

**VINANZ LIMITED**  
**FINANCIAL STATEMENTS FOR PERIOD ENDING 31 AUGUST 2022**

**Vinanz Limited**  
**Annual Report and Financial Statements**  
**for the period 27 August 2021 to 31 August 2022**

**BVI Company registration number: 2073995**

**Vinanz Limited**

**Financial Statements**

**Period Ended 31 August 2022**

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**Vinanz Limited**

**Company Information**

**Period Ended 31 August 2022**

**Company registration number**

2073995

**Directors**

Jeremy S Edelman

**Registered agent**

Vistra (BVI) Limited

**Registered office**

Vistra Corporate Services Centre  
Wichhams Cay II  
Road Town  
Tortola  
VG 1110  
British Virgin Islands

**Auditor**

Pointon Young Chartered Accountants  
33 Ludgate Hill  
Birmingham  
B3 1EH  
United Kingdom

**Solicitor**

Hill Dickinson LLP  
The Broadgate Tower  
20 Primrose Street  
London  
EC2A 2EW  
United Kingdom

**Bankers**

Turicum Private Bank  
Turicum House  
315 Main Street  
PO Box 619  
Gibraltar

## **Vinanz Limited**

### **Strategic Report**

#### **Period Ended 31 August 2022**

I am pleased to present the first annual report and financial statements for the period ended 31 August 2022.

#### **OPERATIONS REVIEW**

The Company was incorporated on 27 August 2021. Mr Edelman was appointed as Director and sole shareholder.

The initial strategy being to participate in the technology sector and to seek a listing of its shares on a recognised stock exchange.

The director believes there are opportunities in the cryptocurrency sector, including but not limited to Bitcoin mining and other cryptocurrencies. Other investments could include de-centralised finance and big data.

On 15 August 2022, the Company signed an agreement with Valereum Plc, for the sale and purchase of twenty Bitcoin ("BTC") miners and the associated BTC mined. Valereum Plc shall receive, as a purchase price, shares in the Company, being the equivalent of USD\$190,000 and BTC held at the date of purchase. The shares being issued at a one pence price but subject to escrow as determined by the Exchange that the Company plans to list its ordinary shares. The agreement was conditional on the shares being listed.

#### **FINANCE REVIEW**

The loss for the period to 31 August 2022 amounted to £38,000 which mainly related to set up and regulatory costs plus other corporate overheads. The total revenue for the period was £Nil.

As at 31 August 2022, the Company held a negligible cash balance as the director was funding the Company by way of a loan with the intention of converting that loan to equity upon listing of the shares.

The Company does not recommend the payment of a dividend in the current period.

#### **OUTLOOK**

The Board remains confident that the private and pre-IPO markets remain significantly under-served and as such significant opportunities exist for the Company going forward. We look forward to 2023 being one in which we may acquire further investment positions, thereby increasing share value for all stakeholders.

The Company plans to expand on its BTC miners and progressively build out a Bitcoin mining company initially focusing on installing clusters of BTC miners in multiple de-centralised data facilities throughout the US and Canada.

We will continue to seek out further investments in line with the Company's investing strategy.

The director would like to take this opportunity to thank our stakeholders and consultants for their continued support.

The Company's principal risks and uncertainties are detailed in the Directors' Report.

#### **s172 Statement**

The Director continues to act in a way that he considers, in good faith, to be most likely to promote the success of the Company for the benefits of the members as a whole, and in doing so have regard, amongst other matters to:

- the likely consequences of any decision in the long term;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community as well as the environment;

## **Vinanz Limited**

### **Strategic Report (continued)**

#### **Period Ended 31 August 2022**

- the need to act fairly as between members of the Company, and
- the desirability of the Company maintaining a reputation for high standards of business conduct.

The Board has always recognised the relationships with key stakeholders as being central to the long-term success of the business and therefore seeks active engagement with all stakeholder groups, to understand and respect their views, in particular of those with the communities in which it invests, its host governments, employees and suppliers.

The Company will pay its directors and creditors promptly and keep its costs to a minimum to protect shareholders funds. When selecting investments, issues such as the impact on the community and the environment may have actively been taken into consideration.

The Company has incurred limited expenditure to date, has no employees other than the director and application of the s172 requirements will be better demonstrated in future periods once its investment starts exploration activity or if the Company makes further investments.



**Jeremy Edelman, Director**

13 April 2023

## **Vinanz Limited**

### **Director's Report**

#### **Period Ended 31 August 2022**

The director presents his first report on the Company's audited financial statements for the period ended 31 August 2022.

#### **Principal activity**

Vinanz Limited, a company incorporated on 27 August 2021 in the BVI, with registered number 2073995, aims to provide a listed UK platform to offer entry to the technology and cryptocurrency business. Vinanz focuses on the development of BTC cryptocurrency mining operations and an emerging class of powerful decentralised finance DeFi technologies. Together, cryptocurrencies and decentralised protocol technologies interoperate to create global decentralised financial services platforms. These platforms continue to enjoy rapid growth and are augmenting or replacing capabilities typically associated with traditional finance. Such capabilities include decentralised lending, order matching and exchanges, custodial services, trade finance, and asset management.

#### **Results and dividends**

The statement of Profit and Loss and Other Comprehensive Income is set out on page 15 and has been prepared in Sterling, the functional and reporting currency of the company.

The Company's net loss for the period was £38,000.

No dividends have been paid or proposed in the period.

#### **Review of the business and future developments**

A full review of the Company's performance, financial position and future prospects is given in the Strategic Report.

#### **Directors and their interests**

The directors who have served during the period were as follows:

Jeremy Edelman (Appointed 27 August 2021)

The interests of the Director at 31 August 2022 in the ordinary share capital of the Company (all beneficially held) were as follows:

#### **31 August 2022**

	<b>No. Shares</b>	<b>No. Options</b>
Jeremy Edelman	1	0

## Vinanz Limited

### Directors' Report (continued)

#### Period Ended 31 August 2022

#### Substantial shareholdings

Other than as summarised below, the Director has not been advised of any individual interest, or group or interests held by persons acting together, which at 31 August 2022 exceeded 3% of the Company's issued share capital.

	<b>Number of Ordinary Shares held</b>	<b>Percentage of issued share capital</b>
Jeremy Edelman	1	100%

At the time of signing this report, the significant shareholders in the Company are as follows:

	<b>Number of Ordinary Shares held</b>	<b>Percentage of issued share capital</b>
Jeremy Edelman	20,000,001	31.25%
David Lenigas	20,000,000	31.25%
Clear Capital	14,000,000	21.88%
Black Swan FZE	10,000,000	15.62%

#### Employees

The Company has no directly employed personnel in the period.

#### Creditor payment policy

The policy of the Company is to:

- (a) Agree the terms of payment with suppliers when settling the terms of each transaction;
- (b) Ensure that suppliers are made aware of the terms of payment by inclusion of all the relevant terms in contracts; and
- (c) Pay in accordance with its contractual and other legal obligations provided suppliers comply with the terms and conditions of supply.

#### Directors' liability

As permitted by the BVI Business Companies Act, 2004 (as amended), the Company is entitled to purchase insurance cover for the Directors against liabilities in relation to the Company.

#### Charitable donations

During the period, the Company made no charitable donations.

#### Financial reporting

The Board has ultimate responsibility for the preparation of the annual audited accounts. A detailed review of the performance of the Company is contained in the Strategic report. Presenting the Strategic report and Director's Report, the Board seeks to present a balanced and understandable assessment of the Company's position, performance and prospects.

## **Vinanz Limited**

### **Directors' Report (continued)**

#### **Period Ended 31 August 2022**

##### **Internal control**

A key objective of the Director's is to safeguard the value of the business and assets of the Company. This requires the development of relevant policies and appropriate internal controls to ensure proper management of the Company's resources and the identification and mitigation of risks which might serve to undermine them. The Director is responsible for the Company's system of internal control and for reviewing its effectiveness. It should, however, be recognised that such a system can provide only reasonable and not absolute assurance against material misstatement or loss.

##### **Risk management**

The director has in place a process of regularly reviewing risks to the business and monitoring associated controls, actions and contingency plans.

The Company's principal risks and uncertainties, including financial risk management policies, are set out in this report.

##### **Events after the end of reporting period**

At the time of signing this report, the Company is making significant progress with its application to list on the AQUIS Exchange (AQSE) Growth Market and expects to be listed during Quarter 2, 2023.

On 4 April 2023, the following ordinary common shares in the capital of the Company were issued for a deemed price of 0.25 pence: 10,000,000 for £25,000 to Jeremy Edelman, 20,000,000 for £50,000 to David Lenigas, 14,000,000 for £35,000 to Clear Capital Markets Limited and 10,000,000 to Black Swan FZE for £25,000.

On 6 April 2023, the director's loan amount of £23,000 as at 31 August 2022 together with an additional balance of £2,000 converted to ordinary common shares in the capital of the Company. A total of 10,000,000 ordinary common shares at a deemed price of 0.25 pence per share were issued to the Director.

##### **Principal risks**

The Company aims to provide a listed UK platform to offer entry to the technology and cryptocurrency business, and its principal risk is the carrying value of its investments.

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

###### *Business and investment performance risk*

Business performance risk is the risk that the Company may not perform as expected either due to internal factors or due to competitive pressures in the markets in which they operate. The Company seeks investments in companies with growth potential. The Director will identify suitable investment opportunities in accordance with its investment strategy.

By their nature, the companies that Vinanz intends to invest in, whether quoted or unquoted, are more volatile than larger, more established businesses and less robust to withstand economic pressures.

The risk is that the Company's investments may encounter circumstances that result in a loss of value which could in turn damage the Company's share value. The Board is of the view that obtaining timely information on the position of its investments is the most effective management tool and to reduce this risk has put in place monitoring report systems.

###### *Valuation risk*

Valuation risk is the risk that the value of an investment when made was overstated. The Board seeks to mitigate this risk by conducting due diligence on the history and prospects of investment targets and sourcing independent valuations and opinions. The risk is further mitigated by seeking to invest where there is a high valuation margin (valuation per share compared to price paid per share) and the prospect of early returns.



## **Vinanz Limited**

### **Directors' Report (continued)**

#### **Period Ended 31 August 2022**

##### *Market conditions*

Market conditions, especially in the context of post Brexit and the COVID-19 pandemic, may have a negative impact on the Company's ability to make investments in suitable entities which generate acceptable returns, or to disinvest in a timely manner such that acceptable returns can be realised.

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

This risk will be mitigated by selecting quoted investments listed on liquid markets and unquoted investments where due diligence has indicated near-term liquidity events.

##### *Political risk*

All countries carry political risk that can lead to interruption of activity. Politically stable countries can have enhanced environmental and social risks, risks of strikes and changes to taxation, whereas less developed countries can have, in addition, risks associated with changes to the legal framework, civil unrest and government expropriation of assets. The Director will have working knowledge of the countries in which the Company will invest in to help reduce possible political risk.

##### *COVID-19 risk*

In the current business climate, the Board acknowledges the post COVID-19 pandemic risk and continues to monitor the need to implement any changes to underpin the Company's resilience to COVID-19, with the key focus being on protecting all personnel, minimising the impact on critical workstreams and ensuring business continuity.

#### **Review of business and financial performance**

The ongoing performance of the Company is managed and monitored using a number of key financial and non-financial indicators ("KPIs") on a monthly basis:

##### **Cash position**

Having sufficient cash for business operations is vital for the Company and must be managed accordingly. The Director reviews and manages the Company's cash flow on a monthly basis. The financial strategy is to ensure that, wherever possible, there are sufficient funds to cover corporate overheads and business expenditure for as long a period as possible. Management has confidence that financing of the Company can continue as and when required albeit the board is keen to avoid excessive dilution and will manage the financing process with that objective in mind.

Furthermore, the Company has ensured that where possible it has built operational flexibility in its corporate and expenditure to be paused should the financing environment prove difficult and cash preservation prove essential.

##### **Corporate Governance**

The Director has not formally adopted any Code as he is not required to but is committed to maintaining high standards of corporate governance, and propose, so far as is practicable given the Company's size and nature, they intend to comply with the Quoted Companies Alliance Corporate Governance Code where appropriate.

Due to the size and nature of the Company, audit and risk management issues will be addressed by the Director as a whole, rather than by separate committees. As the Company develops, the Board will consider establishing separate audit and risk management committees and will consider developing further policies and procedures, which reflect the principles of good governance.

The Company plans to adopt a share dealing code for dealings in securities of the Company by the Directors and Persons Discharging Managerial Responsibility which is appropriate for a company whose shares are traded on the AQUIS Stock Exchange ("AQSE") Growth Market. This will constitute the Company's share dealing policy for the purpose of compliance with UK Legislation including the Market Abuse Regulation and Rule 71 of the AQSE Exchange Rules. It should be noted that the insider dealing legislation set out in the UK

## **Vinanz Limited**

### **Directors' Report (continued)**

#### **Period Ended 31 August 2022**

Criminal Justice Act 1993, as well as provisions relating to market abuse, will apply to the Company and dealings in Ordinary Shares.

The Company has implemented an anti-bribery and corruption policy and also implemented appropriate procedures to ensure that the Board, employees and consultants comply with both the UK Bribery Act 2010 and the Market Abuse Regulations.

#### **Going concern**

The Director notes the losses that the Company has made for the period ended 31 August 2022. The Director has prepared cash flow projections extending to 30 April 2024 which show that the Company should be able to meet its financial obligations as they fall due in the next twelve-month period.

The ability to successfully raise additional finance is subject to uncertainty. However, the Director believes this uncertainty will be successfully resolved and the company will raise sufficient cash to enable the Company to continue in operational existence for the foreseeable future. They have, therefore, prepared the financial statements on a going concern basis.

The financial statements do not reflect any adjustments that would be required to be made if they were prepared on a basis other than the going concern basis.

#### **Directors' responsibilities**

BVI company law requires the directors to keep reliable accounting records which correctly explain the transactions of the Company, enable the financial position of the Company to be determined with reasonable accuracy at any time and allow financial statements to be prepared. The shareholders have resolved, in accordance with the BVI Business Companies Act, 2004 (as amended) and the Articles of Association, that the Directors prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of its profit or loss for that period.

On this basis the Directors have elected to prepare the financial statements for the Company in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. In preparing these financial statements, International Accounting Standard 1 requires that the Directors:

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

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the BVI Business Companies Act, 2004 (as amended). They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

#### **Website publication**

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom and the BVI governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

#### **Auditor**

The Directors will place a resolution before the Annual General Meeting to re-appoint Pointon Young as auditors for the coming year.

**Vinanz Limited**

**Directors' Report (continued)**

**Period Ended 31 August 2022**

**Disclosure of Information to auditors**

We, the directors of the Company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Company's auditors are unaware.
- we have taken all the necessary steps that we ought to have taken as directors in order to make ourselves aware of all relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board of Directors



Jeremy Edelman Director

13 April 2023

**Independent auditor's report to the members of Vinanz Limited for the Period Ended 31 August 2022**

**Opinion**

We have audited the financial statements of Vinanz Limited (the 'company') for the period 27 August 2021 to 31 August 2022 which comprise Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the United Kingdom; and
- have been prepared in accordance with the requirements of the BVI Business Companies Act 2004 (as amended).

**Basis for opinion**

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

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the director's assessment of the entity's ability to continue to adopt the going concern basis of accounting included review and scrutiny of the cash flow forecast prepared by the director for the twelve-month period from the date of signing the financial statements and also discussions with the director relating to planned expenditure over the next year. The cash flow forecast prepared by the director appears reasonable.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

**Overview of our audit approach**

*Materiality*

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified. Based on our professional judgement, we determined overall materiality for the Company's financial statements as a whole to be £1,250 based on average of loss for the period and gross liabilities (1.5%).

**Independent auditor’s report to the members of Vinanz Limited for the Period Ended 31 August 2022 (continued)**

We use a different level of materiality (‘performance materiality’) to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment.

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

We agreed with the director to report to it all identified errors in excess of £63. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

*Overview of the scope of our audit*

In designing our audit, we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. In particular, we looked at the capturing of administrative costs, for example ensuring all set up costs and professional fees were captured as well as related accruals and prepayments. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

**Key Audit Matter How our scope addressed these matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We set out below, together with going concern, those matters we identified as key audit matters. This is not a complete list of all risks identified by our audit.

<b><i>Key audit matter</i></b>	<b><i>How the scope of our audit addressed the key audit matter</i></b>
<p><i>Capturing of all administrative and set up costs and related accruals and prepayments</i></p> <p><b>The company was incorporated on 27 August 2021 and the period we are reporting on is the first reporting period. All administrative and set up costs may not be included in the Statement of Profit or Loss and Other Comprehensive Income therefore understating the loss for the period.</b></p>	<p>We undertook procedures on a sample basis to:</p> <ul style="list-style-type: none"> <li>(i) reviewed engagement letters between the company and professional service providers</li> <li>(ii) reviewed invoices from professional service providers</li> <li>(iii) reviewed the company’s bank statement after the account was set up post period end</li> <li>(iv) made enquiries of management</li> <li>(v) recalculated and agreed prepayment</li> </ul>
<p><i>Director’s use of Going Concern assumption</i></p> <p>The director has used the going concern basis of accounting in preparation of these financial statements. The director therefore considers that the company has adequate resources to continue its operational existence for the foreseeable future. There is a risk this assumption may not be appropriate.</p>	<p>We reviewed and scrutinised the cash flow forecast prepared by the director for the twelve-month period from the date of signing the financial statements as well as holding discussions with the directors relating to assumptions used and planned expenditure over the next year.</p>

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

**Independent auditor's report to the members of Vinanz Limited for the Period Ended 31 August 2022 (continued)**

**Other Information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the BVI Business Companies Act 2004 (as amended)**

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

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

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

**Responsibilities of directors**

As explained more fully in the director's responsibilities statement, set out on pages 10 and 11, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**Independent auditor's report to the members of Vinanz Limited for the Period Ended 31 August 2022 (continued)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context was the BVI Business Companies Act 2004 (as amended) and relevant taxation legislation.
- We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, testing on the posting and basis of journals and testing all expenditure in the period.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

**USE OF OUR REPORT**

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

Rakesh Chauhan FCCA (Senior Statutory Auditor)  
For and on behalf of:

Pointon Young Chartered Accountants, Statutory Auditor  
33 Ludgate Hill  
Birmingham  
B3 1EH

13 April 2023

**Vinanz Limited**

**Statement of Profit or Loss and Other Comprehensive Income**

**Period 27 August 2021 to 31 August 2022**

		<b>2022</b>
	Note	£
<b>Continuing operations</b>		
<b>Revenue</b>		-
Cost of sales		-
<b>Gross profit / (loss)</b>		<hr/> -
Administrative expenses		(38,000)
<b>Loss from operations and before taxation</b>	6	<hr/> (38,000)
Tax on loss	5	-
<b>Loss and total comprehensive expenditure for the period from continuing operations</b>		<hr/> (38,000) <hr/>

The notes on pages 19 to 27 form part of these accounts.



# Vinanz Limited

## Statement of Financial Position

Period Ended 31 August 2022

	Note	2022 £
<b>Current assets</b>		
Trade and other receivables	7	20,000
Cash and cash equivalents		-
<b>Total current assets / assets</b>		<b>20,000</b>
<b>Current liabilities</b>		
Trade and other payables	8	(35,000)
Amounts owing to director	12	(23,000)
<b>Total current liabilities</b>		<b>(58,000)</b>
<b>Total assets less total liabilities</b>		<b>(38,000)</b>
<b>Equity</b>		
Share capital	9	-
Retained earnings		(38,000)
		<b>(38,000)</b>

The financial statements were approved and authorised for issue by the Board on 13 April 2023.

Signed on behalf of the board of directors:

Jeremy S Edelman, Director

13 April 2023

The notes on pages 19 to 27 form part of these accounts.

Company registration number: 2073995

**Vinanz Limited**

**Statement of Changes in Equity**

**Period Ended 31 August 2022**

	Share capital £	Retain earnings £	Total equity £
<b>Balance at 27 August 2021</b>	-	-	-
Loss for the period	-	(38,000)	(38,000)
<b>Total comprehensive income for the period</b>	-	(38,000)	(38,000)
Share capital issued	-	-	-
<b>Balance at 31 August 2022</b>	-	<b>(38,000)</b>	<b>(38,000)</b>

# Vinanz Limited

## Statement of Cash Flows

Period Ended 31 August 2022

	Note	2022 £
<b>Cash flows from operating activities</b>		
Operating Loss for the period	6	(38,000)
(Increase) in trade and other receivables	7	(20,000)
Increase in trade and other payables	8	58,000
<b>Net cash flow from operating activities</b>		<u>-</u>
<b>Net cash flow from investing activities</b>		<u>-</u>
<b>Cash flow from financing activities</b>		<u>-</u>
Receipts from issue of shares	9	-
<b>Net cash flow from financing activities</b>		<u>-</u>
<b>Net increase in cash and cash equivalents</b>		<u>-</u>
<b>Cash and cash equivalents at 27 August 2021</b>		<u>-</u>
<b>Cash and cash equivalents at 31 August 2022</b>		<u><u>-</u></u>
<b>Cash and cash equivalents consists of:</b>		
Cash at bank and in hand		-
<b>Cash and cash equivalents at 31 August 2022</b>		<u><u>-</u></u>

**Notes to the Financial Statements**

**Period Ended 31 August 2022**

**1 Summary of significant accounting policies**

**(a) General information and basis of preparation of the financial statements**

Vinanz Limited is a private company limited by shares incorporated and registered in the British Virgin Islands ("BVI") under the BVI Business Companies Act, 2004 (as amended). The address of the registered office and principal place of business is C/O Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110 British Virgin Islands. The nature of the company's operations and current principal activities are installing clusters of Bitcoin miners in multiple decentralised data facilities throughout the US and Canada through third-party cryptocurrency mining providers such as Compass Mining. The company's registered number is 2073995.

The financial statements have been prepared in accordance with International Financial Reporting Standards including standards and interpretations issued by the International Accounting Standards Board and in accordance with International Accounting Standards in conformity with the requirements of the BVI Business Companies Act, 2004 (as amended). They have been prepared using the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest pound.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

The company entered a limitation of liability agreement with its auditors on 17 March 2023 limiting the amount of liability owed to the Company by the auditor in respect of any negligence, default, breach of duty, or breach of trust, occurring in the course of the audit of the accounts for the financial period ending 31 August 2022. The agreement shall not limit the amount of liability of the auditor for its fraud or dishonesty or any other liability that cannot be excluded or restricted by applicable laws or regulations. The maximum aggregate of the auditor's liability of the Company shall not exceed the sum of £150,000, being ten times the fees payable for the financial period concerned.

**(b) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and time, call and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. This definition is also used for the statement of cash flows.

**(c) Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable (other than financial assets or liabilities at fair value through profit or loss) are added to or deducted from the fair value as appropriate, on initial recognition.

**(d) Financial assets**

Financial assets are subsequently classified into the following specified categories:

- financial assets at fair value through profit or loss, including held for trading;
- fair value through other comprehensive income; or
- amortised cost.

The classification depends on the nature and purpose of the financial asset (ie. the company's business model for managing the financial assets and the contractual terms of the cash flows) and is determined at the time of initial recognition.

# Vinanz Limited

## Notes to the Financial Statements

### Period Ended 31 August 2022

#### 1 Summary of significant accounting policies (continued)

Financial assets are classified as at fair value through other comprehensive income if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. They are measured at amortised cost if they are held within a business mode whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not held at amortised cost or fair value through other comprehensive income are held at fair value through profit or loss.

#### (e) Financial liabilities

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements.

Equity instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at proceeds received net of issue costs.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ("FVTPL") or financial liabilities at amortised cost, which are measured using the effective interest method. At present the company does not have any financial liabilities at FVTPL.

#### (f) Fair values

Fair value is the amounts for which a financial asset, liability or instrument could be exchanged between knowledgeable and willing parties in an arm's length transaction. It is determined by reference to quoted market prices adjusted for estimated transaction costs that would be incurred in an actual transaction, or by the use of established estimation techniques. The fair values at the end of the reporting period are approximately in line with their reported carrying values unless specifically mentioned in the notes to the financial statements.

#### (g) Taxes

BVI Business Companies are exempt from the BVI income tax, from tax on dividends, interest, royalties, compensations and other amounts paid by a company, also they are exempt from all the capital gains, estate, inheritance, succession or gift tax with respect to any shares, debt obligations or other securities of the BVI International Business Companies. The companies are exempt from any kind of stamp duties relating in any way to its assets or activities, with an exception for land-ownership transactions in the BVI: in that case stamp duty remains payable.

#### (h) Ordinary dividends and share capital

Ordinary dividends proposed by the Board of Directors are not recorded in the financial statements until they have been approved by the shareholders at the Annual General Meeting.

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's ordinary shares are classified as equity instruments.

# Vinanz Limited

## Notes to the Financial Statements

### Period Ended 31 August 2022

#### 1 Summary of significant accounting policies (continued)

##### (i) New and revised IFRSs affecting amounts reported and/or disclosures in the financial statements

In the current period the company has applied the following new and revised IFRSs that have been issued and are mandatorily effective from insert dates:

<b>Standard</b>	<b>Impact on initial application</b>	<b>Effective date</b>
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts	1 January 2018
Amendments to IFRS 9, 7 4, 16 & IAS 39	Interest Rate Benchmark Reform	1 January 2021
Amendments to IFRS 16	Covid-19 Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to IFRS 3	Annual Improvements 2018 – 2020 Cycle - Reference to the Conceptual Framework	1 January 2022
Amendments to IAS 16	Property, Plant and Equipment – Proceeds before intended use	1 January 2022
Amendments to IAS 37	Onerous contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to IFRS Standard 2018-2020 Cycle	Amendments to IFRS 1 First time adoption of IFRS Standards, IFRS 9 Financial Instruments, IFRS Leases	1 January 2022

##### (j) New and revised IFRSs in issue but not yet effective

There are no IFRS's or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

##### (k) Judgements and key sources of estimation uncertainty

There have been no significant judgements and key sources of estimation uncertainty in the period to 31 August 2022.

##### (l) Going concern

The Director notes the losses that the Company has made for the period ended 31 August 2022. The Director has prepared cash flow projections extending to 30 April 2024 which show that the Company should be able to meet its financial obligations as they fall due in the next twelve-month period.

The ability to successfully raise additional finance is subject to uncertainty. However, the Director believes this uncertainty will be successfully resolved and the company will raise sufficient cash to enable the Company to continue in operational existence for the foreseeable future. They have, therefore, prepared the financial statements on a going concern basis.

The financial statements do not reflect any adjustments that would be required to be made if they were prepared on a basis other than the going concern basis.

## Vinanz Limited

### Notes to the Financial Statements

#### Period Ended 31 August 2022

#### 2 Auditor's remuneration

	<b>2022</b> <b>£</b>
Fees payable to the company's auditor for the audit of the company's annual accounts	15,000
	<hr/>

#### 3 Directors' remuneration

	<b>2022</b> <b>£</b>
Remuneration	-
Amounts receivable under long term incentive plans	-
Contributions to a pension scheme (by which money purchase benefits will be calculated)	-
Compensation for loss of office	-
	<hr/>
	-
	<hr/>

The remuneration of the highest paid director included above was:

Emoluments and amounts receivable under long term incentive schemes	-
Contributions to a pension scheme (by which money purchase benefits will be calculated)	-
	<hr/>
	-
	<hr/>

In addition, the highest paid director had accrued pension benefits of £Nil and accrued lump sum of £Nil under defined benefit schemes.

During the year no directors were accruing benefits under defined benefit pension schemes/money purchase schemes.

# Vinanz Limited

## Notes to the Financial Statements

### Period Ended 31 August 2022

#### 4 Staff costs

The average monthly number of employees, including directors, during the period was as follows:

	<b>2022 Number</b>
Management and administration	1
	<hr/>
	1
	<hr/>

The aggregate payroll costs of these persons were as follows:

	<b>2022 £</b>
Wages and salaries	-
Social security	-
Other pension costs	-
	<hr/>
	-
	<hr/>

#### 5 Income taxes

	<b>2022 £</b>
<b>Total current tax</b>	<hr/> -

The standard rate applicable in the BVI is 0%:

	<b>2022 £</b>
Loss on ordinary activities before tax	(38,000)
	<hr/>
Tax thereon at rates above	-
	<hr/>
Current tax for the period	-
	<hr/>
	-
	<hr/>

No deferred tax asset or liability has been recognised as the tax rate applicable to BVI is 0%.



# Vinanz Limited

## Notes to the Financial Statements

### Period Ended 31 August 2022

#### 6 Loss for the year

Loss for the year has been arrived at after charging/(crediting):

	<b>2022</b>
	<b>£</b>
Company set up costs	3,000
Professional fees	20,000
Auditors' remuneration	15,000

#### 7 Trade and other receivables

	<b>2022</b>
	<b>£</b>
Prepayments	20,000
	<hr/>
	20,000

Trade and other receivables relate to prepaid professional fees.

#### 8 Trade and other payables

	<b>2022</b>
	<b>£</b>
Professional fees	20,000
Accruals	15,000
	<hr/>
	35,000

#### 9 Share capital

	<b>2022</b>	<b>2022</b>
	<b>Number</b>	<b>£</b>
1 (£0.01) fully paid ordinary shares – at incorporation	1	0.01
	<hr/>	<hr/>
	1	0.01

The Company was incorporated on 27 August 2021 and one ordinary share was issued to the director for £0.01 at incorporation. The Company has one class of ordinary share. Each share confers upon the shareholder:

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

# Vinanz Limited

## Notes to the Financial Statements

### Period Ended 31 August 2022

#### 10 Financial instruments

##### Categories of financial assets and liabilities

The following tables set out the categories of financial instruments held by the Company:

##### Financial assets

	<b>Receivables 2022 £</b>
Trade and other receivables	20,000
	<u>20,000</u>

##### Financial liabilities

	<b>Payables 2022 £</b>
Trade and other payables	35,000
	<u>35,000</u>

The Company's financial instruments comprise trade and other receivables (prepayments) and trade and other payables (professional fees and accruals) that arise directly from the Company's operations. There is minimal risk with these financial assets and liabilities as they relate to day-to-day business expenditure and are invoiced Sterling, the Company's functional currency and the director believes their carrying value reasonably equate to fair value.

#### 11 Directors' advances, credit and guarantees

There are no director's advances, credit or guarantees in the period.

#### 12 Related party transactions

During the period, the director, Jeremy Edelman paid £23,000 on behalf of the Company to CorPa Asia Advisory Pte. Limited ("CorPa") relating to set up fees and administrative costs. Mahesh Pulandaran is a director of CorPa and is proposed to be a director in the Company upon listing on the AQSE Growth Market. Jeremy Edelman converted his director's loan with the company to ordinary shares on 6 April 2023. In addition, Jeremy Edelman acquired a further 10,000,000 ordinary shares in the company on 4 April 2023 for £25,000.

On 15 August 2022, the Company signed an Asset Purchase Agreement with Valereum Plc ("Valereum") to purchase Bitcoin mining assets and Valereum's Bitcoin wallet. David Lenigas is a significant shareholder in Valereum (shareholding of 8.63%) and is proposed to be a director of the Company upon it listing on the AQSE Growth Market. On 4 April 2023, David Lenigas acquired 20,000,000 ordinary shares in the Company for £50,000.

Richard Poulden is a director of Valereum and controls Blackswan FZE, which currently owns 15.625% of Vinanz, by acquiring 10,000,000 ordinary shares on 4 April 2023 for £25,000.

## Vinanz Limited

### Notes to the Financial Statements

#### Period Ended 31 August 2022

#### 13 Events after the reporting period

At the time of signing this report, the Company is making significant progress with its application to list on the AQUIS Exchange (AQSE) Growth Market and expects to be listed during Quarter 2, 2023.

On 4 April 2023, the following ordinary common shares in the capital of the Company were issued for a deemed price of 0.25 pence: 10,000,000 for £25,000 to Jeremy Edelman, 20,000,000 for £50,000 to David Lenigas, 14,000,000 for £35,000 to Clear Capital Markets Limited and 10,000,000 to Black Swan FZE for £25,000.

On 6 April 2023, the director's loan amount of £23,000 as at 31 August 2022 together with an additional balance of £2,000 converted to ordinary common shares in the capital of the Company. A total of 10,000,000 ordinary common shares at a deemed price of 0.25 pence per share were issued to the Director.

#### 14 Capital commitments

As mentioned in Note 12 *Related Party Transactions* and the Strategic Report, on 15 August 2022, the Company signed an Asset Purchase Agreement with Valereum to purchase 20 Bitcoin miners and its wallet containing 4.05750704 Bitcoin. The purchase price payable is USD\$190,000 plus the USD\$ equivalent of 4.05750704 Bitcoin as at the date of the agreement.

The purchase price is conditional on:

- (i) the Company listing its ordinary fully paid shares on a recognised stock exchange; and
- (ii) full payment of the purchase price in ordinary shares in the Company at a price of £0.01 per share.

The above conditions were required to have been met by 31 December 2022. This deadline was not met by the Company, however a deed of variation extending the original deadline is due to be signed by both parties imminently and the director is confident that the Company's shares will be listed on the AQSE Growth Market within the lengthened timeframe, during Quarter 2, 2023.

#### 15 Contingent assets and contingent liabilities

Contingent assets are possible assets that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

As the Company is not wholly in control of having its shares listed on a recognised stock exchange, the agreement signed on 15 August 2022 with Valereum, results in the following quantifiable contingent assets at the time of signing:

	<b>15 August 2022</b>
	<b>\$</b>
20 Whatsminer M315 + computers	190,000
4.05750704 Bitcoin	98,672
	<u>288,672</u>

Likewise contingent liabilities are possible obligations whose existence will be confirmed by uncertain future events that are not wholly within the control of the Company. As such the contingent liability arising from the signing of the agreement with Valereum on at 15 August 2022 amounted to £288,672, due to be settled by the issuance of ordinary shares in the Company.

Should the Company not meet the extended deadline for listing on a recognised stock exchange, the agreement with Valereum will be null and void and the contingent assets and liability will cease to exist.