing and growth rates of the forecast cash flows arising from the Group's multiple Inventory Monetisation revenue streams. In this regard, if these future revenues are not secured as the Directors envisage, it is possible that the Group will have a shortfall in cash and require additional funding during the forecast period.

***Uncertainties relating to forecast future tranches due under the Nuburu On-Demand Facility***

As outlined above, the cash inflows from the Nuburu On-Demand Facility have not yet been fully received. The remaining amounts have been factored into the cashflow forecasts in line with latest contractual commitments received from the counterparty. As detailed in note 30 to these consolidated financial statements Nuburu experienced certain regulatory issues that impacted their ability to make the initial tranches due on or before the 31 March 2025, on or before the 30 April 2025, and on or before 31 May 2025, on time and in full.

As a result of the delayed initial tranches referred to above, the Nuburu funding agreement was amended firstly on 10 June 2025, and secondly on 29 August 2025, to allow new payment schedules to be agreed which aligned the updated payment dates with actions being taken by Nuburu to raise capital to allow it to complete its strategic investments and meet its commitment to the Company under the Nuburu On-Demand Facility. As at the date of publication of these consolidated financial statements for the year ended 31 December 2024, Nuburu had paid amounts totalling USD\$2,952,000 to the Company.

Under the amended Nuburu On-Demand Facility dated 29 August 2025 the remaining amounts of USD\$2,198,000 was committed to be paid to the Company on or before 31 October 2025.

The Company has experienced a number of delays in receipt of the tranches of funding due under the initial Nuburu On-Demand Facility signed on 18 March 2025 and the subsequent amendments signed on both 10 June 2025 and 29 August 2025. As Nuburu completed a new public equity offering in early September 2025, and has confirmed it has signed a stand-by purchase agreement with a different third party investor, the Board have more comfort that the final instalment will be received on time.

As such the Directors have identified a second material uncertainty in the cash flow model, that there is a risk the cash flows linked to the amounts still be received from Nuburu, might not be received or might not reach the Group in the time frame expected despite the contractual commitments in place. If this were to be the case, it is possible that the Group will have a shortfall in cash and require additional funding during the forecast period.

***Uncertainties relating to the repayment of the Nuburu On-Demand Facility***

As outlined above, the Nuburu On-Demand Facility allows the loan, and the associated interest payments, to be repaid via the issue of new ordinary share in the Company rather than in cash. In order to follow this method of repayment the Company needs to obtain certain regulatory and shareholder approvals to allow it to issue the number of new ordinary shares that will be required to cover the repayment of the loan, the accrued interest and the conversion of any associated warrants. The regulatory approvals required include those from the Financial Conduct Authority and The Panel of Takeover and Mergers.

Additionally, the amended Nuburu On-Demand Facility specifies that if the Company has not obtained the required regulatory and shareholder approvals by the 30 June 2026, Nuburu can demand repayment in cash and the Company is required to provide security over intellectual property rights and receivables related to its Italian subsidiary entities in favour of Nuburu. As it is the Directors intention to obtain the required regulatory and shareholder approvals by the 30 June 2026, the cashflow forecast does not factor in any cash repayment of the new Nuburu funding facility.

As such the Directors have identified a third material uncertainty in the cash flow model, that there is a risk that the certain regulatory and shareholder approvals required to allow it to repay the Nuburu On-Demand Facility via the issue of new ordinary shares will not be obtained by 30 June 2026 and that Nuburu could subsequently demand repayment in cash. If this were to be the case, it is possible that the Group will have a shortfall in cash and require additional funding during the forecast period.

#### **Overall conclusion**

There is a material uncertainty that exists relating to:

- a) the future timing and growth rates of the forecast cash flows arising from the Group's multiple Inventory Monetisation revenue streams;
- b) the timing and overall receipt of the committed funding amounts still to be received despite contractual commitments being in place; and
- c) obtaining the required regulatory and shareholder approvals by 30 June 2026.

On the basis of the factors identified above, the Directors believe these material uncertainties may cast significant doubt upon the entities ability to continue as a going concern.

Despite this, the Directors do however remain confident in the business model and believe the Group could be managed in a way to allow it to meet its ongoing commitments and obligations through mitigating actions including cost saving measures and securing alternative sources of funding should this be required.

As such the Directors consider it appropriate to continue to prepare these consolidated financial statements on a going concern basis, taking into account the material uncertainties noted above, and have not included the adjustments that would result if the Company and Group were unable to continue as a going concern.

#### **Adjusted performance measures**

Management believes that adjusted performance measures provide meaningful information to the users of the accounts on the operating performance of the business. Accordingly, the adjusted measure of operating profit from continuing operations excludes, where applicable, impairment charges and fair value adjustments. These terms are not defined terms under IFRSs and may therefore not be comparable with similarly titled profit measures reported by other companies. They are not intended to be a substitute for, or superior to, GAAP measures. The items excluded from adjusted results are those items that are charged to the consolidated statement of comprehensive income due to the impairment of the Group's intangible assets or investments. They are not influenced by the day-to-day operations of the Group.

#### **Basis of consolidation**

The Group financial statements consolidate those of the Company and its subsidiary undertakings drawn up to 31 December 2024. Subsidiaries are entities over which the Group has control. Control comprises an investor having power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### **New and revised accounting standards and interpretations**

There are no new and revised standards that have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

#### **New standards, interpretations and amendments not yet effective**

There are no new standards that are issued but not yet effective which would be expected to have a material impact on the Group in the current or future reporting periods or on foreseeable future transactions.

#### **Business Combinations**

The acquisition of subsidiaries and businesses are accounted for using the acquisition method under IFRS 3 ("Business Combinations").

#### **Measurement of consideration**

The consideration for each acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred to former owners and equity instruments issued by the Group in exchange for control of the acquiree.

#### **Fair value assessment**

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Where the fair value of the assets and liabilities at acquisition cannot be determined reliably in the initial accounting, these values are considered to be provisional for a period of 12 months from the date of acquisition. If additional information relating to the condition of these assets and liabilities at the acquisition date is obtained within this period, then the provisional values are adjusted retrospectively. This includes the restatement of comparative information for prior periods.

Intangible assets arising on business combinations are recognised initially at fair value at the date of acquisition. Subsequently they are carried at cost less accumulated amortisation and impairment charges.

#### **Goodwill**

Goodwill arises where the consideration of the business combination exceeds the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. This is recognised as an asset and is tested annually for impairment. The identifiable assets and liabilities acquired are incorporated into the consolidated financial statements at their fair value to the Group.

#### **Transaction costs**

Transaction costs associated with the acquisition are recognised in the consolidated statement of comprehensive income as incurred and separately disclosed due to the nature of this expense.

#### **Investment in equity instruments**

The Group measures its investments in equity instruments, where no significant influence or control exists, at fair value with any changes recognised through the statement of comprehensive income.

#### **Intangible assets**

##### **Goodwill**

Goodwill arising on consolidation is recognised as an asset.

Following initial recognition, goodwill is subject to impairment reviews, at least annually, and measured at cost less accumulated impairment losses. Any impairment is recognised immediately in the consolidated statement of comprehensive income and is not subsequently reversed.

##### **Other intangible assets**

###### **a) Internally developed Inventory Monetisation ("IM") platform**

The core activity of the existing Supply@ME business is the creation and marketing of a software-driven secure platform (the "IM Platform") that can be used for the facilitation, recording and monitoring of Inventory Monetisation ("IM") transactions between third party client companies and segregated trading companies (known as stock companies). The software modules which form part of the IM Platform can also be used, through a White-Label model, by third party banks in order for them to deploy their own inventory backed financial products. The internally generated IM Platform includes not only the software but also:

- the methodologies and business policies underpinning each IM transaction
- the legal and accounting frameworks required to support each IM transaction
- the technical infrastructure (cloud environment, distributed ledger technology) used to support each IM transaction.

Associated with this core activity are continual product development requirements and expenditure in order to develop compliance with legal, regulatory, accounting, valuation and insurance criteria. This expenditure includes software and infrastructure development, intellectual property ("IP") related costs and professional fees related to the development of legal and accounting infrastructure.

Research expenditure is written off in the year in which it is incurred. Expenditure on internally developed products, in particular the IM Platform, is capitalised if it can be demonstrated that:

- it is technically and commercially feasible to develop the asset for future economic benefit;
- adequate resources are available to maintain and complete the development;
- there is the intention to complete and develop the asset for future economic benefit;
- the company is able to use the asset;
- use of the asset will generate future economic benefit; and
- expenditure on the development of the asset can be measured reliably.

Where these costs are capitalised, they are initially measured at cost and are amortised over their estimated useful economic lives, considered to be 5 years, on a straight-line basis. Amortisation of this internally developed IM platform is charged within cost of sales in the consolidated statement of comprehensive income.

Amortisation methods and useful lives are reviewed at each reporting date and adjusted if appropriate. The carrying amount is reduced by any provision for impairment where necessary.

###### **b) Acquired intangible assets**

Intangible assets arising on business combinations are recognised initially at fair value at the date of acquisition. Subsequently they are carried at cost less accumulated amortisation. Amortisation methods and useful lives are reviewed at each reporting date and adjusted if appropriate. The carrying amount is reduced by any provision for impairment where necessary.

#### **Impairment**

At each balance sheet date, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised as an expense immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

#### **Revenue recognition**

Revenue for the Group is measured at the fair value of the consideration received or receivable. The Group recognises revenue when the performance obligation is satisfied, the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. The Group's revenues are recognised at the point when the relevant performance obligation has been satisfied, this can result in all the revenue being recognised at a specific point in time or over time as detailed below.

The Group is focussed on its core business lines:

- IM transactions from the pipeline originated by the Group and funded by third-party investors ("**Open Market IM**"); and
- IM deals with local commercial banks and their client companies ("**White-Label IM**").

The Group recognises revenue from the following activities:

#### **a) Open Market IM - Due diligence fees:**

This revenue arises from due diligence services performed by the Group in relation to the potential client companies. This due diligence covers topics such as the client's financial information, operations, credit rating and analysis of its inventory. Given the stage of the Group's development, and the evolution of the Group's contracting arrangements, the due diligence revenues recognised by the Group to date have been limited. Further details are provided below:

**Historical contractual arrangements** - Prior to June 2020, the Group's contractual arrangements required the client to make a down payment intended to remunerate the Group for the due diligence services being provided. However, these agreements did not clearly identify the Group's performance obligation and such down payments were also refundable under certain circumstances and up to the point when the Platform was able to be used for the first time by the client companies.

Due to the above circumstances, these down payments have not been recognised as revenue under IFRS 15 ("*Revenue from Contracts with Customers*") until the specific performance obligation, being the use of the Group's Platform for the first time, has been satisfied by the Group. Until such time, these amounts have been recognised as deferred income in the statement of financial position, or as other payables in the case where a refund has been requested (due to the current delays being experienced by the Group), but not yet paid as at the balance sheet date or the expectation is that probability of an IM transaction occurring in the future is unlikely.

**Current contractual arrangements** - Post June 2020, the Group updated its contractual arrangements to specifically identify a separate performance obligation in relation to the completion of the due diligence services being provided by the Group, also considering the actual benefits the client companies can directly obtain from such activities, even in the case where the Inventory Monetisation transaction does not take place. In these contracts, the due diligence fees are paid in advance by the client companies, and the revenue is recognised when the Group has successfully fulfilled its performance obligation, being the completion of the due diligence service and communication to the client in this respect through the issuance of a detailed due diligence report. Prior to the completion of the performance obligation, the due diligence fees received are held on the balance sheet as deferred income.

In order to conclude if the performance obligations have been successfully fulfilled, management currently assess this on a client-by-client basis to ensure that the control of the due diligence report has been transferred to the client company. In developing this accounting policy management have made the assessment that the due diligence services result in a distinct beneficial service being provided to client companies as the information provides insight into their business which can also be used for alternative purposes as well (such as client companies business and operational optimisation). This is also referred to the critical accounting judgements and sources of estimation uncertainty note.

#### **b) Open Market IM - Origination fees:**

This revenue arises from origination of the contracts between the client company wishing to have their inventory monetised and the independent stock (trading) company that purchased the inventory from the client company. Given the stage of the Group's development, and the evolution of the Group's contracting arrangements, as at 31 December 2024, the Group had facilitated three IM transactions over its IM Platform and therefore had received origination fees from three client companies, one took place during each of year ended 31 December 2022, 2023 and 2024. The non-refundable origination fees received from the client company relate to the fee payable to the Group at the point in time the client company enters into binding contracts with the stock (trading) company to purchase its inventory. The Group have recognised the non-refundable origination fee as revenue at the point in time that the fee becomes receivable from the client company. This is consistent with the fact that there are no performance obligations that remain to be completed by the Group relating to this fee at this point in time.

#### **c) Open Market IM - IM Platform usage fees:**

This revenue arises from usage of the Group's IM Platform by the independent stock (trading) company to facilitate the purchase of the inventory from the client company. Given the stage of the Group's development, and the evolution of the Group's contracting arrangements, as at 31 December 2024, the Group had facilitated three IM transactions over its IM Platform and therefore had recognised IM Platform usage fees from the independent stock (trading) company in respect of these three IM transactions only. Management concluded that the usage of the IM Platform granted by the Group to the stock (trading) company represented a Software as a Service ("Saas") contract and as such the annual IM Platform usage fees are recognised over time in line with the time period covered by the contract as required by IFRS 15 ("*Revenue from Contracts with Customers*"). As the annual IM Platform usage fees are received by the Group at the beginning of the annual period, any unrecognised amounts are held on the balance sheet as deferred income.

#### **d) Open Market IM - IM service fees:**

This revenue arises as a result of the service fees charged by the Group to the independent stock (trading) company as remuneration for the support and administration activities, such as the monitoring of the inventory purchased, the Group performs in connection with the use of the Group's IM Platform. Given the stage of the Group's development, and the evolution of the Group's contracting arrangements, as at 31 December 2024, the Group had facilitated three IM transactions over its IM Platform and therefore as recognised IM service fees from the independent stock (trading) company in

respect of these three transactions only. Management concluded that the support and administration activities performed in exchange for these fees represent separately identifiable performance obligation and as such the annual fees are recognised over time in line with the time period covered by the contract as required by IFRS 15 ("*Revenue from Contracts with Customers*"). These service fees are accrued up to the point the fees are received and then any unrecognised amounts are held on the balance sheet as deferred income.

#### **Cost of Sales**

Cost of sales represents those costs that can be directly related to the sales effort. At this early stage in the Group's development, the cost of sales includes both the costs of the work force who are engaged in the due diligence related processes, the amortisation of the costs relating to the internally developed IM platform, and any external costs directly related to the completion of the due diligence activities. Management regard these items as the direct costs associated with generating the Open Market IM revenue; in line with similar fintech companies.

#### **Leases**

The Group does not have any material lease arrangements that would be required to be accounted for under IFRS 16 ("*Leases*"). In addition, in accordance with IFRS 16 ("*Leases*"), any short term lease costs are recognised in the consolidated statement of comprehensive income in the period which is covered by the term of the lease.

#### **Property, Plant and equipment**

##### ***Recognition and measurement***

All property, plant and equipment is stated at cost less accumulated depreciation and impairment. The costs of the plant and equipment is the purchase price plus any incidental costs of acquisition. Depreciation commences at the point the asset is brought into use.

If there is any indication that an asset's value is less than its carrying amount an impairment review is carried out. Where impairment is identified an asset's value is reduced to reflect this.

The residual values and useful economic lives of plant and equipment are reviewed by management on an annual basis and revised to the extent required.

##### ***Depreciation***

Depreciation is charged to write off the cost, less estimated residual values, of all plant and equipment equally over their expected useful lives. It is calculated at the following rates:

- a) Computers and IT equipment at 33% per annum.

#### **Tax**

The tax expense for the period comprises generally comprises current corporation tax, including any associated penalties and late payment charges. In the current year, the tax expense represents a credit relating to Research & Development Tax Credits claimed by the Company under the UK SME tax credit scheme.

Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the statement of financial position method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of any deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on tax rates that have been enacted or substantively enacted at the statement of financial position date. Deferred tax and current tax are charged or credited to profit or loss, except when it relates to items charged or credited in other comprehensive income or directly to equity, in which case the deferred tax is also recognised in other comprehensive income or equity respectively.

In line with IAS 1 ("*Presentation of Financial Statements*") any deferred tax assets have been classified as non-current assets.

#### **Cash and cash equivalents**

Cash and other short-term deposits in the statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less and where there is an insignificant risk of changes in value. In the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

#### **Functional and presentation currencies**

The consolidated financial statements are presented in pounds sterling (£), the Company's functional currency.

#### **Foreign currency**

The main currencies for the Group are the euro (EUR), pounds sterling (GBP) and US dollars (USD).

##### ***Foreign currency transactions and balances***

Items included in the consolidated financial statements of each of the Group's subsidiaries are measured using their functional currency. The functional currency of the parent and each subsidiary is the currency of the primary economic environment in which the entity operates.

Foreign currency transactions are translated into the functional currency using the average exchange rates in the month. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Share capital, share premium and brought forward earnings are translated using the exchange rates prevailing at the dates of the transactions.

See applicable exchange rates to GBP used during FY24 and FY23 below:

|      | 2024    |         | 2023    |         |
|------|---------|---------|---------|---------|
|      | Closing | Average | Closing | Average |
| SGD* | n/a     | n/a     | 1.7188  | 1.6684  |
| EUR  | 1.2097  | 1.1789  | 1.1534  | 1.1495  |
| USD  | 1.2521  | 1.2786  | 1.2732  | 1.2432  |

*\*the 2023 Singapore dollar ("SGD") exchange rate shown in the table above are for the following periods, closing - 30 June 2023, average - for the six month period ended 30 June 2023. This reflects the fact that the TradeFlow Restructuring was finalised and completed on 30 June 2023 and TradeFlow was deconsolidated from the Group's results from this date. These rates are no longer applicable for the year ended 31 December 2024.*

#### *Consolidation of foreign entities:*

On consolidation, results of the foreign entities are translated from the functional currency to pounds sterling, the presentational currency of the Group, using average exchange rates during the period. All assets and liabilities are translated from the local functional currency to pounds sterling using the reporting period end exchange rates. The exchange differences arising from the translation of the net investment in foreign entities are recognised in other comprehensive income and accumulated in a separate component of equity.

### **Employee benefits**

#### ***Short-term employee benefits***

The Group accounts for employee benefits in accordance with IAS 19 ("*Employee Benefits*").

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### ***Defined contribution pension obligations***

The Group accounts for retirement benefit costs in accordance with IAS 19 ("*Employee Benefits*").

Contributions to the Group's defined contributions pension scheme are charged to profit or loss in the period in which they become payable.

### **Financial assets**

#### ***Classification***

Financial assets currently comprise trade and other receivables, receivables from related parties, and cash and cash equivalents.

#### ***Recognition and measurement***

##### *Loans and receivables*

Loans and receivables are mainly contractual trade receivables and are non-derivative financial assets with fixed or determinable payments that do not have a significant financial component and are not quoted in an active market. Accordingly, trade and other receivables are recognised at undiscounted invoice price. When applicable, a reserve for credit risk is made at the beginning of each transaction and adjusted subsequently through profit and loss.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 ("*Financial Instruments*") using the lifetime expected credit losses. During this process the probability of the non-payment of trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are reported in a separate provision account with the loss being recognised as a separate impairment charge in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

### **Financial liabilities**

#### ***Classification***

Financial liabilities comprise trade and other payables and long-term borrowings, which can from time to time include loan notes and convertible loan notes.

#### ***Recognition and measurement***

##### *Trade and other payables*

Trade and other payables are initially recognised at fair value less transaction costs and thereafter carried at amortised cost.

##### *Long-term borrowings*

Interest bearing long-term borrowings are initially recorded at the proceeds received, net of direct issue costs (including commitment fees, introducer fees and the fair value of any warrants issued to satisfy issue costs). Finance charges, including direct issue costs, are accounted for on an amortised cost basis to the Company's income statement using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. The carrying value of the instrument is adjusted for any principle repayments made in the relevant period.

### **Provisions**

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

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

Equity-settled share-based payments relate to the warrants issued in connection with the cost of issuing new equity or debt in the relevant period, and employee share schemes.

##### ***Share warrants***

Certain equity-settled share-based payments relate to the warrants issued in connection with the cost of issuing new equity or debt, either in the current or prior periods. Equity-settled share-based payments are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of these equity-settled share-based transactions are set out in note 24.

The fair value determined at the grant date of the equity-settled share-based payments relating to the warrants issued in connection with the issue of equity are netted off against the amount of share premium that is recognised in respect of the share issue to which they directly relate. Any amounts in excess of the share premium recognised, are netted off against retained losses.

The fair value determined at the grant date of the equity-settled share-based payments relating to the warrants issued in connection with the debt instruments are netted off against the fair value of the underlying instrument to which they relate. The fair value is then expensed together with the other related finance costs on an amortised cost basis to the Group's statement of comprehensive income using the effective interest rate method.

If there are any subsequent modifications made to any of the terms of equity-settled share-based payments relating to the warrants issued by the Company, the change in fair value is calculated as the difference between the fair value of the modified equity-settled share-based payment and that of the original equity-shared share-based payment. This calculation relates to any warrants that are still outstanding and have not been converted into ordinary shares at the time of the subsequent modification. The change in the fair value is then accounted on a consistent basis to the initial fair value.

In respect of the above share-based payments, the fair value is not revised at subsequent reporting dates, however, the fair value is released from the share-based payment reserve at the point in time that any of the warrants are exercised by the third party holder.

##### ***Employee share schemes***

Grants made to certain employees of the Group will result in a charge recognised in the Group's income statement. Such grants will be measured at fair value at the date of grant and will be expensed on a straight-line basis over the vesting period, based on the Company's estimate of the shares that will eventually vest. Non-market vesting assumptions are reviewed during each period to ensure they reflect current expectations.

Full details of the Group's share-based payments refer to note 24.

#### **Discontinued Operations**

The Group classifies non-current assets and disposal groups as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that decisions to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

A disposal group qualifies as a discontinued operation if it is a component of an entity that either has been disposed or, is classified as held for sale, and:

- a) Represents a separate major line of business or geographical area of operations; and
- b) Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the income statements. All other notes in the financial statements include amounts for continuing operations, unless otherwise mentioned.

The Board considered that in light of the TradeFlow Restructuring that commenced during the second half of 2022, the TradeFlow operations meet the criteria to be classified as held for sale at 31 December 2022 as at this date the details of the TradeFlow Restructuring had all been agreed in principle between the parties and was expected to be completed post year end together with the publication of the 2022 Annual Report and Accounts. As a result the TradeFlow operations were available for immediate sale in its present condition and it was highly probable that that sale would be completed within 12 months of 31 December 2022. The TradeFlow Restructuring was completed and finalised on 30 June 2023 at which point the Group reduced its ownership in TradeFlow from 100% to 19%. Prior to completion of the TradeFlow Restructuring, the TradeFlow operations were continued to be classified as held for sale in the Group's consolidated financial statements. Following the 30 June 2023, the TradeFlow operations were deconsolidated from the Group's financial statements.

#### **Equity**

"Share capital" represents the nominal value of equity shares issued.

"Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares net of expenses of the share issue.

"Other reserves" represents legal reserves in respect of Supply@ME S.r.l. In accordance with Article 2430 of the Italian Civil Code, Supply@ME S.r.l., a limited liability company registered in Italy, with a corporate capital of euro 10,000 or above shall annually allocate as a legal reserve an amount of 5% of the annual net profit until the legal reserve will be equal to 20% of corporate capital.

"Share-based payment reserve" represents the adjustments to equity in respect of the fair value of outstanding share-based payments including warrants issued in connection with the cost of issuing new equity or debt instruments during the relevant period and employee share schemes.

"Merger relief reserve" represents the excess of the value of the consideration shares issued to the shareholders of Supply@ME S.r.l. upon the reverse takeover over the fair value of the assets acquired.

"Reverse takeover reserve" represents the accounting adjustments required to reflect the reverse takeover upon consolidation. Specifically, removing the value of the "investment" in Supply@ME S.r.l., removing the share capital of Supply@ME S.r.l. and bringing in the pre-acquisition equity of Supply@ME Capital plc.

"FX reserves" represents foreign currency translation differences on consolidation of subsidiaries reporting under a different functional currency to the parent company.

"Retained losses" represents retained losses of the Group. As a result of the reverse takeover, the consolidated figures include the retained losses of the Group only from the date of the reverse takeover together with the brought forward losses of Supply@ME S.r.l.

#### **Critical accounting judgements and sources of estimation uncertainty**

The preparation of financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise their judgement in the process of applying the accounting policies which are detailed above. These judgements are continually evaluated by the Directors and management and are based on experience to date and other factors, including reasonable expectations of future events that are believed to be reasonable under the circumstances.

The key estimates and underlying assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A number of these key estimates and underlying assumptions have been considered as a result of specific transactions outlined in these consolidated financial statements. The Directors have evaluated the estimates using historical experience and other methods considered reasonable specific to the circumstances. The Directors have also consulted with third-party experts where appropriate. These estimates will be evaluated on an ongoing basis as required.

The Group believes that the estimates and judgements that have the most significant impact on the annual results under IAS are as set out below:

#### **Judgements**

##### *Going concern*

As detailed in the going concern accounting policy, the Directors have prepared the going concern cash forecast using their best estimates, information and judgements at this time, particularly around the projected revenue, timing of cash inflows from committed funding and the settlement of certain overdue amounts via instalment plans. Additionally, the Directors have applied their judgement that the regulatory and shareholder approvals required in order to allow the Nuburu On-Demand Facility to be repaid via the issue of new ordinary shares will be obtained by 30 June 2026. Further specifics of these judgements, and the material uncertainties linked to these, can be found earlier in this note 2.

##### *Internally developed intangible assets*

The cost of an internally generated IM platform comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. During the period judgement was required to distinguish those costs that were capable of being capitalised under IAS 38 ("*Intangible assets*") and those costs that related to research activities, the cost of which has been recognised as an expense during the relevant period.

##### *Revenue recognition - assessment of performance obligations*

- The Directors are required to make a judgement as to if the due diligence services represent a distinct performance obligation under IFRS 15 ("*Revenue from Contracts with Customers*"). The Board and management have concluded that this is indeed the case due to the distinct beneficial service being provided to client companies through the delivery of the due diligence report which provide insight and information into the business.
- The Directors are required to make a judgement as to if the receipt of non-refundable origination fees received from the client companies represent a distinct performance obligation under IFRS 15 ("*Revenue from Contracts with Customers*"). The Board and management have concluded that no separately identifiable performance obligation is carried out by the Group associated with this fee.

##### *Impairment or fair value adjustments*

At the end of the accounting period the Group assesses if there are any indicators of impairment or fair value adjustments required with respect to its investments in subsidiaries, its other investments or its receivable balances. The carrying value is determined by the use of a discounted cash flow model of future free cash flows which involves estimates to be made by the Directors around future cash forecasts, discount rates etc.

#### **Estimates**

##### *Valuation of share warrants issued*

During the current financial year, the Group issued new share warrants in connection with the equity subscription completed in May 2024. As these share warrants were issued as a cost of securing new equity investment into the Group they have been classified as a share-based payments. As such the Directors were required to determine the fair value of the equity-settled share-based payments at the date on which they were granted. Judgement was required in determining the most appropriate inputs into the valuation models (Black Scholes) used and the key judgemental input was the expected volatility rate of the Company's share price over the relevant period and the assumption applied in the model was 82.5% which based the actual volatility of the Company's share price from the date of the reverse takeover (being March 2020) to the date at which the relevant valuation model was run.

As outlined above, the share warrants issued during the current financial year were issued in connection with new equity funding and as such the fair value cost has been recognised as a debit to equity on the consolidated statement of financial position. If the expected volatility rate was adjusted by plus 10%, then the impact on the fair value recognised as the initial debit to equity in the current year would have been approximately plus £4,000. If the expected volatility rate was adjusted by minus 10%, then the impact on the fair value recognised as the initial debit to equity in the current year would have been approximately minus £4,000.

### 3 Segmental reporting

IFRS 8 ("*Operating segments*") requires the Group's operating segments to be established on the basis of the components of the Group that are evaluated regularly by the chief operating decision maker, which has been determined to be the Board of Directors. At this early stage of development, the Group's structure and internal reporting is continually developing.

Following the completion of the TradeFlow Restructuring, the Board considers that the Group operated in a single business segment of inventory monetisation, alongside the head office costs (largely comprising the Company), and that all activities were undertaken in Europe, primarily Italy. To date the inventory monetisation segment has been focused on the development of the IM Platform, the provision of due diligence services, and the facilitation of the initial IM transactions that have taken place.

The key metrics assessed by the Board of Directors include revenue and adjusted operating profit (before impairment charges and fair value adjustments) which is presented below. Revenue is presented by basis of IFRS 15 ("*Revenue from Contracts with Customers*") revenue recognition and by service line.

| Year ended 31 December 2024                                                                           | Inventory<br>Monetisation | Head office    | Consolidated Group -<br>continuing operations |
|-------------------------------------------------------------------------------------------------------|---------------------------|----------------|-----------------------------------------------|
|                                                                                                       | £ 000                     | £ 000          | £ 000                                         |
| <b>Revenue from continuing operations</b>                                                             |                           |                |                                               |
| Due diligence fees                                                                                    | 55                        | -              | 55                                            |
| Inventory Monetisation fees                                                                           | 74                        | -              | 74                                            |
| <b>Revenue</b>                                                                                        | <b>129</b>                | <b>-</b>       | <b>129</b>                                    |
| <b>Operating loss from continuing operations before impairment charges and fair value adjustments</b> | <b>(833)</b>              | <b>(1,496)</b> | <b>(2,329)</b>                                |

All the Group's revenue from due diligence fees is recognised at a point in time. Of the revenue generated from Inventory Monetisation fees, £19,000 is generated from origination fees which is recognised at a point in time, and the remaining £55,000 is generated from usage of the Group's IM Platform and services provided by the Group in connection with the IM transaction. This £55,000 of revenue is recognised over time and the amount recognised in the current financial year relates to the performance obligations satisfied prior to 31 December 2024.

| As at 31 December 2024   | Inventory<br>Monetisation | Head office    | Consolidated Group<br>- continuing operations |
|--------------------------|---------------------------|----------------|-----------------------------------------------|
|                          | £ 000                     | £ 000          | £ 000                                         |
| <b>Balance sheet</b>     |                           |                |                                               |
| Assets                   | 1,075                     | 100            | 1,175                                         |
| Liabilities              | (4,012)                   | (1,409)        | (5,421)                                       |
| <b>Net (liabilities)</b> | <b>(2,937)</b>            | <b>(1,309)</b> | <b>(4,246)</b>                                |

#### Geographical analysis

The Group's Inventory Monetisation operation is currently predominately located in Europe.

#### **Comparative segmental reporting**

| Year ended 31 December 2023                                                                           | Inventory<br>Monetisation | Head office    | Consolidated Group -<br>continuing operations |
|-------------------------------------------------------------------------------------------------------|---------------------------|----------------|-----------------------------------------------|
|                                                                                                       | £ 000                     | £ 000          | £ 000                                         |
| <b>Revenue from continuing operations</b>                                                             |                           |                |                                               |
| Due diligence fees                                                                                    | 94                        | -              | 94                                            |
| Inventory Monetisation fees                                                                           | 64                        | -              | 64                                            |
| <b>Revenue from continuing operations</b>                                                             | <b>158</b>                | <b>-</b>       | <b>158</b>                                    |
| <b>Operating loss from continuing operations before impairment charges and fair value adjustments</b> | <b>(1,061)</b>            | <b>(2,564)</b> | <b>(3,625)</b>                                |

All the Group's revenue from due diligence fees is recognised at a point in time. Of the revenue generated from Inventory Monetisation fees, £11,000 is generated from origination fees which is recognised at a point in time, and the remaining £53,000 is generated from usage of the Group's IM Platform and services provided by the Group in connection with the IM transaction. This £53,000 of revenue is recognised over time and the amount recognised in the current financial year relates to the performance obligations satisfied prior to 31 December 2023.

| As at 31 December 2023   | Inventory<br>Monetisation | Head office  | Consolidated<br>Group -<br>continuing<br>operations |
|--------------------------|---------------------------|--------------|-----------------------------------------------------|
|                          | £ 000                     | £ 000        | £ 000                                               |
| <b>Balance sheet</b>     |                           |              |                                                     |
| Assets                   | 971                       | 1,213        | 2,184                                               |
| Liabilities              | (4,321)                   | (1,670)      | (5,991)                                             |
| <b>Net (liabilities)</b> | <b>(3,350)</b>            | <b>(457)</b> | <b>(3,807)</b>                                      |

#### Geographical analysis

The Group's Inventory Monetisation operation is currently predominately located in Europe, while the investment advisory operations (classified as a discontinued operation) were predominately located in Singapore for the six month period from 1 January to 30 June 2023, the date the TradeFlow Restructuring was completed.

#### **4 Finance costs from continuing operations**

|                                         | 2024<br>£ 000 | 2023<br>£ 000 |
|-----------------------------------------|---------------|---------------|
| Interest expense - long-term borrowings | 47            | 31            |
| Interest expense - related parties      | 13            | 7             |
| Other interest expense                  | 71            | 45            |
| <b>Total finance costs</b>              | <b>131</b>    | <b>83</b>     |

The interest expense related to related parties of £13,000 (2023: £7,000) was accrued in relation to the TAG Unsecured Working Capital Facility. Both amounts of interest from 2024 and 2023 remained payable by the Company to TAG as at 26 March 2024, the date when the TAG Unsecured Working Capital Facility was settled through the issue of 1,500,000,000 new ordinary shares of nominal value £0.00002 each. The £20,000 of interest payment to TAG was also settled on 26 March 2024 through the offset of interest receivable by the Company from TAG under the other contractual funding arrangements currently in place with TAG.

#### **5 Other operating income from continuing operations**

|                                                            | 2024<br>£ 000 | 2023<br>£ 000 |
|------------------------------------------------------------|---------------|---------------|
| Interest income                                            | 312           | 31            |
| Other operating income                                     | -             | 91            |
| Gain arising on settlement of outstanding creditor balance | -             | 376           |
|                                                            | <b>312</b>    | <b>498</b>    |

Included within the interest income is an amount of £312,000 (2023: £22,000) accrued as receivable from TAG in relation to late payments received in connection with the Top-Up Shareholder Loan Agreement and the Deed of Novation signed with TAG in connection with the TradeFlow Restructuring. As detailed in note 14, an impairment charge of £270,000 was recognised by the Group during the current financial year relating to the outstanding interest received as at 31 December 2024 from TAG in connection with the Top-Up Shareholder Loan Agreement.

The gain arising on settlement of outstanding creditor balance recognised in the prior year relates to the settlement agreement, dated 2 May 2023, with an existing creditor of the Group. This settlement agreement reduced the total amount that was owed by the Group, to this supplier, in exchange for payment of the new agreed amount by a specific date. The total amount owed to this specific creditor prior to the settlement agreement being signed was €1,130,250. This amount was reduced to €700,000 as a result of the negotiations proceeding the signing of the settlement agreement. This resulted in a difference of €420,250 or £376,000 which has been recorded as other operating income in the consolidated statement of comprehensive income for the year ended 31 December 2023.

#### **6 Operating loss**

The Group's operating loss from continuing operations for the year has been arrived at after charging:

|                                                            | 2024<br>£ 000 | 2023<br>£ 000 |
|------------------------------------------------------------|---------------|---------------|
| Amortisation of internally developed IM platform (note 12) | 5             | 74            |
| Depreciation                                               | 3             | 4             |
| Staff costs (note 8)                                       | 1,631         | 1,850         |
| Professional and legal fees                                | 625           | 1,551         |
| Contractor costs                                           | 73            | 215           |
| Insurance                                                  | 98            | 98            |
| Training and recruitment costs                             | 7             | 5             |

In addition to the above, the Group incurred the following costs from continuing operations relating to impairment charges and fair value adjustments as detailed below:

|                                                            | 2024<br>£ 000 | 2023<br>£ 000 |
|------------------------------------------------------------|---------------|---------------|
| Impairment charges - intangible assets (note 12)           | 48            | 384           |
| Impairment charges - trade and other receivables (note 14) | 270           | -             |
| Fair value adjustments on investments (note 27)            | 284           | 68            |
| <b>Total impairment charges and Fair value adjustments</b> | <b>602</b>    | <b>452</b>    |

The following acquisition related costs, impairment charges, and costs/(gains) relating to the restructuring of the TradeFlow ownership, have been recognised in the discontinued operations for the comparative year ended 31 December 2023:

|                                                                                        | 2024<br>£ 000 | 2023<br>£ 000 |
|----------------------------------------------------------------------------------------|---------------|---------------|
| Amortisation of intangible assets arising on acquisition (note 26)*                    | -             | 442           |
| Foreign currency translation gain reclassified to other comprehensive income (note 26) | -             | 62            |
| Profit on disposal of 81% of TradeFlow (note 26)                                       | -             | (718)         |
|                                                                                        | -             | <b>(214)</b>  |

\* The amortisation of intangible assets arising on acquisition in FY23 reflects the charge recognised during the period from 1 January 2023 to 30 June 2023. This reflects the fact that the TradeFlow Restructuring was finalised and completed on 30 June 2023 and TradeFlow was deconsolidated from the Group's results from this date.

## 7 Auditors' remuneration

During the year, the Group obtained the following services from the Group's auditor, at the costs detailed below. It should be noted that the auditors of the Company for the year ended 31 December 2023 was Crowe U.K. LLP and the new auditors of the Company for the year ended 31 December 2024 are Bright Grahame Murray.

|                                                                                               | 2024<br>£ 000 | 2023<br>£ 000 |
|-----------------------------------------------------------------------------------------------|---------------|---------------|
| Fees payable to the Company's auditors for the audit of the consolidated financial statements | 121           | 110           |
| Fees payable to the Company's auditors and its associates for other services to the Group:    |               |               |
| Audit of the Companies subsidiaries                                                           | 15            | 20            |
| Audit fees relating to prior periods                                                          | -             | 6             |
| <b>Total audit fees</b>                                                                       | <b>136</b>    | <b>136</b>    |
| Non-audit assurance services                                                                  | -             | -             |
| <b>Total audit and non-audit assurance related services</b>                                   | <b>136</b>    | <b>136</b>    |

## 8 Staff costs

The aggregate payroll costs (including directors' remuneration) included within continuing operations were as follows:

|                                                        | 2024<br>£ 000 | 2023<br>£ 000 |
|--------------------------------------------------------|---------------|---------------|
| Wages, salaries and other short term employee benefits | 1,409         | 1,590         |
| Social security costs                                  | 159           | 190           |
| Post-employment benefits                               | 63            | 70            |
| <b>Total staff costs</b>                               | <b>1,631</b>  | <b>1,850</b>  |

The aggregate payroll costs (including directors' remuneration) included within discontinued operations were as follows:

|                                                        | 2024<br>£ 000 | 2023<br>£ 000 |
|--------------------------------------------------------|---------------|---------------|
| Wages, salaries and other short term employee benefits | -             | 337           |
| Social security costs                                  | -             | 11            |
| <b>Total staff costs - discontinued operations*</b>    | <b>-</b>      | <b>348</b>    |

\*The aggregate payroll costs in FY23 included within discontinued operations reflects the costs recognised during the period from 1 January 2023 to 30 June 2023. This reflects the fact that the TradeFlow Restructuring

was finalised and completed on 30 June 2023 and TradeFlow was deconsolidated from the Group's results from this date.

The average number of persons employed by the Group (including executive directors) during the year, analysed by category was as follows:

|                                                 | 2024<br>No. | 2023<br>No. |
|-------------------------------------------------|-------------|-------------|
| Executive directors                             | 1           | 2           |
| Finance, Risk and HR                            | 5           | 4           |
| Sales and marketing                             | 2           | 3           |
| Legal                                           | -           | 1           |
| Operations and Platform development             | 7           | 11          |
| <b>Total average number of people employed*</b> | <b>15</b>   | <b>21</b>   |

\* The average number of people employed in FY23 reflects the TradeFlow staff employed for the period from 1 January 2023 to 30 June 2023. This reflects the fact that the TradeFlow Restructuring was finalised and completed on 30 June 2023 and TradeFlow was deconsolidated from the Group's results from this date.

## 9 Key management personnel

Key management compensation (including directors):

|                                                  | 2024<br>£ 000 | 2023<br>£ 000 |
|--------------------------------------------------|---------------|---------------|
| Wages, salaries and short-term employee benefits | 1,000         | 1,254         |
| Social security costs                            | 92            | 115           |
| Post-employment benefits                         | 37            | 44            |
| <b>Total key management compensation</b>         | <b>1,129</b>  | <b>1,413</b>  |

Key management personnel consist of the Company leadership team and the Directors.

No retirement benefits are accruing to Company Directors under a defined contribution scheme (2023: none), however the Chief Executive Officer received cash in lieu of payments to a defined contribution pension scheme of £12,420 during the year (2023: £12,420). This was allowable under his director's employment contract.

The Directors' emoluments are detailed in the Remuneration Report of the Annual Report and Accounts for the year ended 31 December 2024.

## 10 Income tax

The income tax credit of £139,000 recognised for the year ended 31 December 2024 represents Research & Development Tax Credits claimed by the Company under the UK SME tax credit scheme during the year (2023: £nil). This tax credit related to the financial years ended 31 December 2022 and 31 December 2023 for which the related claims were submitted and finalised during 2024. Of this total £97,000 had been received by the Company prior to 31 December 2024 and the remaining £42,000 was received by the Company subsequent to the year end. This outstanding amount still to be received was recognised within other receivables (note 13) as at 31 December 2024.

Tax expense charged in the income statement:

|                                                                            | 2024<br>£ 000 | 2023<br>£ 000 |
|----------------------------------------------------------------------------|---------------|---------------|
| <b>Current Taxation Expense</b>                                            |               |               |
| UK Corporation tax                                                         | (139)         | -             |
| Foreign taxation paid/(receivable) by subsidiaries - continuing operations | -             | -             |
|                                                                            | <b>(139)</b>  | <b>-</b>      |

The tax on loss before tax for the period is less than (2023 - less than) the standard rate of corporation tax in the UK of 25.0% (2023 - 23.5%).

The differences are reconciled below:

|                                                                                  | 2024<br>£ 000  | 2023<br>£ 000  |
|----------------------------------------------------------------------------------|----------------|----------------|
| <b>Loss before tax</b>                                                           | <b>(3,062)</b> | <b>(4,345)</b> |
| Corporation tax at standard rate - 25% (2023: 23.5%)                             | (766)          | (1,022)        |
| Effect of expenses not deductible in determining taxable profit (tax loss)       | 165            | 82             |
| Increase in tax losses carried forward which were unutilised in the current year | 598            | 912            |
| Tax adjustments in respect of foreign subsidiaries (timing differences)          | -              | -              |
| Over provision of deferred tax in prior years                                    | (139)          | -              |

|                                                    |              |          |
|----------------------------------------------------|--------------|----------|
| Income not taxable                                 |              | -        |
| Deferred tax not recognised                        | 3            | 28       |
| Differences between UK and foreign tax legislation |              | -        |
| <b>Total tax charge</b>                            | <b>(139)</b> | <b>-</b> |

In addition, unrecognised deferred tax assets, relating to tax losses carried forward across the Group have not been recognised due to uncertainty over the timing and extent of future taxable profits. The losses can be carried forward indefinitely and have no expiry date. The total approximate tax losses carried forward across the Group as at 31 December 2024 were £19.5 million (31 December 2023: £17.2 million as restated).

## 11 Earnings/(loss) per share

The calculation of the basic earnings/(loss) per share ("EPS") is based on the total loss for the year of £2,923,000 (2023 - loss £4,345,000) and on a weighted average number of ordinary shares in issue of 68,035,422,123 (2023 - 59,880,078,004). The basic EPS is (0.0043) pence (2023 - (0.0073) pence).

The calculation of the basic earnings/(loss) per share (EPS) from continuing operations is based on the total loss for the year from continuing operations of £2,923,000 (2023 - loss £4,160,000) and on a weighted average number of ordinary shares in issue of 68,035,422,123 (2023 - 59,880,078,004). The basic EPS from continuing operations is (0.0043) pence (2023 - (0.0070) pence).

For the year ended 31 December 2024, the Group no longer had any discontinued operations. However the calculation of the basic earnings/(loss) per share (EPS) from discontinued operations in the comparative year ended 31 December 2023 was based on the total loss for discontinued operations of £185,000 and on a weighted average number of ordinary shares in issue of 59,880,078,004. The basic EPS from discontinued operations for the year ended 31 December 2023 was (0.0003) pence.

The Company has share warrants and employee share scheme options in issue as at 31 December 2024 which would dilute the earnings per share if or when they are exercised in the future. A summary of these is set out below and further details of these share warrants and employee share options can be found in note 24.

|                                           | 31 December 2024      | 31 December 2023      |
|-------------------------------------------|-----------------------|-----------------------|
|                                           | No.                   | No.                   |
| Share warrants - issued                   | 9,224,804,855         | 9,297,651,062         |
| Share warrants - to be issued             | 2,250,000,000         | 2,250,000,000         |
| Long-term incentive plan ("LTIP") options | 228,256,365           | 1,095,753,404         |
| <b>Total</b>                              | <b>11,703,061,220</b> | <b>12,643,404,466</b> |

No dilution per share was calculated for 2024 and 2023 as with the reported loss they are all anti-dilutive.

## 12 Intangible assets

|                            | Internally developed IM platform<br>£ 000 |
|----------------------------|-------------------------------------------|
| <b>Cost or valuation</b>   |                                           |
| At 1 January 2023          | 3,669                                     |
| Additions                  | 458                                       |
| At 31 December 2023        | 4,127                                     |
| Additions                  | 53                                        |
| <b>At 31 December 2024</b> | <b>4,180</b>                              |
| <b>Amortisation</b>        |                                           |
| At 1 January 2023          | 818                                       |
| Amortisation charge        | 74                                        |
| At 31 December 2023        | 892                                       |
| Amortisation charge        | 5                                         |
| <b>At 31 December 2024</b> | <b>897</b>                                |

|                            |              |
|----------------------------|--------------|
| <b>Impairment</b>          |              |
| At 1 January 2023          | 2,851        |
| Impairment charge          | 384          |
| At 31 December 2023        | 3,235        |
| Impairment charge          | 48           |
| <b>At 31 December 2024</b> | <b>3,283</b> |

#### Net Book Value

|                            |   |
|----------------------------|---|
| <b>At 31 December 2024</b> | - |
| At 31 December 2023        | - |

#### *Impairment assessment - Internally developed IM Platform*

The Directors considered the continued current year losses of the Group's Italian subsidiary, to which the internally developed IM platform relates, and the full impairment of this intangible asset in the prior year, as an indicator of impairment and therefore, in accordance to IAS 36 ("*Impairment of Assets*"), considered if as at 31 December 2024, this intangible asset required further impairment in relation the additions made during the year, or if some of the prior year impairment could be reversed.

The full going concern statement, set out in note 2, noted there is currently an absence of a historical recurring track record relating to Inventory Monetisation transactions being facilitated by the Group's Platform, the generation of the full range of fees from the use of its Platform from more than a limited number of Inventory Monetisation transactions, and the Group being cash flow positive. As such the Directors have identified these factors as one of the material uncertainties in relation to the going concern statement. The Directors have concluded that these uncertainties also apply to the discounted cash flow model used in this impairment test. In particular, there is uncertainty that arises with respect to both the future timing and growth rates of the forecast discounted cash flows arising from the use of the Internally developed IM Platform intangible asset.

As such, the Directors have decided to continue to impair the full carrying amount of this asset as at 31 December 2024. This impairment loss may subsequently be reversed and if so, the carrying amount of the asset will be increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the investment in prior years.

### 13 Trade and other receivables

|                                          | <b>As at 31 December 2024</b> | <b>As at 31 December 2023</b> |
|------------------------------------------|-------------------------------|-------------------------------|
|                                          | <b>£ 000</b>                  | <b>£ 000</b>                  |
| Trade receivables                        | 82                            | 15                            |
| Other receivables                        | 946                           | 976                           |
| Prepayments                              | 60                            | 35                            |
| <b>Total trade and other receivables</b> | <b>1,088</b>                  | <b>1,026</b>                  |

### 14 Receivable from related party

|                                            | <b>As at 31 December 2024</b> | <b>As at 31 December 2023</b> |
|--------------------------------------------|-------------------------------|-------------------------------|
|                                            | <b>£ 000</b>                  | <b>£ 000</b>                  |
| Receivable from related party              | -                             | 772                           |
| Interest receivable from related party     | 7                             | 22                            |
| Other related party receivable             | 45                            | 53                            |
| <b>Total receivable from related party</b> | <b>52</b>                     | <b>847</b>                    |

#### *Receivable from related party*

This balance represents the amount receivable from TAG under the Deed of Novation which created the obligation for TAG to settle the £2,000,000 cash payment that was due from the buyers to the Company, as a result of the sale of the 81% majority stake in TradeFlow.

As at 31 December 2024, the full amount of £2,000,000 has been repaid by TAG to the Company. TAG repaid £1,228,000 during 2023 and £772,000 throughout 2024. The payments totalling £772,000 which had been received during the current year were received through a split of £570,000 in cash (2023: £771,000) and £202,000 by way of offset against amounts owed by the Group companies to TAG (2023: £36,000). In the prior year there was also an amount of £421,000 that was repaid by way of formal debt novation agreements with specific suppliers whereby the debt held by the Group companies was novated to TAG with no recourse by to the Group companies.

#### *Interest receivable from related party*

The balance of £7,000 in the table above represents the interest that is receivable from the TAG as at 31 December 2024 relating to the late payments to the Company under the Debt Novation Deed, the purpose of which was to novate the amounts due to the Company as a result of the TradeFlow Restructuring to TAG from

the buyers of the 81% holding in TradeFlow. This balance has been paid by TAG subsequent to 31 December 2024 through the offset against invoiced amounts owed by the Group companies to TAG.

In addition to the balance of £7,000 described above, the Company had also recognised interest receivable of £270,000 from TAG as at 31 December 2024 relating to the late payments to the Company under the Top-Up Shareholder Loan Agreement. Given the latest information that the Board has regarding the financial position of TAG, as at 31 December 2024 this interest receivable balance of £270,000 relating to late payments under the Top-Up Shareholder Loan Agreement was fully impaired. The latest information regarding the financial position of TAG included:

- the auditors of TAG disagreeing with going concern assumption that had been used in the preparation of the TAG's latest financial statements for the year ended 31 December 2023;
- as a consequence of the above point, TAG elected to apply for a restructuring procedure as is allowable under Italian company law; and
- following on from this, on 7 August 2025 TAG entered into a formal liquidation process under Italian insolvency law. The Company understands that TAG is currently attempting to halt the liquidation process and return to the restructuring procedure referred to above.

Both these interest amounts have been calculated at a compounding rate of 15% per annum on the overdue amounts. Details of both these agreements can be found in note 28 to the Group's consolidated financial statements for the year ended 31 December 2024.

During the current financial year, TAG paid £57,000 of late payment interest (2023: £nil) through £20,000 which was offset against interest payable by the Company to TAG that had accrued on the TAG Unsecured Working Capital Facility, and £37,000 by way of offset against other invoiced amounts owed by the Group companies to TAG.

#### *Other related party receivable*

In relation to the Group debt that was formally novated to TAG in 2023 in lieu of a cash payment under the Deed of Novation, as at 31 December 2024 the Group held an amount receivable from TAG on its balance sheet for the value of £45,000 (31 December 2023: £53,000). This primarily related to withholding tax amounts on certain "proforma" invoices that were formally novated, as the supplier invoice settled by TAG was net of the withholding tax amounts and as such remains due from TAG to the Group as at 31 December 2024. Subsequent to 31 December 2024, an amount of £22,000 had been paid by TAG through the offset against invoiced amounts owed by the Group companies to TAG.

## **15 Share capital**

### **Allotted, called up and fully paid shares**

|                                       | <b>As at 31 December 2024</b> |              | <b>As at 31 December 2023</b> |              |
|---------------------------------------|-------------------------------|--------------|-------------------------------|--------------|
|                                       | <b>No. 000</b>                | <b>£ 000</b> | <b>No. 000</b>                | <b>£ 000</b> |
| <i>Equity</i>                         |                               |              |                               |              |
| Ordinary shares of £0.00002 each      | 71,732,151                    | 1,434        | 61,232,096                    | 1,224        |
| Deferred shares of £0.04000 each      | 63,084                        | 2,523        | 63,084                        | 2,523        |
| 2018 Deferred shares of £0.01000 each | 224,194                       | 2,242        | 224,194                       | 2,242        |
| <b>Total</b>                          | <b>72,019,429</b>             | <b>6,199</b> | <b>61,519,374</b>             | <b>5,989</b> |

### **Reconciliation of allotted, called up and full paid**

|                                                                                                         | <b>2024</b>       |              | <b>2023</b>       |              |
|---------------------------------------------------------------------------------------------------------|-------------------|--------------|-------------------|--------------|
|                                                                                                         | <b>No. 000</b>    | <b>£ 000</b> | <b>No. 000</b>    | <b>£ 000</b> |
| Ordinary shares as at 1 January                                                                         | 61,519,374        | 5,989        | 56,908,846        | 5,897        |
| New ordinary shares issued to TAG in connection with the settlement of the TAG Working Capital Facility | 1,500,000         | 30           | -                 | -            |
| New ordinary shares issued in connection with the New Equity Subscription Agreement dated 14 May 2024   | 9,000,000         | 180          | -                 | -            |
| New ordinary shares issued to fulfil the conversion of Open Offer warrants                              | 55                | -            | 110,528           | 2            |
| New ordinary shares issued to Venus Capital S.A. in connection with 2023 Venus Subscription             | -                 | -            | 4,500,000         | 90           |
| <b>Total at 31 December</b>                                                                             | <b>72,019,429</b> | <b>6,199</b> | <b>61,519,374</b> | <b>5,989</b> |

### **New shares allotted during the current financial year**

#### ***New ordinary shares issued to TAG in connection with the settlement of the TAG Unsecured Working Capital Facility***

Subsequent to TAG satisfying the full amount of £800,000 drawn down by the Company under the amended TAG Unsecured Working Capital Facility, the Company and TAG signed a second deed of amendment agreement dated 26 March 2024, which allowed the full outstanding amount of the amended TAG Unsecured Working Capital Facility to be extinguished by the issue of 1,500,000,000 new ordinary shares of nominal value £0.00002 each, which were issued to TAG on 28 March 2024. These new ordinary shares issued had a fixed subscription price of 0.053 pence per share.

#### ***New ordinary shares issued in connection with New Equity Subscription Agreement***

On 14 May 2024, the Company entered into a new equity subscription agreement with a UK investment firm, pursuant to which the UK investment firm committed to subscribe for 9,000,000,000 new ordinary shares of nominal value £0.00002 each (the "Subscription Shares"), on behalf of its private clients, at 0.01725 pence per Subscription Share (the "New Equity Subscription Agreement"). The issue of the Subscription Shares was made for gross proceeds of £1,552,500 (or £1,428,300 net of an 8% commission charged). These Subscription

Shares were admitted to standard segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange on 28 May 2024.

***New ordinary shares issued to fulfil the conversion of Open Offer warrants***

Further to the issue of new ordinary shares on the 18 August 2022 as a result of the Open Offer, the Company also issued 320,855,008 warrants to certain qualifying shareholders who participated in its open offer (the "**Open Offer Warrants**"). Following the issue of the Open Offer Warrants, certain holders have elected to exercise their Open Offer Warrants and this resulted in a total of 54,696 new ordinary shares being issued during the year ended 31 December 2024 in relation to Open Offer Warrant conversion.

***Rights, preferences and restrictions***

***Ordinary shares have the following rights, preferences, and restrictions:***

The ordinary shares carry rights to participate in dividends and distributions declared by the Company and each share carries the right to one vote at any general meeting. There are no rights of redemption attaching to the ordinary shares.

***Deferred shares have the following rights, preferences, and restrictions:***

The deferred shares carry no rights to receive any dividend or distribution and carry no rights to vote at any general meeting. On a return of capital, the Deferred shareholders are entitled to receive the amount paid up on them after the Ordinary shareholders have received £100,000,000 in respect of each share held by them. The Company may purchase all or any of the Deferred shares at an appropriate consideration of £1.

***2018 Deferred shares have the following rights, preferences, and restrictions:***

The deferred shares carry no rights to receive any dividend or distribution and carry no rights to vote at any general meeting.

**16 Trade and other payables**

|                                              | As at 31 December 2024<br>£ 000 | As at 31 December 2023<br>£ 000 |
|----------------------------------------------|---------------------------------|---------------------------------|
| Trade payables                               | 820                             | 1,314                           |
| Other payables                               | 1,051                           | 943                             |
| Current portion of long-term bank borrowings | 210                             | 192                             |
| Social security and other payroll taxes due  | 1,903                           | 1,566                           |
| Accruals                                     | 415                             | 488                             |
| Contract liabilities                         | 75                              | 59                              |
| Accrued interest payable to related party    | -                               | 7                               |
| <b>Total trade and other payables</b>        | <b>4,474</b>                    | <b>4,569</b>                    |

**17 Long-term borrowings**

|                                                  | As at 31 December 2024<br>£ 000 | As at 31 December 2023<br>£ 000 |
|--------------------------------------------------|---------------------------------|---------------------------------|
| Non-current portion of long-term bank borrowings | 364                             | 590                             |
| Working capital loan due to TAG                  | -                               | 250                             |
| <b>Total long-term borrowings</b>                | <b>364</b>                      | <b>840</b>                      |

***Non-current portion of long-term bank borrowings***

On 12 October 2022, Supply@ME Technologies S.r.l. entered into a new long term loan facility with Banco BPM S.p.A (the "**Banco BPM Facility**"). The obligations of Supply@ME Technologies S.r.l under the Banco BPM Facility are guaranteed by the Company. The key commercial terms of the Banco BPM Facility include:

- a) €1 million in principal amount;
- b) 275 basis points over Euribor interest rate; and
- c) a five-year repayment term (the final payment to be made on 11 October 2027), including an initial six months of interest only repayments, followed by 54 months of combined principal and interest repayments.

Fees totalling €52,000 were incurred in connection with the arrangement of the Banco BPM Facility. These costs have been capitalised and will be spread over the term of the Banco BPM Facility. The amount included in the table above represents the non-current portion of the Banco BPM Facility. The current portion is set out in note 16 above.

***Working capital loan due to TAG***

The TAG Unsecured Working Capital Facility, which was initially signed on 28 April 2023 and then amended on 30 June 2023, created the obligation for TAG to provide a working capital facility to the Company up to £800,000. Following the amendment on 30 June 2023, the Company issued a draw down notice to TAG under TAG Unsecured Working Capital Facility for the full £800,000 available. As at 31 December 2023, £250,000

had been received from TAG in respect of this facility, and during the year ended 31 December 2024, the remaining £550,000 was received from TAG.

Subsequent to the receipt of the full £800,000 from TAG, a second deed of amendment was signed between TAG and the Company and this was dated 26 March 2024. This second deed of amendment allowed the full outstanding amount of the TAG Unsecured Working Capital Facility to be extinguished by the issue of 1,500,000,000 new ordinary shares of nominal value £0.00002 each, which were issued to TAG on 28 March 2024. These new ordinary shares issued had a fixed subscription price of 0.053 pence per share. As such, the balance owing in respect of the TAG Unsecured Working Capital Facility as at 31 December 2024 as £nil (31 December 2023: £250,000).

## 18 Provisions

|                                | Post-employment<br>benefits<br>£ 000 | Provision for<br>risks and<br>charges<br>£ 000 | Provision for<br>VAT and<br>penalties<br>£ 000 | Total<br>£ 000 |
|--------------------------------|--------------------------------------|------------------------------------------------|------------------------------------------------|----------------|
| At 1 January 2023              | 37                                   | 83                                             | 337                                            | 457            |
| Released to profit and loss    | -                                    | (28)                                           | -                                              | (28)           |
| Provided for in the year       | 17                                   | 139                                            | -                                              | 156            |
| Payments                       | (13)                                 | -                                              | -                                              | (13)           |
| Actuarial (gain)/loss          | 3                                    | -                                              | -                                              | 3              |
| At 31 December 2023            | 44                                   | 194                                            | 337                                            | 575            |
| Forex retranslation adjustment | (2)                                  | (4)                                            | (15)                                           | (21)           |
| At 1 January 2024              | 42                                   | 190                                            | 322                                            | 554            |
| Released to profit and loss    | -                                    | (5)                                            | -                                              | (5)            |
| Provided for in the year       | 9                                    | 41                                             | -                                              | 50             |
| Payments                       | (22)                                 | -                                              | -                                              | (22)           |
| Actuarial (gain)/loss          | -                                    | -                                              | -                                              | -              |
| At 31 December 2024            | 29                                   | 226                                            | 322                                            | 577            |

### *Post-employment benefits*

Post-employment benefits include severance pay and liabilities relating to future commitments to be disbursed to employees based on their permanence in the relevant company. This entirely relates to the Italian subsidiary, Supply@ME S.r.l. where severance indemnities are due to each employee at the end of the employment relationship. Post-employment benefits relating to severance indemnities are calculated by estimating the amount of the future benefit that employees have accrued in the current period and in previous years using actuarial techniques. The calculation is carried out by an independent actuary using the "Projected Unit Credit Method".

### *Provision for risks and charges*

Provision for risks and charges includes the estimated amounts of penalties and interest for payment delays referring the tax and social security payables recorded in the financial statements of both of the Italian subsidiaries which, at the closing date, are overdue. The increase in the prior financial year was primarily due to the interest component as the interest rates in Italy have risen during FY23 to an average at 5% during 2023 (2022: 1.5% in 2022). The increase in the current financial year primarily reflects additional interest charges provided for during the year.

### *Provision for VAT and penalties*

In advance of the Group's first monetisation transaction, a number of advance payments have been received by the Group's Italian subsidiary, Supply@ME S.r.l., from potential client companies in accordance with agreed contractual terms. These payments have been recognised as revenue in accordance with local accounting rules. These advance payments, for which an invoice has not yet been issued, have been made exclusive of VAT. As at 31 December 2024, the Group has included a provision relating to a potential VAT liability, including penalties, in respect of these advance payments of £187,000 (31 December 2023: £196,000). As the underlying currency of this provision is based in Euros the movement during 2024 is the result of foreign exchange rate movements at each respect year end.

At the point in the future when the associated monetisation transaction takes place, the potential VAT liability will be settled by the Group. At this same point in time, the Directors expect to be able to recover the VAT from the client companies as invoices in respect of the monetisation transactions are issued. The timing of these future monetisation transactions currently remains uncertain and as such no corresponding VAT receivable has been recognised as at 31 December 2024, however there is a contingent asset of £134,000 as at 31 December 2024 (31 December 2023: £140,000) in respect of this.

An additional amount of £144,000 was added to the provision during the second half of 2022 to reflect the fact that the Italian intercompany invoice was issued late and this balance reflects potential VAT penalties that may arise due to the timing of the invoice. This balance remains provided for at 31 December 2024, however has been revalued to £135,000 as at 31 December 2024 (31 December 2023: £141,000).

From time to time, during the course of business, the Group maybe subject to disputes which may give rise to claims. The Group will defend such claims vigorously and provision for such matters are made when costs relating to defending and concluding such matters can be measured reliably. There were no cases outstanding as at 31 December 2024 that meet the criteria for a provision to be recognised.

## 19 Pension and other schemes

### **Defined contribution pension scheme**

The Group operates a defined contribution pension scheme for employees of the Company. The assets of the scheme are recognised as being held separately from those of the Group and Company and will be paid over to an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund.

The total pension charge for the year represents contributions payable by the Group to the scheme relating to employer contributions amounted to £47,000 for continuing operations (2023: £53,000).

Contributions (including employee and employer contributions) totalling £30,000 (2023: £16,000) were payable to the scheme at the end of the year and are included in creditors. This has been paid post year end.

## 20 Capital commitments

There were no capital commitments for the Group at 31 December 2024 or 31 December 2023.

## 21 Contingent liabilities

There were no contingent liabilities for the Group at 31 December 2024 or 31 December 2023.

## 22 Financial instruments

### Financial assets

|                                            | Carrying value               |                              | Fair value                   |                              |
|--------------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
|                                            | As at 31<br>December<br>2024 | As at 31<br>December<br>2023 | As at 31<br>December<br>2024 | As at 31<br>December<br>2023 |
|                                            | £ 000                        | £ 000                        | £ 000                        | £ 000                        |
| <i>Financial assets at amortised cost:</i> |                              |                              |                              |                              |
| Cash and cash equivalents                  | 34                           | 5                            | 34                           | 5                            |
| Trade receivables                          | 82                           | 15                           | 82                           | 15                           |
| Receivable from related party              | 52                           | 847                          | 52                           | 847                          |
| Other receivables                          | 946                          | 974                          | 946                          | 974                          |
|                                            | <b>1,114</b>                 | <b>1,841</b>                 | <b>1,114</b>                 | <b>1,841</b>                 |

*Valuation methods and assumptions:* The directors believe due to their short term nature, the fair value approximates to the carrying amount.

### Financial liabilities

|                                                 | Carrying value               |                           | Fair value                   |                              |
|-------------------------------------------------|------------------------------|---------------------------|------------------------------|------------------------------|
|                                                 | As at 31<br>December<br>2024 | As at 31<br>December 2023 | As at 31<br>December<br>2024 | As at 31<br>December<br>2023 |
|                                                 | £ 000                        | £ 000                     | £ 000                        | £ 000                        |
| <i>Financial liabilities at amortised cost:</i> |                              |                           |                              |                              |
| Long-term borrowings                            | 574                          | 1,032                     | 574                          | 1,032                        |
| Trade payables                                  | 820                          | 1,314                     | 820                          | 1,314                        |
| Other payables                                  | 1,051                        | 943                       | 1,051                        | 943                          |
|                                                 | <b>2,445</b>                 | <b>3,289</b>              | <b>2,445</b>                 | <b>3,289</b>                 |

*Valuation methods and assumptions:* The directors believe that the fair value of trade and other payables approximates to the carrying value.

There are no financial liabilities that are carried at fair value through the profit and loss as at 31 December 2024 (31 December 2023: £nil).

### Risk management

The Group is exposed through its operations to the following financial risks: credit risk, foreign exchange risk, and liquidity risk.

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing these risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements. There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

### Principal financial instruments

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

- trade receivables and other receivables;
- cash at bank;
- receivables from related parties;
- trade and other payables; and
- long-term borrowings.

### General objectives, policies and processes

The Board had overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it had delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board received monthly reports from the Chief Financial Officer through which it reviewed the effectiveness of the processes put in place and the appropriateness of the objectives and policies it had set. The overall objective of the Board was to set policies that sought to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

### Interest rate risk

At present the Directors do not believe that the Group has significant interest rate risk and consequently does not hedge against such risk. Cash balances earn interest at variable rates.

The Group's interest generating financial assets from continuing operations as at 31 December 2024 comprised cash and cash equivalents of £34,000 (2023: £5,000). Interest is paid on cash at floating rates in line with prevailing market rates. In addition, late payment interest of £312,000 was recognised during the year ended 31 December 2024 (2023: £22,000) relating to the late payments of both the TAG Top-Up Shareholder Loan Agreement and the Deed of Novation. These interest amounts have been calculated at a compounding rate of 15% per annum on the overdue amounts. During the year ended 31 December 2024 an amount of £57,000 was paid by TAG relating to late payment interest (2023: £nil). Of the remaining £277,000 that remained outstanding as at 31 December 2024, £7,000 was paid by TAG prior to the issue of these financial statements and £270,000 was impaired as detailed in note 14.

The Group's interest generating financial liabilities as at 31 December 2024 comprised long-term borrowings of £574,000 (2023: £1,032,000).

### Sensitivity analysis

At 31 December 2024, had the EURIBOR 3 MONTH rate of 2.736 (2023 - 3.905) increased by 1% with all other variables held constant, the increase in interest payable on financial assets would amount to approximately £6,000 (2023 - £7,000). Similarly, a 1% decrease in the EURIBOR 3 MONTH rate with all other variables held constant would result in a decrease in interest receivable on financial assets of approximately £7,000 (2023 - £7,000).

### Credit risk and impairment

Credit risk is the risk of financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. It is Group policy, implemented locally, to assess the credit risk of new customers before entering contracts. Such credit ratings take into account local business practices. The Group has a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. To manage this, the Group has made sure that they use reputable banks.

The Group's Chief Financial Officer monitors the utilisation of the credit limits regularly.

The Group's maximum exposure to credit by class of individual financial instrument is shown in the table below:

|                               | Carrying<br>value as at<br>31<br>December<br>2024<br>£ 000 | Maximum<br>exposure as<br>at 31<br>December<br>2024<br>£ 000 | Carrying<br>value as at<br>31<br>December<br>2023<br>£ 000 | Maximum<br>exposure as<br>at 31<br>December<br>2023<br>£ 000 |
|-------------------------------|------------------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------------|
| Cash and cash equivalents     | 34                                                         | 34                                                           | 5                                                          | 5                                                            |
| Trade receivables             | 82                                                         | 82                                                           | 15                                                         | 15                                                           |
| Receivable from related party | 52                                                         | 52                                                           | 847                                                        | 847                                                          |
|                               | <b>168</b>                                                 | <b>168</b>                                                   | <b>867</b>                                                 | <b>867</b>                                                   |

As at 31 December 2024, with the exception of £270,000 relating to late payment interest receivable from TAG in respect of the Top-Up Shareholder Loan Agreement, the financial assets held by the Group have not been impaired. Further details of the impairment to the related party interest receivable can be found in note 14.

### Foreign exchange risk

Foreign exchange risk arises because the Group has operations located in various parts of the world whose functional currency is not the same as the functional currency in which the Group operates. Although its global market penetration reduces the Group's operational risk, in that it has diversified into several markets, the Group's net assets arising from such overseas operations are exposed to currency risk resulting in gains or losses on retranslation into sterling. Only in exceptional circumstances would the Group consider hedging its net investments in overseas operations as generally it does not consider that the reduction in foreign currency exposure warrants the cash flow risk created from such hedging techniques.

The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in their functional currency (primarily Euros or Pound Sterling) with the cash generated from their own operations in that currency. Where Group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them) cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group.

### Currency profile as at 31 December 2024

|                                     | As at 31<br>December 2024<br>£000 | As at 31<br>December 2023<br>£000 |
|-------------------------------------|-----------------------------------|-----------------------------------|
| <b>Financial assets</b>             |                                   |                                   |
| Cash and cash equivalents: Sterling | 1                                 | 3                                 |
| Cash: Euro                          | 33                                | 2                                 |
| Trade receivables: Sterling         | -                                 | -                                 |
| Trade receivables: Euro             | 82                                | 15                                |
| <b>Financial liabilities</b>        |                                   |                                   |
| Trade payables: Sterling            | 478                               | 865                               |
| Trade payables: Euro                | 342                               | 449                               |
| Long-term borrowings: Sterling      | -                                 | 250                               |
| Long-term borrowings: Euro          | 574                               | 782                               |

### Sensitivity analysis

At 31 December 2024, if Sterling had strengthened by 10% against the below currencies with all other variables held constant, loss before tax for the year would have been approximately:

- EUR: £68,000 higher (2023 - £102,000 higher).

Conversely, if the below currencies had weakened by 10% with all other variables held constant, loss before tax for the year would have been approximately:

- EURO: £68,000 lower (2023 - £102,000 lower).

### Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

The Board receives rolling 12-month cash flow projections on a regular basis as well as information regarding cash balances. At the statement of financial position date, these projections indicated that the Group expects to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances subject to the material uncertainties detailed in the going concern assumptions set out in note 2.

As set out in note 28, the TAG Top-Up Shareholder Loan Agreement gave the Company the ability to draw down up to £3.5 million in line with specific conditions. As at 31 December 2024, the Company had issued draw down notices for £2,042,000 (31 December 2023: £969,000). As such as at 31 December 2024 £1,458,000 remains undrawn under the TAG Top-Up Shareholder Loan Agreement. As at 31 December 2023, the Group had £2,531,000 that had not been drawn under the TAG Top-Up Shareholder Loan Agreement.

Subsequent to the 31 December 2024, the Board entered into the Nuburu On-Demand Facility for US\$5,150,000 and agreed to release TAG from its outstanding obligations under the TAG Top-Up Shareholder Loan Agreement once the full amount under the new facility has been received. Further details of this new funding facility can be found in note 30. This action was taken by the Board due to continued underperformance of TAG against its contractual commitments in line with the TAG Top-Up Shareholder Loan Agreement and the recent information available to it on TAG's financial position, for which further details can be found in note 14.

| <b>At 31 December 2024</b>      | <b>Up to 3 months</b> | <b>Between 3 and 12 months</b> | <b>Between 1 and 2 years</b> | <b>Between 2 and 5 years</b> | <b>Over 5 years</b> |
|---------------------------------|-----------------------|--------------------------------|------------------------------|------------------------------|---------------------|
|                                 | <b>£ 000</b>          | <b>£ 000</b>                   | <b>£ 000</b>                 | <b>£ 000</b>                 | <b>£ 000</b>        |
| <b>Liabilities</b>              |                       |                                |                              |                              |                     |
| Long-term borrowings            | 44                    | 148                            | 193                          | 189                          |                     |
| Trade and other payables        | 1,133                 | 738                            | -                            | -                            | -                   |
| Social security and other taxes | 1,903                 | -                              | -                            | -                            | -                   |
| <b>Total liabilities</b>        | <b>3,080</b>          | <b>886</b>                     | <b>193</b>                   | <b>189</b>                   | <b>-</b>            |

| <b>At 31 December 2023</b>      | <b>Up to 3 months</b> | <b>Between 3 and 12 months</b> | <b>Between 1 and 2 years</b> | <b>Between 2 and 5 years</b> | <b>Over 5 years</b> |
|---------------------------------|-----------------------|--------------------------------|------------------------------|------------------------------|---------------------|
|                                 | <b>£ 000</b>          | <b>£ 000</b>                   | <b>£ 000</b>                 | <b>£ 000</b>                 | <b>£ 000</b>        |
| <b>Liabilities</b>              |                       |                                |                              |                              |                     |
| Long-term borrowings            | 76                    | 182                            | 223                          | 676                          |                     |
| Trade and other payables        | 1,511                 | 746                            | -                            | -                            | -                   |
| Social security and other taxes | 1,566                 | -                              | -                            | -                            | -                   |
| <b>Total liabilities</b>        | <b>3,153</b>          | <b>928</b>                     | <b>223</b>                   | <b>676</b>                   | <b>-</b>            |

### Capital risk management

The Group's capital management objectives are to ensure the Group is appropriately funded to continue as a going concern and to provide an adequate return to shareholders commensurate with risk. The Group defines capital as being issued share capital, share premium and all other equity reserves attributable to the equity holders of the parent. The Group's capital structure is periodically reviewed and, if appropriate, adjustments are made in the light of expected future funding needs, changes in economic conditions, financial performance and changes in Group structure. As explained in note 28, the Group had various financing facilities from TAG in place during the year ended 31 December 2024. As explained in note 30, subsequent to the 31 December 2024, the Board entered into the Nuburu On-Demand Facility for US\$5,150,000 and agreed to release TAG from its outstanding obligations under the Top-Up Shareholder Loan Agreement once the full amount under the new facility has been received.

The Group adheres to the capital maintenance requirements as set out in the Companies Act.

Capital for the reporting periods under review is summarised as follows:

- Net liabilities: (£4,246,000) (2023: (£3,807,000))
- Cash and cash equivalents: £34,000 (2023: £5,000)
- Share Capital £6,199,000 (2023: £5,989,000)

## 23 Net debt

The Group reconciliation of the movement in net debt from continuing operations is set out below:

|                                                                                    | <b>Total long-term borrowings<br/>(current and non-current portion)</b> |
|------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
|                                                                                    | <b>£ 000</b>                                                            |
| <b>At 1 January 2023</b>                                                           | (906)                                                                   |
| Net cash flows                                                                     | (145)                                                                   |
| Foreign exchange                                                                   | 19                                                                      |
| <b>At 31 December 2023</b>                                                         | (1,032)                                                                 |
| Net cash flows                                                                     | (374)                                                                   |
| Repayment of TAG Unsecured Working Capital Facility via new share issue (non cash) | 800                                                                     |
| Foreign exchange                                                                   | 32                                                                      |
| <b>As at 31 December 202</b>                                                       | <b>(574)</b>                                                            |

## 24 Share-based payments

### *Share warrants issued in connection with the New Equity Subscription Agreement*

On the 14 May 2024, the Company announced it had entered into the New Equity Subscription Agreement with a UK investment firm, pursuant to which the UK investment firm committed to subscribe for 9,000,000,000 Subscription Shares. Under the New Equity Subscription Agreement, new warrants were required to be issued to the UK investment firm at a ratio of one warrant for every twenty subscription shares issued under the New Equity Subscription Agreement. This resulted in an obligation for the Group to issue 450,000,000 new warrants to the UK investment firm ("**New Warrants**"). These New Warrants are each exercisable into one new ordinary share at a price equal to 0.01725 pence per share up to a final exercise date of 28 May 2029.

As these share warrants were issued as a cost of issuing new ordinary shares to the UK investment firm they fall into of scope of IFRS 2 ("Share-based payments"). As such, the Directors were required to determine the fair value of the equity-settled share-based payments at the date on which they were granted. The fair value was determined using a Black-Scholes model which required certain judgements to be made in determining the most appropriate inputs to be used. The key judgemental point was the expected volatility rate of the Company's share price over the relevant period prior to the grant of the warrants. The volatility rate assumption applied in the model for the New Warrants was 82.5%. This was based on the actual volatility of the Company's shares over the historical period from March 2020 (the date of the reverse take over) to the valuation date.

The total fair value of the New Warrants was £52,000 and this amount has been fully recognised during the year ended 31 December 2024. Given this amount directly related to the cost of issuing new ordinary shares to the UK investment firm, the total amount of £52,000 was offset against the share premium balance specifically created in connection with the relevant issue of Subscription Shares in accordance with IAS 32 ("Financial Instruments").

### *Share warrants issued to Mercator*

During 2021 the Group entered into a funding facility with Mercator Capital Management Fund LP ("**Mercator**") which required share warrants to be issued representing 20% of the face value of any loan notes or convertible loan notes issued in connection with this facility. These warrants have a term of 3 years from issue and an exercise price of 130% of the lowest closing VWAP over the ten trading days immediately preceding the issue of the warrants.

The total number of share warrants issued under this arrangement to Mercator during the years ended 31 December 2021 and 2022 was 961,832,433 (the "**Mercator Warrants**"). Details of the outstanding share warrants issued to Mercator are set out in the table below. During the year ended 31 December 2024, a total of 522,791,512 of the Mercator Warrants expired prior to being exercised. There is no impact to the financial statements as a result of these warrants expiring. There have been no movement in these Mercator Warrants during the prior year ended 31 December 2023, however as announced by the Company on 23 November 2023, and further on 28 March 2024, the Company approved the transfer of Mercator Warrants from Mercator to an independent third-party purchaser(s).

### *Outstanding Mercator Warrants at 31 December 2024*

| <b>Date of issue</b> | <b>Number of warrants outstanding</b> | <b>Exercise price</b> | <b>Expiry date</b> |
|----------------------|---------------------------------------|-----------------------|--------------------|
| 4 January 2022       | 77,763,767                            | £0.00174              | 4 January 2025     |
| 2 February 2022      | 79,179,799                            | £0.00171              | 2 February 2025    |
| 4 March 2022         | 105,948,198                           | £0.00128              | 4 March 2025       |
| 14 July 2022         | 176,149,157                           | £0.00085              | 14 July 2025       |
| <b>Total</b>         | <b>439,040,921</b>                    |                       |                    |

### *Mercator Warrants that expired during the year ended 31 December 2024*

| <b>Date of issue</b> | <b>Number of warrants outstanding</b> | <b>Exercise price</b> | <b>Expiry date</b> |
|----------------------|---------------------------------------|-----------------------|--------------------|
| 1 October 2021       | 443,726,031                           | £0.00316              | 1 October 2024     |
| 1 November 2021      | 29,197,856                            | £0.00314              | 1 November 2024    |
| 1 December 2021      | 49,867,625                            | £0.00184              | 1 December 2024    |

|       |             |
|-------|-------------|
| Total | 522,791,512 |
|-------|-------------|

The total fair value of the above Mercator Warrants has been fully expensed in the prior periods. No further costs have been recognised in the current financial year ended 31 December 2024 (2023: £nil), and none of these warrants have been converted during the same period (2023: nil converted).

***Share warrants issued to Venus under the 2022 Capital Enhancement Plan***

On the 27 April 2022, the Group announced it had entered into a subscription agreement with Venus Capital S.A ("Venus Capital"). Under the terms of this subscription agreement the Group issued a total of 8,175,000,000 share warrants to Venus Capital during the year ended 31 December 2022, and as at the 31 December 2024, these all remain outstanding. The initial terms of the warrants specified that they could be exercised at any time up to 31 December 2025 and have an exercise price of 0.065 pence per warrant, however this expiry date was extended to 31 December 2026 through a deed of amendment dated 26 April 2023.

As these share warrants were issued as a cost of issuing new ordinary shares to Venus Capital, they fall into of scope of IFRS 2 ("Share-based payments") and the total fair value of these was fully recognised during 2022. No further costs have been recognised in the year ended 31 December 2024 (2023: £nil).

***Share warrants issued to retail shareholders under the Open Offer***

On 22 July 2022, the Group announced an Open Offer, giving existing shareholders the opportunity to subscribe for up to 641,710,082 new ordinary shares in the Group. Following the closing of the Open Offer, on 18 August 2022, the Group announced it would allot and issue 641,710,082 new ordinary shares to those qualifying shareholders.

In addition, the Group also issued 320,855,008 warrants to the qualifying shareholders on the basis of one warrant for every two ordinary shares received as a result of the Open Offer. The initial terms of the warrants specified that they could be exercised at any time up to 31 December 2025 and have an exercise price of 0.065 pence per warrant, however this expiry date was extended to 31 December 2026 through a deed of amendment dated 26 April 2023.

As these share warrants were issued as a cost of issuing the new Open Offer ordinary shares they fall into of scope of IFRS 2 ("Share-based payments") and the total fair value of these was fully recognised during 2022. No further costs have been recognised in the year ended 31 December 2024 (2023: £nil).

Subsequent to the issue of the Open Offer warrants, and prior to 31 December 2024, a cumulative amount of 160,091,075 (31 December 2023:160,036,379) of these warrants have been converted in exchange for new ordinary shares and as at 31 December 2024 there is a balance of 160,763,933 (31 December 2023: 160,818,629) Open Offer warrants which remained outstanding. On the exercise of the Open Offer warrants, the fair value amount is reclassified from the share-based payment reserve to retained losses in the relevant period in the Groups statement of changes in equity.

***Share warrants issued to Venus Capital under the April 2023 Equity Subscription Agreement***

On the 28 April 2023, the Company announced it had and entered into a new subscription agreement with Venus Capital. Under this subscription agreement, 2,250,000,000 new warrants were required to be issued to Venus Capital (the "New Venus Warrants"). This resulted in an obligation for the Group to issue the New Venus Warrants. These New Venus Warrants are each exercisable into one new ordinary share at a price equal to 0.065 pence per share up to a final exercise date of 31 December 2026.

As these share warrants were issued as a cost of issuing new ordinary shares to Venus Capital they fall into of scope of IFRS 2 ("Share-based payments"). As such, the Directors were required to determine the fair value of the equity-settled share-based payments at the date on which they were granted. The total fair value of the New Venus Warrants was £1,717,000 and this amount has been fully recognised during the year ended 31 December 2023. These were no additional amounts recognised during the current financial year ended 31 December 2024.

Given this amount directly related to the cost of issuing new ordinary shares to Venus Capital, the total amount of £1,717,000 was offset against the share premium balance during the financial year ended 31 December 2023 in accordance with IAS 32 ("Financial Instruments"). This amount was offset against the related share premium that was created in connection with the relevant issue of ordinary share to Venus Capital. No further amounts have been recognised in the year ended 31 December 2024.

***Extension to the expiry date of the warrants issued in connection with the Open Offer carried out on 17 August 2022 and the warrants issued to Venus Capital during 2022***

As outlined above, both of these warrants had been valued previously in line with IFRS 2 ("Share-based payments"). The modification to the expiry date was also valued in line with IFRS 2. The change in the fair value due to the extension of the expiry date on those warrants still outstanding at the time of modification of £346,000 was fully recognised during the six month period ended 30 June 2023.

Given this amount directly related to the cost of issuing new ordinary shares in the past to Venus Capital or under the Open Offer, the amount of £132,000 was offset against the share premium balance in accordance with IAS 32 ("Financial Instruments") and the remaining fair value amount of £214,000 was recognised in retained losses during the year ended 31 December 2023. No further amounts have been recognised in the year ended 31 December 2024.

A summary of the share warrants outstanding as at 31 December 2024 is detailed in the table below:

|                                                                                                     | Number of warrants<br>outstanding at 31<br>December 2024 | Number of warrants<br>outstanding at 31<br>December 2023 |
|-----------------------------------------------------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| Share warrants issued to Mercator                                                                   | 439,040,921                                              | 961,832,433                                              |
| Share warrants issued to Venus Capital                                                              | 8,175,000,000                                            | 8,175,000,000                                            |
| Share warrants to be issued to Venus Capital                                                        | 2,250,000,000                                            | 2,250,000,000                                            |
| Share warrants issued to retail shareholders                                                        | 160,763,933                                              | 160,818,629                                              |
| Share warrants issued in connection with New Equity<br>Subscription Agreement completed in May 2024 | 450,000,000                                              | -                                                        |
| <b>Total</b>                                                                                        | <b>11,474,804,854</b>                                    | <b>11,547,651,062</b>                                    |

A summary of the movement to the number of share warrants outstanding during the financial year ended 31 December 2024 are set out below:

- a total of 522,791,512 shares warrants that had previously been issued to Mercator expired prior to the holder choosing to convert into ordinary shares of the Company;
- a total of 54,696 share warrants that had been issued in connection with the Open Offer that took place in August 2022, where exercised by the holders and converted into ordinary shares of the Company; and
- a total of 450,000,000 new share warrants were issued under the New Equity Subscription Agreement that was completed in May 2024. These all remain unexercised as at 31 December 2024.

A summary of the fair value of the share warrants issued during the period, including the change in fair value due to modification of the terms of certain share warrants, are detailed in the table below:

|                                                                                                                                     | 2024      | 2023         |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------|--------------|
|                                                                                                                                     | £ 000     | £ 000        |
| Share warrants to be issued to Venus Capital                                                                                        | -         | 1,717        |
| Increase in fair value of outstanding warrants issued to Venus Capital and retail shareholders as a result of expiry date extension | -         | 346          |
| May 2024 Subscription Agreement                                                                                                     | 52        | -            |
| <b>Total</b>                                                                                                                        | <b>52</b> | <b>2,063</b> |

#### *Employee share scheme awards*

##### *October 2022 Employee share scheme*

On 31 October 2022, the Group awarded an long term-term incentive plan ("LTIP") conditional on performance conditions to certain employees, being the achievement of specified Total Shareholder Return ("TSR") (market condition) performance, as well as continued employment. The TSR performance related to a three year period over the 2022, 2023 and 2024 financial years and the required TSR performance is set out in the table below with the adjusted share price measurement period being the average closing mid-market price of a share over a three month period ending on the last dealing day of the performance period:

| Adjusted share price per share | Percentage of TSR award vesting |
|--------------------------------|---------------------------------|
| Below 0.6945 pence             | 0%                              |
| Equal to 0.6945 pence          | 25%                             |
| 1 penny or greater             | 100%                            |

Vesting was to be on a straight-line basis between target levels, however as the average closing mid-market price of a share over a three month period ending 31 December 2024 did not meet the lower of the performance targets set above, none of the share awards will vest.

The vesting date of these share awards was to be 31 October 2025, and the continued employment needed to cover up until this date. The share awards issued to the Chief Executive Officer were to be subject to an additional 2 years holding period following the vesting date.

For those share schemes with market related vesting conditions, the fair value is determined using the Monte Carlo model at the grant date. The following table lists the inputs to the model used for the awards granted in the year ended 31 December 2022 based on information at the date of grant:

| LTIP awards (granted on 31 October 2022) | TSR element  |
|------------------------------------------|--------------|
| Share price at date of grant             | 0.08 pence   |
| Award price                              | 0.002 pence  |
| Volatility                               | 116.38%      |
| Life of award                            | 3 years      |
| Risk free rate                           | 3.34%        |
| Dividend yield                           | 0%           |
| Fair value per award                     | 0.0245 pence |

The additional holding period applicable to the share awards issued to the Chief Executive Officer have been valued using the Finnerty model. The following table lists the inputs to the model used for the awards granted in the year ended 31 December 2022 based on information at the date of grant:

| LTIP awards (granted on 31 October 2022) | TSR element additional holding period |
|------------------------------------------|---------------------------------------|
| Share price at date of grant             | 0.08 pence                            |
| Award price                              | 0.08 pence                            |
| Volatility                               | 116.73%                               |
| Life of holding period                   | 2 years                               |
| Risk free rate                           | 3.60%                                 |
| Dividend yield                           | 0%                                    |
| Fair value per award with holding period | 0.0208 pence                          |

These awards would have been equity-settled by award of ordinary shares, however as set out above due to the TSR performance condition not having been met at the end of 2024, none of these share awards will vest in the future. The total share-based payment charge recognised in the consolidated statement of comprehensive income for the year ended 31 December 2024 in relation to the October 2022 employee share scheme options is £20,000 (2023: £60,000). As all social security charges with respect to the share awards will be the responsibility of the employee, no expense has been recognised by the Group in respect of these charges.

The following table summarised the movements in the number in share awards issued by the Company in October 2022:

|                                                                  | 2024<br>No.   | 2023<br>No.        |
|------------------------------------------------------------------|---------------|--------------------|
| Outstanding at 1 January                                         | 786,658,094   | 874,783,094        |
| Conditionally awarded in year                                    | -             | -                  |
| Exercised                                                        | -             | -                  |
| Forfeited or expired in year                                     | (228,883,759) | (88,125,000)       |
| Lapsed at 31 December due to performance condition not being met | (557,774,335) |                    |
| <b>Outstanding at 31 December</b>                                | <b>-</b>      | <b>786,658,094</b> |
| <b>Exercisable at the end of the year</b>                        | <b>-</b>      | <b>-</b>           |

*May 2023 Employee share scheme*

On 19 May 2023, the Group awarded its second LTIP conditional on performance conditions to certain employees, being the achievement on continued employment and the achievement of performance conditions relating to the specified TSR (market condition) performance (50%) and the specific GBP amount of inventory monetised (non market condition) (50%). Each of the performance conditions relate to a three year period over the 2023, 2024 and 2025 financial years and the required performance is as follows:

- with respect to the TSR element the adjusted share price measurement period is the average closing mid-market price of a share price over a three month period ending on the last dealing day of the performance period, being 31 December 2025. If the average share price during the measurement period is 0.15p then 25% of the award will vest, and this increases on a straight line basis to 0.3p for 100% of vesting; and
- with respect to the GBP amount of inventory monetised the measurement period is by the end of the performance period, being 31 December 2025. 25% of the award will vest if £300m of inventory is monetised (in aggregate) over the three year performance period, increasing on a straight line to 100% of the award to vest if £400m of inventory is monetised (in aggregate) over the same three year performance period.

As with the October 2022 LTIP award in addition to the satisfaction of the performance conditions set out above, the Group's Remuneration Committee must also be satisfied that the potential level of vesting of the LTIP is appropriate in all circumstances.

The vesting date of these share awards is 19 May 2026, and the continued employment covers up until this date. The share awards issued to the Chief Executive Officer are subject to an additional 2 years holding period following the vesting date.

For those share schemes with market related vesting conditions, the fair value is determined using the Monte Carlo model at the grant date. For those share schemes with non-market vesting conditions, the fair value is determined using the Black Scholes model at the grant date. The following table lists the inputs to the models used for the May 2023 share awards granted based on information at the date of grant:

| LTIP awards (granted on 19 May 2023) | TSR element  | Inventory Monetisation element |
|--------------------------------------|--------------|--------------------------------|
| Share price at date of grant         | 0.14 pence   | 0.14 pence                     |
| Award price                          | 0.002 pence  | 0.002 pence                    |
| Volatility                           | 119.81%      | n/a                            |
| Life of award                        | 3 years      | 3 years                        |
| Risk free rate                       | 3.90%        | n/a                            |
| Dividend yield                       | 0%           | 0%                             |
| Fair value per award                 | 0.1098 pence | 0.1384 pence                   |

The additional holding period applicable to the share awards issued to the Chief Executive Officer have been valued using the Finnerty model. The following table lists the inputs to the model used for the awards granted during year ended 31 December 2024 based on information at the date of grant:

| LTIP awards (granted on 19 May 2023) | TSR element  | Inventory Monetisation element |
|--------------------------------------|--------------|--------------------------------|
| Share price at date of grant         | 0.14 pence   | 0.14 pence                     |
| Award price                          | 0.14 pence   | 0.14 pence                     |
| Volatility                           | 127.25%      | 127.25%                        |
| Life of award                        | 2 years      | 2 years                        |
| Risk free rate                       | 3.87%        | 3.87%                          |
| Dividend yield                       | 0%           | 0%                             |
| Fair value per award                 | 0.0924 pence | 0.1165 pence                   |

These awards will be equity-settled by award of ordinary shares. The total share-based payment charge recognised consolidated statement of comprehensive income for the year ended 31 December 2024 in relation to the May 2023 employee share scheme options was a credit of £9,000 (2023: debit of £71,000). As all social security charges with respect to the share awards will be the responsibility of the employee, no expense has been recognised by the Group in respect of these charges.

In calculating the credit recognised in comprehensive income for the current financial year, the Board made the judgement that the Inventory Monetisation target of the May 2023 LTIPs was highly unlikely to be met by the end of the performance period, and as such a true up adjustment was required to ensure the cumulative amounts charged to comprehensive income since grant date reflected this judgement.

The following table summarised the movements in the number in share awards issued by the Company in May 2023:

|                                           | 2024               | 2023               |
|-------------------------------------------|--------------------|--------------------|
|                                           | No.                | No.                |
| Outstanding at 1 January                  | 309,095,310        | -                  |
| Conditionally awarded in year             | -                  | 343,548,435        |
| Exercised                                 | -                  | -                  |
| Forfeited or expired in year              | (80,838,945)       | (34,453,125)       |
| <b>Outstanding at 31 December</b>         | <b>228,256,365</b> | <b>309,095,310</b> |
| <b>Exercisable at the end of the year</b> | <b>-</b>           | <b>-</b>           |

## 25 Share issue costs

The costs relating to the equity subscription share issue that took place during the year have been netted off against the amount of share premium that is recognised in respect of the share issue to which they directly relate. Any amounts in excess of the share premium recognised, are taken to retained earnings. Details of the share issue costs recognised during the year ended 31 December 2024 are set out in the table below.

|                                                                                                     | 2024                                    |                                             |
|-----------------------------------------------------------------------------------------------------|-----------------------------------------|---------------------------------------------|
|                                                                                                     | Costs recognised in share premium £ 000 | Costs recognised in retained earnings £ 000 |
| Share warrants issued in connection with New Equity Subscription Agreement dated May 2024 (note 24) | 52                                      | -                                           |
| Other costs (legal fees, listing fees, commission cost)                                             | 140                                     | -                                           |
| <b>Total</b>                                                                                        | <b>192</b>                              | <b>-</b>                                    |

|                                                                                                                                          | 2023                                    |                                             |
|------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|---------------------------------------------|
|                                                                                                                                          | Costs recognised in share premium £ 000 | Costs recognised in retained earnings £ 000 |
| 2023 Venus Subscription warrant costs (note 24)                                                                                          | 1,717                                   | -                                           |
| Other costs (legal fees, listing fees, commission cost)                                                                                  | 254                                     | -                                           |
| Impact of extension of expiry date of warrants issued during 2022 relating to Capital Enhancement plan and Open Offer warrants (note 24) | 132                                     | 214                                         |
| <b>Total</b>                                                                                                                             | <b>2,103</b>                            | <b>214</b>                                  |

## 26 Loss from discontinued operations recognised in the prior year comparative period

During the second half of 2022, the Board of Directors of the Company began the process of the TradeFlow Restructuring, and as such in the financial statements for the year ended 31 December 2022, it was considered that the TradeFlow operations meet the criteria to be classified as held for sale at the balance sheet date in accordance with IFRS 5 ("*Non-current Assets Held for Sale and Discontinued Operations*"). This is due to the fact that as at this date the details of the TradeFlow Restructuring had all been agreed in principle between the parties and was expected to be completed post year-end. As a result the TradeFlow operations were available for immediate sale in its present condition and it was highly probable that that sale would be completed at 31 December 2022. Subsequently, on 30 June 2023 the Company announced that had entered into relevant binding commercial agreements to complete the TradeFlow Restructuring.

The TradeFlow Restructuring resulted in the Group reducing its ownership in TradeFlow from 100% to 19% by selling 81% of the issued share capital in TradeFlow to Tom James and John Collis (the "**Buyers**"). The consideration for the Group's 81% stake in TradeFlow was £14,386,100 of which £12,386,100 was netted off against potential future amounts owed by the Group to the Buyers under the terms of an earn-out letter relating to the original acquisition of TradeFlow in July 2021.

This resulted in a remaining £2,000,000 consideration to be receivable by the Group. On the 30 June 2023, the Group's major shareholder, TAG, assumed this remaining £2,000,000 consideration, to be receivable by the Group, from the buyers of TradeFlow, by way of a debt novation deed (the "**Deed of Novation**"). As outlined in note 14, this £2,000,000 was repaid by TAG over 2023 and 2024.

The accounting for the TradeFlow Restructuring has been reflected in the consolidated financial statements for the year ended 31 December 2023. During the period from 1 January 2023 and up until the date of completion of the TradeFlow Restructuring, being 30 June 2023, the TradeFlow operations continued to meet the criteria to be classified as held for sale in accordance with IFRS 5 ("*Non-current Assets Held for Sale and Discontinued Operations*"). The TradeFlow operations contributed a loss of £185,000 (inclusive of the profit on disposal of 81% of TradeFlow referred to below) in the period from 1 January 2023 to 30 June 2023.

From 30 June 2023, the assets and liabilities of TradeFlow, including the intangible assets acquired on the acquisition of TradeFlow in July 2021, are no longer consolidated by the Group, and instead the fair value of the new 19% investment of £352,000 was recognised on the balance sheet as at 30 June 2023, together with the outstanding consideration to be received from TAG. The difference between these items resulted in a profit on disposal of 81% of TradeFlow recorded in the consolidated financial statements for the year ended 31 December 2023 of £718,000.

The results of the TradeFlow (discontinued) operations for the period from 1 January 2023 to 30 June 2023 are presented below:

|                                                                                                                                   | 6 months to 30<br>June 2023* |
|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------|
|                                                                                                                                   | £ 000                        |
| Revenue                                                                                                                           | 684                          |
| Administrative expenses                                                                                                           | (1,037)                      |
| Other operating income                                                                                                            | 24                           |
| Amortisation of intangible assets                                                                                                 | (442)                        |
| Foreign currency translation loss reclassified to comprehensive income                                                            | (62)                         |
| Profit on disposal of 81% of TradeFlow                                                                                            | 718                          |
| <b>Operating loss</b>                                                                                                             | <b>(115)</b>                 |
| Finance costs                                                                                                                     | (145)                        |
| <b>Loss before tax</b>                                                                                                            | <b>(260)</b>                 |
| Deferred tax credit                                                                                                               | 75                           |
| <b>Loss for the period</b>                                                                                                        | <b>(185)</b>                 |
| <i>*Represents the results for the six-month period prior to the finalisation of the TradeFlow Restructuring on 30 June 2023.</i> |                              |

The net cash flows from the TradeFlow operations were as follows:

|                                                                                                                                      | 6 months to<br>30 June 2023* |
|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
|                                                                                                                                      | £ 000                        |
| Net cash flow from operating activities                                                                                              | (405)                        |
| Net cash flow from investing activities                                                                                              | -                            |
| Net cash flow from financing activities                                                                                              | 405                          |
| <b>Net cash outflow</b>                                                                                                              | <b>-</b>                     |
| <i>*Represents the cash flows for the six-month period prior to the finalisation of the TradeFlow Restructuring on 30 June 2023.</i> |                              |

The calculation of the profit on disposal of 81% of TradeFlow as at 30 June 2023 is shown below:

|                                                                                                 | As at<br>30 June 2023<br>£ 000 |
|-------------------------------------------------------------------------------------------------|--------------------------------|
| Accounting fair value of the 81% ownership of the TradeFlow operations disposed of by the Group | 2,000                          |
| Accounting fair value of 19% ownership of the TradeFlow operations retained by the Group        | 352                            |
|                                                                                                 | <b>2,352</b>                   |
| Less:                                                                                           |                                |
| Accounting fair value of net assets disposed of by the Group                                    | (1,634)                        |
| <b>Profit on disposal of 81% of TradeFlow</b>                                                   | <b>718</b>                     |

The value of the 19% ownership of the TradeFlow operations retained by the Company was calculated with reference to the specifics set out in the TradeFlow Restructuring share purchase agreement dated 30 June 2023 (the "TradeFlow SPA"). These specifics included:

- The TradeFlow SPA set out the total legal consideration for the 81% of the TradeFlow business and required a cash amount of £2,000,000 to be payable to the Company by the Buyers as a result of the TradeFlow Restructuring;
- Based on the amount agreed in a) above, the estimated accounting fair value of 100% of the TradeFlow operations is assumed to be £2,469,000; and
- Based on the numbers set out in a) and b) above, the fair value of the 19% investment in TradeFlow retained by the Company as at 30 June 2023 is £469,000. Management then applied a discount of 25% to this fair value to take account of the fact that the Group no longer controls TradeFlow operations. This discount applied is a management judgement that will continue to be reassessed at each reporting date.

The major classes of assets and liabilities of the TradeFlow operations as at 30 June 2023, immediately prior to the finalisation of the TradeFlow Restructuring, are shown below:

|               | As at 30 June<br>2023*<br>£ 000 |
|---------------|---------------------------------|
| <b>Assets</b> |                                 |

|                                                    |              |
|----------------------------------------------------|--------------|
| Intangible assets                                  | 5,841        |
| Tangible assets                                    | 2            |
| Trade and other receivables                        | 174          |
| Contract assets                                    | 119          |
| Cash and cash equivalents                          | 305          |
| <b>Assets of disposal group held for sale</b>      | <b>6,441</b> |
| <b>Liabilities</b>                                 |              |
| Trade and other payables                           | 482          |
| Long-term borrowings                               | 3,440        |
| Deferred tax liability                             | 885          |
| <b>Liabilities of disposal group held for sale</b> | <b>4,807</b> |
| <b>Net assets</b>                                  | <b>1,634</b> |

*\*Represents the assets and liabilities of the TradeFlow operations as at 30 June 2023 immediately prior to the finalisation of the TradeFlow Restructuring.*

## 27 Investments

As set out in note 26, the fair value of the 19% investment in the equity instruments of TradeFlow was initially recorded having regard to the accounting consideration received for the disposal of 81% of the Group's holding in TradeFlow as adjusted for an appropriate discount for loss of control. As at 31 December 2024, a fair value adjustment of £284,000 (31 December 2023: £68,000) was recorded to fully reverse the remaining fair value of the 19% investment in TradeFlow held on the balance sheet at this date. This reflected the lack of regular TradeFlow financial information available to the Group and also the increase in TradeFlow's underlying net liabilities that had been observed since the TradeFlow Restructuring was completed (2023: based on the movement in TradeFlow's net liabilities between the date of the TradeFlow Restructuring and 31 December 2023).

## 28 Related Party Transactions

During the year ended 31 December 2024, the following are treated as related parties:

### *Alessandro Zamboni*

Alessandro Zamboni is the Chief Executive Officer of the Group and is also the sole director of the AvantGarde Group S.p.A ("TAG") as well as holding numerous directorships across companies including RegTech Open Project plc. As at 31 December 2024, the Group recorded amounts due to Alessandro Zamboni of £91,000 relating to overdue salary payments and £3,000 for reimbursement of expenses (31 December 2023: £37,000 relating to overdue salary). The full £91,000 relating to overdue salary has been settled prior to the publication of these consolidated financial statements.

### *Independent non-executive directors*

As at 31 December 2024, the Group recorded amounts due to the current independent non-executive directors of £64,000 relating to overdue salary payments (31 December 2023: £26,000). The full £64,000 relating to overdue salary has been settled prior to the publication of these consolidated financial statements.

### *TAG and the Group's operating subsidiaries*

Alessandro Zamboni is the CEO of the Group and is also the sole director of TAG. As at 31 December 2024, TAG held 22.6% of the Company's total ordinary shares issued in Supply@ ME Capital plc (as at 31 December 2023: 24.0%).

Following the reverse takeover in March 2020, the Group entered into a Master Service Agreement with TAG in respect of certain shared services to be provided to the Group. During the year ended 31 December 2024, the Group incurred expenses of £38,000 (2023: £39,000) to TAG in respect of this agreement. Additionally, during the year ended 31 December 2024, the Group incurred costs of £22,000 from TAG (2023: £22,000) in relation to certain ICT services provided, recognised costs of £4,000 which were paid by TAG on behalf of the Group (2023: £2,400), and had recognised £81,000 of legal costs which had been paid on behalf of the Group by TAG (2023: £45,000).

In relation to the amounts detailed above, as at 31 December 2024 the following amounts were recognised in the consolidated statement of financial position:

- no amounts were included in trade receivables or trade payables as being owed to or by the Group to TAG respectively (31 December 2023: £nil);
- an amount of £13,000 (31 December 2023: £58,000) had been accrued as other payables in respect of those costs that had been incurred or paid on behalf of the Group by TAG for which invoices were still to be received as at 31 December 2024.

### *TAG and TradeFlow Restructuring*

As set out in note 26, on 30 June 2023, TAG assumed the remaining £2,000,000 consideration arising from the TradeFlow Restructuring, to be receivable by the Group from the Buyers, by way of the Deed of Novation. As outlined in note 14, this £2,000,000 was repaid by TAG over 2023 and 2024. As at 31 December 2024 this amount had been fully repaid with £nil outstanding from TAG in relation to this amount (31 December 2023: £772,000 remained outstanding from TAG).

TAG repaid £1,228,000 of this amount during 2023 and the remaining £772,000 throughout 2024. The payments totalling £772,000 which had been received during the current year were received through a split of £570,000 in cash (2023: £771,000) and £202,000 by way of offset against amounts owed by the Group companies to TAG (2023: £36,000). In the prior year there was also an amount of £421,000 that was repaid by way of formal debt novation agreements with specific suppliers whereby the debt held by the Group companies was novated to TAG with no recourse by to the Group companies.

In relation to the Group debt that was novated to TAG in lieu of a cash payment, as at 31 December 2024 the Group held an amount receivable from TAG on its balance sheet for the value of £45,000 (31 December 2023: £53,000). This primarily related to withholding tax amounts on certain "proforma" invoices that had been novated, as the supplier invoice settled by TAG was net of the withholding tax amount and such remains due from TAG to the Group as at 31 December 2024 (31 December 2023: the amount primarily related to VAT amounts on certain "proforma" invoices that had been novated, as the VAT receivable was yet to be recorded in the Group's statement of financial position. As such, this amount has been recorded as being receivable from TAG and when the "formal" invoices are issued from the supplier, this amount will be reclassified as a VAT receivable).

The Company has been charging a late fee to TAG in terms of overdue payments of this particular receivable balance, and this late fee is calculated at a compounding rate of 15% per annum on any amounts of the instalments not transferred to the Company by the relevant due date, in accordance with the contractual arrangements. During the year ended 31 December 2024, the Group recognised £33,000 of interest revenue (2023: £11,000) in relation to the late payments by TAG in respect of this particular receivable balance. As at 31 December 2024 an amount of £7,000 remained outstanding (31 December 2023: £11,000). The £37,000 paid by TAG during the current financial year in respect to this late payment interest (2023: £nil) was by way of offset against other invoiced amounts owed by the Group companies to TAG.

#### ***TAG Unsecured Working Facility***

On the 28 April 2023, the Company and TAG entered into a fixed term unsecured working capital loan agreement (the "**TAG Unsecured Working Capital Facility**"). Under the TAG Unsecured Working Capital Facility, TAG agreed to provide, subject to customary restrictions, a facility of up to £2,800,000, in tranches up to 31 January 2024, to cover the Company's interim working capital and growth needs. In conjunction with the TradeFlow Restructuring, which was completed on 30 June 2023, the £2,000,000 receivable by the Company that was assumed by TAG from the Buyers, was offset against the current obligations of TAG under TAG Unsecured Working Capital Facility. The amendment to the TAG Unsecured Working Capital Facility was agreed on 30 June 2023 and this reduced the obligations to the Company under the TAG Unsecured Working Capital Facility to up to £800,000.

The due date for repayment by the Company of amounts drawn under the TAG Unsecured Working Capital Facility was originally 1 February 2028. Any sums drawn under the TAG Unsecured Working Capital Facility attracted a non-compounding interest rate of 10% per annum, and any principal amount (excluding accrued interest) outstanding on 1 February 2028 will attract a compounding interest rate of 15% per annum thereafter. Interest will be due to be paid annually on 31 March of each relevant calendar year.

On 30 June 2023, the Company issued a draw down notice to TAG under the amended TAG Unsecured Working Facility for the full £800,000 available. £250,000 of this amount was received by the Group during 2023, with the remaining £550,000 being received in 2024.

As at 31 December 2023, £250,000 had been received from TAG in respect of this facility (31 December 2022: £nil). In respect of these amounts received from TAG, the Group recognised an interest expense of £7,000 (2022: £nil), which all remained unpaid as at 31 December 2023. Subsequent to TAG satisfying the full amount of £800,000 drawn down by the Company under the amended TAG Unsecured Working Capital Facility, on 26 March 2024, the Company and TAG signed a second deed of amendment agreement, which allowed the full outstanding amount of the amended TAG Unsecured Working Capital Facility to be extinguished by the issue of 1,500,000,000 new ordinary shares of nominal value £0.00002 each which were issued to TAG on 28 March 2024. These new ordinary shares issued had a fixed subscription price of 0.053 pence per share.

At the time of settlement an amount of £20,000 in interest was due to TAG in respect of the Working Capital facility (31 December 2023: £7,000). This was agreed to be offset against the interest receivable due from TAG in relation to late payment of Top-Up Shareholder Loan Agreement.

#### ***Top-Up Shareholder Loan Agreement***

On 28 September 2023, the Company and TAG entered into an English law governed top-up unsecured shareholder loan agreement (the "**Top-Up Shareholder Loan Agreement**"), pursuant to which TAG agreed to provide the Company with a further facility of up to £3,500,000 to cover the Company's working capital and growth needs up to 30 June 2025 (the "**Top-Up Facility**").

Details of this Top-Up Facility are set out below:

- The Company has the ability to draw down up to £3.5 million in monthly instalments over the period to 30 June 2025. On 30 September 2024, this period was extended from 30 June 2025 to 31 December 2025;
- On a monthly basis the Board will assess (acting in good faith and in its sole and absolute discretion) if the Group's projected cash balance on the last business day of the coming calendar month will be less than £250,000 following the Group's scheduled balance of receipts and payments for the next month by reference to, inter alia, the Group's contracted receivables, revenues and payables due for receipt or payment in the next month, the Group's contracted fixed operating expenditure and/or capital expenditure due for payment in the next month, the cash inflows in the next month arising from any warrants that have been contractually exercised and any projected unrestricted cash amounts resulting from any contractually agreed alternative equity, debt or hybrid financing (including, but not limited to, pursuant to a pre-emptive offering of ordinary shares and a non-pre-emptive offering of ordinary shares) for such month;
- If the above assessment results in the Group's projected cash balance on the last business day of the coming calendar month being less than £250,000, the Company may draw down an amount under the TAG Top-Up Shareholder Loan Agreement which is no greater than the GBP amount to ensure that the Group's bank balances in the coming month shall be equal to £250,000;
- Repayment of any sum drawn down under the TAG Top-Up Shareholder Loan Agreement will be due five calendar years (calculated on the basis of a year of 360 days) from the date which funds are received by the Company subject to the relevant draw down request;
- Any sums drawn down by the Company under the TAG Top-Up Unsecured Shareholder Loan will attract a non-compounding interest rate of 10% per annum, and any principal amount (excluding accrued interest) outstanding on a relevant due date shall attract a compounding rate of 15% per annum thereafter. Interest will be due to be paid annually on 31 March of each relevant calendar year.

As at 31 December 2024, the Group had issued draw down notices to the value of £2,042,000 to TAG, however these amounts had not yet been received by the Group (31 December 2022: amount drawn down of £969,000). As a result of the late payment of the amounts drawn down by TAG, the Group recognised an interest revenue of £279,000 (2023: £11,000), of which £270,000 (2023: £11,000) remained unpaid as at 31 December 2024. The £20,000 paid by TAG during the current financial year in respect to this late payment interest (2023: £nil) was by

way of offset against the interest payable by the Company to TAG that had accrued on the TAG Unsecured Working Capital Facility referred to above.

As detailed in note 14, the full outstanding balance of £270,000 in respect of this late payment interest was impaired as at 31 December 2024.

#### ***TradeFlow Capital Management Pte. Ltd. ("TradeFlow")***

On 30 June 2023, TradeFlow entered into a three-year White-Label licence agreement with Supply@ME Technologies S.r.l., a wholly owned subsidiary of the Group, with respect to use of the Platform, on a non-exclusive basis and limited to the Asia-Pacific region, for a total consideration of £1,000,000 payable over a three-year period. As at 31 December 2023, no amounts have been billed in respect of this contract, and no revenues have been recognised, as the two parties have been undergoing discussions regarding the point in time when the access to the Platform will be activated.

During the year ended 31 December 2024, TradeFlow have provided a termination notice to the Supply@ME Technologies S.r.l. in respect of this contract. The Board carried out a cost / benefit analysis of challenging this notice of termination, including the likely recoverability of amounts should any challenge be successful in the future. Following this, the termination notice was accepted and as such no amounts have been billed in respect of this contract, and no revenues have been recognised in either 2023 or 2024.

#### ***SFE Société Financière Européenne SA***

Commencing in 2023, the Group has been collaborating with a group of private investors and subject matter experts of working capital solutions to launch an independent Swiss-based trading business (the "**CH Trading Hub**") which has replaced the Cayman-based global inventory fund ("**GIF**"), previously advised by TradeFlow Capital Management Pte. Ltd. The CH Trading Hub, owned by Société Financière Européenne S.A. ("**SFE**"), has assumed control of the independent stock companies from the GIF and will purchase / set up additional stock companies in order to manage the overall trading businesses using the Platform and the associated services provided by the Group. TAG, along with a number of other investors, holds a non-controlling interest in SFE. During the years ended 31 December 2024 and 2023, no transactions were directly entered into between the Group and SFE, however it is noted that:

- in November 2023, Supply@ME S.r.l. sold two of its 100% owned subsidiaries, Supply@ME Stock Company 2 S.r.l. and Supply@ME Stock Company 3 S.r.l. to SFE for consideration of €1,000 each. Prior to the sale by Supply@ME Stock Company 2 S.r.l. and Supply@ME Stock Company 3 S.r.l. were non trading entities;
- in early January 2024, both the Group and SFE were party to the term sheet that was signed with respect to the commitment for the first White-Label transaction;
- in late April 2024, both the Group and SFE were party to an agreement that was signed with an Italian neo banking group to launch an Inventory Monetisation programme; and
- SFE now owns the Stock Company that has monetised the inventory from the first three IM transactions that have been facilitated over the Group's Platform.

## **29 Controlling party**

At 31 December 2024 the Directors do not believe that a controlling party exists.

## **30 Subsequent events**

#### ***New funding agreement with Nuburu Inc.***

On 18 March 2025, the Company entered into a new US\$5,150,000 on-demand convertible funding facility with Nuburu Inc., an NYSE listed high-tech company of which Alessandro Zamboni, a director of the Company, is Executive Chairman ("**Nuburu**"), which was subsequently amended on 10 June 2025 and 29 August 2025 (the "**Nuburu On-Demand Facility**"). The agreement of this new funding facility has followed the non-performance of the £3.5 million shareholder loan agreement the Company entered into with TAG on 28 September 2023.

The key terms of the Nuburu On-Demand Facility are set out below:

- Under the agreement signed on the 18 March 2025, the US\$5,150,000 will be received by the Company in line with the following tranches:
  - US\$150,000 which was received by the Company as an advance payment on 7 March 2025;
  - US\$500,000 on or before 31 March 2025;
  - US\$1,000,000 on or before 30 April 2025;
  - US\$1,000,000 on or before 31 May 2025;
  - US\$1,000,000 on or before 30 June 2025;
  - US\$1,000,000 on or before 31 July 2025; and
  - US\$500,000 on or before 31 August 2025.
- Nuburu experienced certain regulatory issues that impacted their ability to make the original initial tranches due on or before the 31 March 2025, on or before the 30 April 2025, and on or before 31 May 2025, on time and in full. As a result of the delayed initial tranches referred to above, the Nuburu funding agreement was amended firstly on 10 June 2025, and secondly on 29 August 2025, to agree new payment schedules that aligned with the actions being taken by Nuburu to raise

capital to allow it to complete its strategic investments and meet its commitment to the Company under the Nuburu On-Demand Facility. As at the date of publication of these consolidated financial statements for the year ended 31 December 2024, Nuburu had paid amounts totalling USD\$2,952,000 to the Company.

- Under the amended Nuburu On-Demand Facility dated 29 August 2025 the remaining amounts of USD\$2,198,000 was committed to be paid to the Company on or before 31 October 2025.
- If Nuburu announces the receipt of up to US\$3,000,000 of funding from SFE Equity Investments S.A.R.L. ("**SFE EI**"), such amounts will be advanced to the Company against any of the above tranches which have not been paid at the date of such receipt, accelerating the payment schedule set out above. Alternatively, if Nuburu announces the receipt of equity or debt funding from a party other than SFE EI, 30% of such amounts will be advanced to the Company against any outstanding tranches, up to a maximum of US\$3,000,000 (also taking into account any other amounts advanced from funding Nuburu may have received from SFE EI), which have not yet been paid, accelerating the payment schedule set out above.
- If, following an accelerated advance of US\$3,000,000 referred to in the point above, Nuburu announces the receipt of equity or debt funding (whether from SFE EI or any other equity or debt provider), 10% of such amounts will be advanced to the Company up to a maximum amount equal to the value of the remaining outstanding tranches at that time.
- The repayment of the Nuburu On-Demand Facility is, subject to the receipt of certain Approvals (as defined below), expected to be via on demand conversion(s) into ordinary shares of the Company at the request of Nuburu at a fixed conversion rate of £0.00003 per ordinary share to be issued.
- At the time point of any conversion of the Nuburu On-Demand Facility, Nuburu, will receive warrants over the ordinary shares of the Company at a ratio of 1 warrant for every 2 ordinary shares issued to Nuburu as a result of each conversion.
- The warrants have an exercise price of £0.000039, however Nuburu can elect to exercise the warrants on a cashless basis.
- In order for the Company to be able to issue the new ordinary shares that will be required under the Nuburu On-Demand Facility, a number of approvals will be required from the shareholders of the Company, the Financial Conduct Authority (the "**FCA**") and The Panel on Takeovers and Mergers (together, the "**Approvals**").
- Under the Nuburu On-Demand Facility, if the Approvals are not obtained by the Company by 30 June 2026, Nuburu can demand repayment in cash and the Company is required to provide security over intellectual property rights and receivables related to its Italian subsidiary entities in favour of Nuburu.
- Interest will accrue daily at the federal funds rate set by the Federal Open Market Committee of the US Federal Reserve from time to time plus 10%. Any interest accrued but outstanding at the date of any conversion notice issued by Nuburu will be added to the amount notified in the conversion notice.
- Following the obtaining of the Approvals, the Company can choose to pre-pay part or all of the outstanding amount of the Nuburu On-Demand Facility on that date.

In addition to the Nuburu On-Demand Facility, on 18 March 2025 the Company has also entered into a heads of terms agreement with Nuburu (the "**Heads of Terms**") whereby the following actions are legally binding by the Company:

- The Company has agreed to release TAG from its obligations under the Top-Up Shareholder Loan Agreement once Nuburu has provided the full US\$5,150,000 of funding to the Company under the Nuburu On-Demand Facility. The release of these obligations includes the Company's right to receive any amounts drawn down and any late payment interest amounts, arising as a result of the non-performance by TAG under the Top-Up Shareholder Loan Agreement;

- For a period from the date of receipt by the Company of the total amount of US\$5,150,000 funding until the date falling six months following the full repayment of the Nuburu On-Demand Facility, the Company has agreed that:
  - Alessandro Zamboni will remain as Chief Executive Officer of the Company, a director of the Company's Italian subsidiaries or in another such role as the Company and Nuburu may agree; and
  - TAG, or another entity designated by Alessandro Zamboni and approved by the Company, will continue to provide certain corporate support activities to the Company on the terms in force at the date of the Heads of Terms. These terms may be subject to review and approval by the Company as to the continuing supply of these services being in the best interests of the Company and the supply of those services being in line with the agreed contractual terms.

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