

20 February 2026

The Smarter Web Company PLC
("The Smarter Web Company" or the "Company")
Full Year Results, Notice of AGM and New Investor Presentation

The Smarter Web Company (LSE: SWC | OTCQB: TSWCF | FRA: 3M8) is pleased to announce its audited full year results for the period to 31st October 2025, publication of its Annual Report and notice of Annual General Meeting, and a new investor presentation.

Full Year Results Summary

- £225.2 million raised, comprising £209.4m in equity capital and £15.8m in Bitcoin Backed convertible notes
- 2,660 Bitcoin held at year end; 2,689 Bitcoin held as of 19 February 2026
- Strong balance sheet with no fiat debt

The Group achieved a profit before tax of £2,835,848 for the year. Excluding one off gains and fair value adjustment credit of £4,308,224, the result would have been a loss before tax of £1,472,376.

Operating Business and Growth Strategy

The Group's operating business has continued to perform in line with our expectations during the year. Our underlying operations are stable, and we remain confident in the long-term potential of the operating business.

In line with the Company's 10-Year Plan, acquisitions are a core pillar of our strategy to continue growing and strengthening the operating business. The Company is focused on selectively acquiring profitable, cash-generative businesses with recurring revenue that enhance our core capabilities and support a return to sustainable profitability.

During the year, several opportunities were reviewed, and the Board continues to see an attractive pipeline of potential acquisitions that meet our criteria. The Company remains disciplined in its capital allocation, targeting transactions with clear strategic fit and attractive economics that support operating growth, enhance financial resilience across market cycles, and reinforce the Company's long-term objective of increasing Bitcoin per share.

Bitcoin Treasury Strategy

Alongside our operating business, the Group's Bitcoin balance sheet continued to strengthen during the year as we executed on our treasury strategy with a focus on long-term Bitcoin per share growth. Insofar as the Board is aware, the Company remains the largest UK-listed public holder of Bitcoin and continues to manage its balance sheet in a disciplined manner to support sustainable value creation for shareholders.

At the year end, the Company held 2,660 Bitcoin, with a market value of approximately £220m. This position provides the Group with a robust and differentiated balance sheet, which we believe strengthens our long-term financial resilience.

While we acknowledge that Bitcoin is a volatile asset, the Board remains confident in its long-term strategic role within the Group's balance sheet framework. The Board believes Bitcoin offers a uniquely scarce, secure and globally liquid store of value, supporting its position as a core long-term asset. The Company remains committed to its Bitcoin strategy and will continue to assess opportunities to grow its holdings over time, applying a disciplined approach to capital raising and allocation.

Post Period Highlights: London Stock Exchange Listing

In February 2026, the Company successfully transferred its listing from Aquis to the Main Market of the London Stock Exchange, reflecting the growth in scale achieved and the Company's long-term growth ambitions. The Board believes this represents an important milestone, enhancing the Company's profile, improving liquidity, and providing access to a broader institutional investor base to support the next phase of growth.

Outlook

Looking ahead, the Company remains focused on executing its strategy, strengthening the operating business, progressing its acquisition pipeline, and managing its Bitcoin treasury in a disciplined manner. The Board enters Financial Year 2026 with confidence, supported by a strengthened balance sheet, an expanding operating platform and a clear strategic roadmap for long-term value creation.

Notice of AGM

The Company announces that it will shortly be posting the Notice of Annual General Meeting of the Company along with its annual report for the year ended 31 October 2025 to shareholders and a Form of Proxy. The Company's Annual General Meeting will be held at Aerospace, Bristol, Hayes Way, Patchway, Bristol, BS34 5BZ on 19 March 2026 at 11.00 a.m.

The Company hopes that shareholders can attend the Annual General Meeting and asks that shareholders review the proposed resolutions and vote either in advance using a Form of Proxy or for shareholdings held through a nominee via their nominee, or at the Annual General Meeting, bringing the correct documentation.

A copy of the notice of Annual General Meeting will shortly be available on the Company's website at: <https://www.smarterwebcompany.co.uk>

Availability of Annual Report and New Investor Presentation

The Company's full Annual Report for the period to 31 October 2025 and an updated investor presentation will shortly be available on its website at: <https://www.smarterwebcompany.co.uk>

Andrew Webley, CEO of The Smarter Web Company, commented:

"We are pleased with our full year results, which reflect the company we are building and the clear direction of travel. Our new investor presentation outlines both how far we have come and, importantly, where we are going, and I am looking forward to meeting shareholders at the forthcoming AGM.

The Company has never been in a stronger position, and I am very excited about the opportunities ahead. I would like to thank our shareholders, team and advisers for their continued support as we execute on our strategy and work to deliver long-term value."

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About The Smarter Web Company:

The Smarter Web Company offers web design, web development and online marketing services. Clients pay an initial fee, an annual hosting charge and an optional monthly marketing charge. Growth opportunities exist for The Smarter Web Company around these existing services.

In addition to organic growth, the Company will progress an acquisition strategy targeting other businesses with a view to growing its number of clients and / or recurring revenue. The Smarter Web Company will only make acquisitions where the Directors believe the timing and opportunity is appropriate.

Since 2022, The Smarter Web Company has adopted a policy of accepting payment in Bitcoin. The Company believes that Bitcoin forms a core part of the future of the global financial system and as the Company explores opportunities through organic growth and corporate acquisitions is pioneering the adoption of a Bitcoin Treasury Policy into its strategy.

Please also see "The 10 Year Plan" announced by the Company via regulatory news at 07:00 on 28 April 2025 and available on the Company website.

Visit our website: <https://www.smarterwebcompany.co.uk>

Follow us on X: <https://x.com/smarterwebuk>

The Directors of the Company accept responsibility for the contents of this announcement.

Important Notice:

The Smarter Web Company Plc holds treasury reserves and surplus cash in Bitcoin. Bitcoin is a type of cryptocurrency or cryptoasset. Whilst the Board of Directors of the Company considers holding Bitcoin to be in the best interests of the Company, the Board remains aware that the financial regulator in the UK (the Financial Conduct Authority or FCA) considers investment in Bitcoin to be high risk. An investment in the Company is not an investment in Bitcoin, either directly or by proxy. However, the Board of Directors of the Company consider Bitcoin to be an appropriate store of value and growth for the Company's reserves and, accordingly, the

Company is materially exposed to Bitcoin. Such an approach is innovative, and the Board of Directors of the Company wish to be clear and transparent with prospective and actual investors in the Company on the Company's position in this regard.

The Company is neither authorised nor regulated in the conduct of its business by the FCA. And there is currently limited regulation of cryptocurrencies (such as Bitcoin) in the UK. As with most other investments, the value of Bitcoin can go down as well as up, and therefore the value of the Company's Bitcoin holdings can fluctuate. The Company may not be able to realise its Bitcoin exposure for the same as it paid in the first place or even for the value the Company ascribes to its Bitcoin positions due to these market movements. An investment in the Company is not protected by the UK's Financial Ombudsman Service or the Financial Services Compensation Scheme.

Nevertheless, the Board of Directors of the Company has taken the decision to invest in Bitcoin, and in doing so is mindful of the special risks Bitcoin presents to the Company's financial position. These risks include (but are not limited to): (i) the value of Bitcoin can be highly volatile, with value dropping as quickly as it can rise. Investors in Bitcoin must be prepared to lose all money invested in Bitcoin; (ii) the Bitcoin market is largely unregulated. There is a risk of losing money due to risks such as cyber-attacks, financial crime and counterparty failure; (iii) the Company may not be able to buy or sell its Bitcoin at will. The ability to buy or sell Bitcoin depends on various factors, including the supply and demand in the market at the relevant time. Operational failings such as technology outages, cyber-attacks and comingling of funds could cause unwanted delay; and (iv) cryptoassets are characterised in some quarters by high degrees of fraud, money laundering and financial crime. In addition, there is a perception in some quarters that cyber-attacks are prominent which can lead to theft of holdings or ransom demands. The Board of Directors of the Company does not subscribe to such a negative view, especially in relation to Bitcoin. However, prospective investors in the Company are encouraged to do your own research before investing.

Key Statements and Financial Results

A remarkable amount has been achieved over the past year and we are excited about the opportunities we see ahead for the business as we focus on building an efficient operating model that is built to scale and support the Company's strategic 10-year plan to deliver shareholder value.

Our Bitcoin Treasury strategy is enabling us to build a strong balance sheet founded upon Bitcoin with minimal gearing and without exposure to fiat debt. This creates a sustainable and robust foundation allowing the Company to capitalise on opportunities as they present themselves. Our commitment to retaining sufficient working capital to fund operating costs provides us stability to weather the volatility in the financial markets.

Our focus is on establishing an efficient operating model that can scale and support the business as it delivers on its strategy and growth ambitions. We have achieved this through being laser focused on costs and applying stringent return on investment criteria in our capital allocation decision making. During the year, the business transitioned from a private founder-run business to a Main Market listed entity, with the associated costs of the listing process as well as investment in building out enduring governance frameworks with the addition of key hires including expansion of our Board.

Costs associated with the listing process are one-off due to the nature of the project and totalled £1.35 million of which £660k was recognised in 2025 and the balance will be reflected in the following financial year.

**CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2025**

		31 October 2025	31 October 2024
	Notes	£	£
Continuing operations			
Revenue	4	70,029	-
Cost of sales		(9,236)	-
Gross profit		<u>60,793</u>	<u>-</u>
Administrative expenses		(1,838,685)	(504,701)
Operating loss	5	(1,777,892)	(504,701)
Other income	8	660,260	-
Other gains and losses	9	4,308,224	-
Finance costs	10	(354,744)	-
Profit / (loss) before taxation		<u>2,835,848</u>	<u>(504,701)</u>
Tax expense	11	(1,211,307)	-
Total comprehensive income / (loss) for the year attributable to owners of the parent		<u>1,624,541</u>	<u>(504,701)</u>
Earnings per share from continuing operations attributable to owners of the parent:			
Basic earnings/(loss) per share (pence)	12	1.24	(7.16)
Diluted loss per share (pence)	12	<u>(1.52)</u>	<u>(7.16)</u>

THE SMARTER WEB COMPANY PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2025

	Notes	31 October 2025 £	31 October 2024 £
Assets			
Non-current assets			
Financial assets	13	1,649	-
Cryptocurrency	14	220,003,460	-
Intangible assets	15	1,031,501	-
Property, plant and equipment	16	16,206	-
Right of use assets	17	18,199	-
Total non-current assets		<u>221,071,015</u>	<u>-</u>
Current assets			
Trade and other receivables	18	466,259	2,200
Cash and cash equivalents	19	1,503,118	109,252
Total current assets		<u>1,969,377</u>	<u>111,452</u>
Total assets		<u>223,040,392</u>	<u>111,452</u>
Liabilities			
Current liabilities			
Trade and other payables	23	375,087	27,440
Borrowings	24	10,957,578	1,005,396
Lease liabilities	22	30,112	-
Total current liabilities		<u>11,362,777</u>	<u>1,032,836</u>
Non-current liabilities			
Lease liabilities	22	7,523	-
Deferred tax liabilities	25	1,290,740	-
Total non-current liabilities		<u>1,298,263</u>	<u>-</u>
Total liabilities		<u>12,661,040</u>	<u>1,032,836</u>
Net assets / (liabilities)		<u>210,379,352</u>	<u>(921,384)</u>
Equity			
Share capital	20	645,687	352,500
Share premium	20	208,760,100	1,515,032
Merger relief reserve		618,689	-
Warrant reserve	21	1,180,063	-
Accumulated losses		(825,187)	(2,788,916)
Total equity		<u>210,379,352</u>	<u>(921,384)</u>

THE SMARTER WEB COMPANY PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2025

	Share capital £	Share premium £	Merger relief reserve £	Warrant reserve £	Accumulated losses £	Total equity £
As at 31 October 2023	352,500	1,515,032	-	-	(2,284,215)	(416,683)
Total comprehensive loss for the year	-	-	-	-	(504,701)	(504,701)
At 31 October 2024	352,500	1,515,032	-	-	(2,788,916)	(921,384)
Total comprehensive income for the year	-	-	-	-	1,624,541	1,624,541
Transactions with owners in their capacity as owners:						
Shares issued	199,570	212,390,172	-	-	-	212,589,742
Issue costs	-	(6,403,923)	-	833,306	-	(5,570,617)
Share-based payments – advisor warrants	-	(30,095)	-	30,095	-	-
Acquisition of subsidiary	25,779	-	618,689	316,662	-	961,130
Conversion of convertible loan note	67,838	1,288,914	-	-	339,188	1,695,940
Total transactions with owners	293,187	207,245,068	618,689	1,180,063	339,188	209,676,195
As at 31 October 2025	645,687	208,760,100	618,689	1,180,063	(825,187)	210,379,352

THE SMARTER WEB COMPANY PLC
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 OCTOBER 2025

	Notes	31 October 2025 £	31 October 2024 £
Cash flows from operating activities			
Profit/(loss) before taxation		2,835,848	(504,701)
Adjustments for:			
Depreciation of property, plant and equipment	16	6,051	-
Amortisation of right of use assets	17	7,798	-
Amortisation of intangible assets	15	10,186	-
Loan write off	8	(660,260)	-
Other gains and losses	9	(4,308,224)	-
Finance costs	10	339,188	-
Expenses settled in shares	20	20,000	-
Operating cash flows before movements in working capital		<u>(1,749,413)</u>	<u>(504,701)</u>
(Increase)/decrease in trade and other receivables		(191,374)	12,741
Increase/(decrease) in trade and other payables		313,233	(72,699)
Net cash used in operating activities		<u>(1,627,554)</u>	<u>(564,659)</u>
Cash flows from investing activities			
Purchase of cryptocurrency	14	(219,946,439)	-
Acquisition of subsidiary, net of cash acquired	28	(77,701)	-
Loan advanced to subsidiary prior to acquisition	28	(559,600)	-
Purchase of property, plant and equipment	16	(10,899)	-
Proceeds from disposal of financial assets	13	89,630	-
Net cash used in investing activities		<u>(220,505,009)</u>	<u>-</u>
Cash flows from financing activities			
Proceeds from issue of share capital	20	212,317,803	-
Issue costs	20	(5,602,117)	-
Proceeds from borrowings	24	16,989,203	664,856
Repayment of borrowings	24	(173,853)	-
Lease principal paid	22	(4,607)	-
Net cash generated from financing activities		<u>223,526,429</u>	<u>664,856</u>
Net increase in cash and cash equivalents		<u>1,393,866</u>	<u>100,197</u>
Cash and cash equivalents at beginning of year	19	<u>109,252</u>	<u>9,055</u>
Cash and cash equivalents at end of year		<u><u>1,503,118</u></u>	<u><u>109,252</u></u>

Significant non-cash transactions during the year relate to the Group's borrowings detailed in note 24; the acquisition of subsidiary detailed in note 28; and the settlement of share issue costs detailed in note 20.

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

1. General Information

The Smarter Web Company Plc (the “Company”), formerly Uranium Energy Exploration Plc, is a public limited company incorporated and domiciled in England and Wales. The Company’s registered address is 160 Aztec West, Almondsbury, Bristol, United Kingdom, BS32 4TU.

On 25 April 2025, the Company acquired the entire issued share capital of The Smarter Web Company Operations Limited (“SWC Ltd”) and listed on the Aquis Stock Exchange. Details of the acquisition are included in note 28. After the year end, the Company’s shares were admitted to trading on the London Stock Exchange.

2. Material Accounting Policies

(a) Basis of preparation of financial statements

The consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards (“IAS”) and the requirements of the Companies Act 2006. The consolidated financial statements have been prepared under the historical cost convention, except for revaluation of assets and liabilities recognised at fair value.

The consolidated financial statements include the results of the Company and its subsidiaries (together the “Group”) and are presented in Pound Sterling, which is the presentational currency.

The preparation of consolidated financial statements in conformity with IAS requires the use of certain critical accounting estimates. It also requires Directors to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

Going concern

As at 31 October 2025 the Group had a cash balance of £1,503,118 (31 October 2024: £109,252), and net assets of £210,379,352 (31 October 2024: net liabilities £921,384).

The Directors have considered the applicability of the going concern basis in the preparation of these consolidated financial statements. This included the review of internal budgets and financial results which show, taking into account reasonably probable changes in financial performance that the Group should be able to operate within the level of its current funding arrangements.

The Directors have a reasonable expectation that the Group will have ample resources to continue in operation for the foreseeable future, underpinned by the successful completion of several fundraises during the year, which have further strengthened the Group’s liquidity position. For this reason, the Directors have adopted the going concern basis in the preparation of these consolidated financial statements.

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

(b) New and amended standards and interpretations

The following amendments to IAS became effective for the annual reporting period beginning on 1 November 2024 and did not have a material impact on the consolidated financial statements:

- Amendments to IAS 1 – ‘Classification of Liabilities as Current or Non-current’;
- Amendments to IAS 7 and IFRS 7 – ‘Supplier Finance Arrangements’;
- Amendments to IAS 1 – ‘Non-current Liabilities with Covenants’; and
- Amendments to IFRS 16 – ‘Lease Liability in a Sale and Leaseback’.

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

Standard	Effective for accounting periods beginning on or after
Amendments to IAS 21 – ‘Lack of Exchangeability’	1 January 2025
Amendments to IFRS 7 and IFRS 9 – ‘Classification and Measurement of Financial Instruments and Contracts referencing nature-dependant electricity’	1 January 2026
Annual improvements to IFRS accounting standards (volume 11)	1 January 2026
IFRS 18 – ‘Presentation and Disclosures in Financial Statements’	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	1 January 2025
	(Not yet endorsed in the UK)

The Directors do not expect that the adoption of these standards will have a material impact on the consolidated financial statements in future periods.

(c) Basis of consolidation

Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the consolidated statement of financial position, the acquiree’s identifiable assets and liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

Intragroup balances, and any gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

(d) Cryptocurrency

The Group's holding in Bitcoin is accounted for as an intangible asset with an indefinite useful economic life. Bitcoin is traded in an active market and the Directors have adopted the revaluation measurement model.

Bitcoin purchases are initially recognised at cost and are subsequently re-valued to fair value based on the market price provided by the Group's cryptocurrency brokers. Increases in the carrying amounts arising on revaluation are recognised, net of tax, in other comprehensive income and accumulated in the revaluation reserve in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset. All other decreases are charged to profit or loss.

On disposal, any associated revaluation surplus is transferred directly to retained earnings and is not recycled through profit or loss.

Cryptocurrency is held for long term appreciation in line with the Group's treasury policy and therefore is classified as a non-current asset in the consolidated statement of financial position.

(e) Other intangible assets

Goodwill

Goodwill represents the excess of the cost of a business combination over the Group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired. Goodwill is not amortised and is stated at cost less any accumulated impairment losses.

The recoverable amount of goodwill is tested for impairment annually or when events or changes in circumstance indicate that it might be impaired. Impairment charges are deducted from the carrying value and recognised immediately in the consolidated statement of comprehensive income. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from synergies of the combination. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Acquisition related intangible assets

Net assets acquired as part of a business combination includes an assessment of the fair value of separately identifiable acquisition-related intangible assets, in addition to other assets, liabilities and contingent liabilities purchased. These are amortised on a straight-line basis over their useful lives which are individually assessed.

The intangible assets acquired by the Group in a business combination, and their useful economic lives and the methods used to determine the cost of each intangible are as follows:

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

Amortisation period of intangible assets

Intangible asset	Amortisation period
Brand	15 years
Customer relationships	15 years
Software	15 years

(f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following basis:

Furniture and fittings	10% straight-line basis
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(g) Right-of-use asset

The Group recognises right-of-use assets under lease agreements in which it is the lessee. The underlying asset comprises a motor vehicle and is used in the normal course of business. The right-of-use asset is initially measured at the present value of lease payments made at or before the commencement date as well as any initial direct costs and an estimate of costs to be incurred in dismantling the asset. Lease incentives are deducted from the cost of the right-of-use asset.

The right-of-use asset is depreciated over the lease-term and if necessary impaired in accordance with applicable standards.

(h) Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at that date, discounted using the rate implicit in the lease. The lease liability is subsequently measure by increasing the carrying amount to reflect interest on the lease liability (application of the effective interest method) and by reducing the carrying amount to reflect the lease payments made. No lease modification or reassessment changes have been made during the reporting period from changes in any lease terms or rent charges.

(i) Equity

Share capital

Share capital represents the nominal value of ordinary equity shares.

Share premium

Share premium represents the excess over nominal value of the fair value of consideration received for equity shares. Incremental costs directly attributable to the issue of new equity shares are deducted from the share premium account.

Merger relief reserve

Merger relief reserve represents the excess over nominal value of the fair value of consideration received for equity shares issued by the Company as part of an acquisition of subsidiary, where merger relief under section 612 of the Companies Act 2006 applies.

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

Warrant reserve

Warrant reserve represents the fair value of outstanding warrants as at the date of issue by the Company.

Accumulated losses

Retained earnings and accumulated losses consist of cumulative net gains and losses recognised in the consolidated statement of comprehensive income plus transactions recognised directly in equity.

(j) Financial assets

Classification

The Group classifies its financial assets into two categories, being financial assets held at amortised cost and financial assets held at fair value through profit or loss.

Amortised cost

Financial assets held at amortised cost comprise trade and other receivables and cash and cash equivalents.

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g., trade receivables) but also incorporate other types of financial assets where the objective is to hold their assets in order to collect contractual cash flows and the contractual cash flows are solely payments of the principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

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

Fair value through profit or loss

Financial assets held at fair value through profit or loss comprise equity investments. These are carried in the statement of financial position at fair value. Subsequent to initial recognition, changes in fair value are recognised in profit or loss.

(k) Cash and cash equivalents

Cash and cash equivalents comprise of balances held in current bank accounts and payment processors that are readily available for use in the Group’s operations.

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

(l) Financial liabilities

The Group's financial liabilities are classified as either carried at fair value through profit or loss ("FVTPL") or at amortised cost. Financial liabilities are classified as current liabilities unless, at the end of the reporting period the Group has a right to defer settlement of the liability for at least 12 months after the reporting period.

Financial liabilities carried at FVTPL and Day 1 losses

The Group's financial liabilities carried at FVTPL consist of Smarter Convert CLN, detailed in note 24(d), which has been designated by the Directors as carried at FVTPL. The Directors can designate a financial liability as carried at FVTPL when it forms part of a contract containing one or more non-closely related embedded derivatives, and IFRS 9 *Financial Instrument* ("IFRS 9") permits the entire combined contract to be designated as such.

Financial liabilities carried at FVTPL are initially recognised at fair value with the associated transaction costs recognised in profit or loss. If the fair value at initial recognition is determined using a Level 3 valuation technique and is higher than the transaction price (being the gross proceeds received), then the resulting difference represents a loss ("Day 1 loss") and is released into the profit or loss over the term of the instrument on a straight-line basis within other gains and losses.

Changes in the fair value of the financial liabilities that are designated as carried at FVTPL are recognised in profit or loss within other gains and losses, except for the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability which is recognised in other comprehensive income.

Financial liabilities carried at FVTPL are presented net of Day 1 losses on the face of the consolidated statement of financial position.

Financial liabilities carried at amortised cost

The Group's financial liabilities carried at amortised cost comprise of trade and other payables and borrowings not designated as carried at FVTPL and are recognised initially at fair value based on amounts exchanged, net of transaction costs and are subsequently measured at amortised cost using the effective interest method.

(m) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

(n) Compound instruments

The component parts of convertible loan notes issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of equity instruments issued by the Group is an equity instrument.

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

(o) Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts and VAT.

The Group's revenue arises from the provision of website development services. Revenue is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Revenue is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

(p) Employee benefits: pension obligations

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense in profit or loss when they fall due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

(q) Other income and gains

Other income and gains comprise of net gains and losses on instruments held at fair value through profit or loss and loans written off during the year.

(r) Finance costs

Finance costs comprise of interest payable on leases and other financial liabilities which are expensed in the period in which they are incurred.

(s) Taxation

Corporation tax for the period presented comprises current and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income, in which case they are recognised in other comprehensive income.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability 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

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utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination or for transactions that give rise to equal taxable and deductible temporary differences) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting 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 is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, when they relate to income taxes levied by the same taxation authority and the Directors intend to settle the Group's current tax assets and liabilities on a net basis.

(t) Share-based payments

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods, or the counterparty renders the service. The share-based payment expense is either recognised in profit or loss or recognised as deduction in share premium. A corresponding increase in the warrant reserve is also recognised.

(u) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. The Group consists of one operating segment, being the provision of website development services and therefore no segmental reporting is presented.

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3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. The estimates and associated assumptions are based on historical experience, expectations of future events and other factors that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the revision is made.

(a) Critical judgements in applying the Group's accounting policies

Accounting for warrants attached to convertible loan notes

Warrants that were issued in conjunction with the conversion of convertible loan notes (see note 21) have been accounted for from the date of conversion when the terms of instruments were determined, as opposed to the date of inception of the loans. On conversion and issue of the warrants, the warrants met the definition of equity instruments under IAS 32, and accordingly, were recognised in the warrant reserve at fair value with a corresponding reduction in share premium.

(b) Key sources of estimated uncertainty

Identifiable assets and liabilities assumed on acquisition of subsidiary

The fair value of intangible assets acquired through business combinations involves the use of valuation techniques and the estimation of future cash flows to be generated over several years. Further details of the business combination are included in note 28.

Valuation of Smarter Convert CLN

Smarter Convert CLN is a financial liability carried at FVTPL. Its valuation requires the use of the Monte Carlo method to estimate the Company's future share price as well as the Directors' estimate of future price of Bitcoin. Details of instrument and the valuation technique used are included in notes 24(d) and 26(b) respectively.

4. Revenue

	31 October 2025	31 October 2025
	£	£
Revenue from website design services	70,029	-
	70,029	-

No single customer accounted for more than 10% of total revenue (31 October 2024: none).

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5. Operating loss

	31 October 2025	31 October 2024
	£	£
Operating loss is presented after charging:		
Depreciation of property, plant and equipment	6,051	-
Amortisation of right-of-use assets	7,798	-
Amortisation of intangible assets	10,186	-
Employee benefits expense (note 7)	837,120	76,000
Auditor remuneration (note 6)	220,000	9,175
Professional and legal fees	300,014	330,790
Listing fees	331,400	-

6. Auditor Remuneration

During the year, the Group obtained the following services from the Company's auditors, PKF Littlejohn LLP (2024: Adler Shine LLP):

	31 October 2025	31 October 2024
	£	£
Fees payable for the audit of the Group and Company financial statements	68,500	8,250
Fees payable to the Company's auditor for other permitted non-audit services:		
- corporate finance services: reporting accountant	151,500	-
- tax compliance services	-	1,285
Total auditor remuneration	220,000	9,535

7. Employee benefit expense

	31 October 2025	31 October 2024
	£	£
Wages and salaries	738,518	76,000
Social security costs	96,512	-
Pension costs	2,090	-
	837,120	76,000

The average number of employees during the period was:

	31 October 2025	31 October 2024
	No.	No.
Directors	5	2
Staff	6	-
	11	2

Directors' remuneration is disclosed within the Directors' Remuneration Report.

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8. Other income

	31 October 2025	31 October 2024
	£	£
Cancellation of loan (note 24(b))	<u>660,260</u>	<u>-</u>
	<u>660,260</u>	<u>-</u>

Other gains of £660,260 consists of the loan from Power Metal Resources Plc which was agreed to be written off as detailed further in note 24(b).

9. Other gains and losses

	31 October 2025	31 October 2024
	£	£
Gain on change in fair value of Smarter Convert CLN (note 24(d))	6,434,435	-
Release of Day 1 losses on Smarter Convert CLN (note 24(d))	(1,588,280)	-
Gain on change in fair value of listed securities (note 13)	5,794	-
Loss on change in fair value of cryptocurrency assets (note 14)	<u>(543,725)</u>	<u>-</u>
	<u>4,308,224</u>	<u>-</u>

10. Finance costs

	31 October 2025	31 October 2024
	£	£
Uplift on convertible loan note (note 24(a))	339,188	-
Exchange rate gains and losses	15,556	-
	<u>354,744</u>	<u>-</u>

11. Tax expense

	31 October 2025	31 October 2024
	£	£
Current tax charge	-	-
Movements in deferred tax	1,211,307	-
Total tax charge	<u>1,211,307</u>	<u>-</u>

Total tax charge for the year can be reconciled to the profit/(loss) for the year as follows:

	31 October 2025	31 October 2024
	£	£
Profit/(loss) before taxation	<u>2,835,848</u>	<u>(504,701)</u>
Profit/(loss) before tax multiplied by the UK standard rate of corporation tax of 25% (31 October 2024: small companies' rate of 19%)	708,962	(95,893)
Effects of:		
Expenses not deductible for tax purposes	157,854	34,742
Effect of tax losses not recognised as deferred tax assets	344,491	61,151
Total tax charge for the year	<u>1,211,307</u>	<u>-</u>

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FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

12. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	31 October 2025	31 October 2024
	£	£
Profit/(loss) attributable to equity holders of the Company	1,624,541	(504,701)
Weighted average number of ordinary shares in issue	130,792,601	7,500,000
Basic earnings / (loss) per share (pence)	<u>1.24</u>	<u>(7.16)</u>

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share as follows:

- the profit figure is adjusted to account for the after-tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding, assuming the conversion of all dilutive potential ordinary shares.

	31 October 2025	31 October 2024
	£	£
Loss attributable to equity holders of the Company	2,010,075	504,701
Weighted average number of ordinary shares in issue	132,632,365	7,500,000
Diluted loss per share (pence)	<u>1.52</u>	<u>7.16</u>

Reconciliation of earnings used in calculating diluted loss per share is detailed below:

	31 October 2025	31 October 2024
	£	£
Profit/(loss) attributable to equity holders of the Company used in calculating basic earnings per share	1,624,541	(504,701)
Adjustments assuming conversion of Smarter Convert CLN (note 24b) – add back:		
Gain on fair value of Smarter Convert CLN	(6,434,435)	-
Release of Day 1 loss	1,588,280	-
Tax impact of adjustments above	1,211,539	-
Loss attributable to the ordinary equity holders of the Company used in calculating diluted earnings per share	<u>(2,010,075)</u>	<u>(504,701)</u>

Reconciliation of the weighted average number of ordinary shares in issue used in calculating diluted loss per share is detailed below:

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	31 October 2025	31 October 2024
	£	£
Weighted average number of ordinary shares used in calculating basic earnings per share	130,792,601	7,500,000
Impact of conversion of Smarter Convert CLN	1,839,764	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	132,632,365	7,500,000

Other instruments that give rise to dilutive potential ordinary shares are the warrants issued by the Company and detailed in note 21.

Deferred shares do not carry dividend rights and thus no separate earnings per share calculations have been presented.

13. Financial assets

	31 October 2025	31 October 2024
Fair value	£	£
<i>Listed securities</i>		
Opening balance	-	-
Additions on acquisition of subsidiary	85,485	-
Fair value gain	5,794	-
Disposal	(89,630)	-
Closing balance	1,649	-

Power Metal Resources Plc

The Company's subsidiary held shares in Power Metal Resources Plc to the value of £83,835 at date of acquisition. On the 14 July 2025, these were disposed of by the subsidiary for a £5,794 profit.

Great Western Mining Corporation Plc

The Company's subsidiary held shares in Great Western Mining Corporation Plc to the value of £1,650 at date of acquisition. At the year end the value of the shares was £1,649. The difference of £1 has been recognised in profit or loss.

14. Cryptocurrency

	Bitcoin
Fair value	£
As at 1 November 2024	-
Additions – on acquisition of subsidiary	600,746
Additions	219,946,439
Fair value loss, recognised in profit or loss	(543,725)
As at 31 October 2025	220,003,460

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The fair value of Bitcoin as at 31 October 2025 was calculated by reference to the unadjusted market price as at 23:59 UK time on 31 October 2025, provided by the Group's bitcoin broker, which is a Level 1 input under the fair value hierarchy of IFRS 13 (see note 26(b)). Had Bitcoin been measured on a historical cost basis, its carrying value would have been £220,547,184 as at 31 October 2025 (31 October 2024: £nil).

15. Intangible assets

	Goodwill	Intangible asset - software	Intangible asset - customer relationships	Intangible asset – brand	Total
	£	£	£	£	£
Cost					
As at 01 November 2024	-	-	-	-	-
Acquisition of subsidiary	746,315	15,079	267,424	12,869	1,041,687
As at 31 October 2025	746,315	15,079	267,424	12,869	1,041,687
Accumulated amortisation					
As at 01 November 2024	-	-	-	-	-
Amortisation	-	520	9,222	444	10,186
As at 31 October 2025	-	520	9,222	444	10,186
Carrying amount					
As at 31 October 2025	746,315	14,559	258,202	12,425	1,031,501
As at 31 October 2024	-	-	-	-	-

Goodwill arose on the acquisition of subsidiary as detailed in note 28.

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16. Property, plant and equipment

	Fixtures and fittings £
Cost	
As at 01 November 2024	-
Additions on acquisition of subsidiary	11,358
Additions	10,899
As at 31 October 2025	<u>22,257</u>
Accumulated depreciation	
As at 01 November 2024	-
Depreciation	6,051
As at 31 October 2025	<u>6,051</u>
Carrying amount	
As at 31 October 2025	<u>16,206</u>
As at 31 October 2024	<u>-</u>

17. Right-of-use asset

	Motor vehicles £
Cost	
As at 01 November 2024	-
Acquisition of subsidiary	25,997
As at 31 October 2025	<u>25,997</u>
Accumulated depreciation	
As at 01 November 2024	-
Depreciation	7,798
As at 31 October 2025	<u>7,798</u>
Carrying amount	
As at 31 October 2025	<u>18,199</u>
As at 31 October 2024	<u>-</u>

18. Trade and other receivables

	31 October 2025	31 October 2024
	£	£
VAT receivable	<u>86,759</u>	-
Prepayments	89,523	-
Other receivables	<u>289,977</u>	2,200
	<u>466,259</u>	<u>2,200</u>

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The other receivables balance of £289,977 includes £271,938 of funds due for ATM shares placed on 31 October 2025 (31 October 2024: £nil), which were received subsequent to the year end.

19. Cash and cash equivalents

	31 October 2025	31 October 2024
	£	£
Cash at bank and on hand	<u>1,503,118</u>	<u>109,252</u>

All cash held are denominated in GBP. The majority of the cash balance is held at year-end is with a banking institution with a credit rating of A+. During the year, some cash balances were held with payment processes for a short period of time to facilitate transactions.

20. Share capital and share premium

	31 October 2025	31 October 2024
	£	£
Share capital:		
Ordinary shares of 0.1p each	300,237	7,050
Deferred shares of 4.9p each	<u>345,450</u>	<u>345,450</u>
Total share capital	<u>645,687</u>	<u>352,500</u>
Share premium	<u>208,760,100</u>	<u>1,515,032</u>

Ordinary shares

Ordinary shares of 0.1p each entitle the holders to receive dividends as declared from time to time and to vote at meetings of the Company. All ordinary shares rank equally with regard the Company's residual net assets. There are no restrictions on the transfer of shares.

During the year ended 31 October 2025, the Company issued new ordinary shares as detailed below:

	No of Shares No.	Share capital £	Share Premium £	Total £
As at 1 November 2024	<u>7,050,000</u>	<u>7,050</u>	<u>1,515,032</u>	<u>1,522,082</u>
Transactions on 25 April 2025:				
Acquisition of subsidiary*	25,778,732	25,779	-	25,779
Conversion of convertible loan notes	67,837,603	67,838	1,288,914	1,356,752
Advisor shares issued	21,154,128	21,154	495,449	516,603
Placing and subscription shares	<u>25,080,894</u>	<u>25,081</u>	<u>601,941</u>	<u>627,022</u>
	139,851,357	139,852	2,386,304	2,526,156
7 May 2025 - Ordinary 1p shares	14,015,320	14,015	2,228,436	2,242,451
14 May 2025 - Ordinary 1p shares	12,783,185	12,783	3,438,677	3,451,460
22 May 2025 - Ordinary 1p shares	13,942,805	13,942	6,818,032	6,831,974

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4 June 2025 - Ordinary 1p shares	16,538,799	16,539	13,379,888	13,396,427
16 June 2025 - Ordinary 1p shares	16,297,627	16,298	29,319,431	29,335,729
22 June 2025 - Ordinary 1p shares	766,719	767	3,794,492	3,795,259
25 June 2025 - Ordinary 1p shares	14,221,623	14,222	41,228,485	41,242,707
7 July 2025 - Ordinary 1p shares	7,000,000	7,000	22,867,310	22,874,310
8 July 2025 - Ordinary 1p shares	3,182,013	3,181	10,338,361	10,341,542
9 July 2025 - Ordinary 1p shares	14,000,000	14,000	30,969,514	30,983,514
17 July 2025 - Ordinary 1p shares	5,947,099	5,947	17,537,995	17,543,942
1 August 2025 - Ordinary 1p shares	2,560,975	2,561	5,247,438	5,249,999
1 August 2025 - Ordinary 1p shares	1,398,931	1,399	2,866,410	2,867,809
4 September 2025 - Ordinary 1p shares	21,000,000	21,000	11,587,354	11,608,354
6 October 2025 - Ordinary 1p shares	9,680,640	9,681	9,670,959	9,680,640
Share issue costs	-	-	(5,600,712)	(5,600,712)
Warrants issued on conversion of convertible loan notes	-	-	(833,306)	(833,306)
As at 31 October 2025	<u>300,237,093</u>	<u>300,237</u>	<u>208,760,100</u>	<u>209,060,337</u>

*On acquisition of subsidiary, a merger relief reserve of £618,689 was recognised on the shares issued.

On 25 April 2025, following successful admission to Aquis the Company issued 139,851,357 Ordinary 0.1p shares for net proceeds of £2,640,827. This consisted of 25,778,732 issued to sellers of SWC Ltd in consideration (see note 28), 67,837,603 were issued to pre-IPO investors on settlement of the convertible loan note (see note 24), 21,154,128 were issued in lieu of payment of expenses for advisors, 18,856,894 were issued as part of the subscription and the remaining 6,224,000 were the number of placing shares issued.

On 9 July 2025, the Company issued 14,000,000 shares pursuant to a fundraising agreement with its broker (“ATM Facility”) whereby the broker subscribes to the shares at nominal value and subsequently places the shares with investors. Any premium over nominal value achieved through the placing by the broker is passed to the Company less commission. All shares were placed as at year end.

On 4 September 2025, the Company issued 21,000,000 at par value pursuant to a subscription agreement with its broker. Under the agreement, the broker may sell ordinary shares on behalf of the Company subject to agreed restrictions, including weekly volume limits linked to market trading closing price, and the Company will benefit by receiving approximately 97% of the net proceeds of any sales of the shares achieved by the broker. As at 31 October 2025, a balance of 17,722,000 shares had not yet been placed. At 31 October 2025, £271,938 of the proceeds relating to the shares issued under the subscription agreement had not yet been received by the Company and has been recognised within other receivables. The proceeds were received subsequent to the year-end.

Deferred shares

The Company has 7,050,000 Deferred shares of 4.9p each in issue (2024: 7,050,000 Deferred shares). Deferred shares are not transferable, do not carry any rights to attend meetings of the Company, to receive dividends or distributions, except for return of capital on a winding up once the holders of ordinary shares have first

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received a return on capital of £1,000,000 in respect of each Ordinary share held by them. The Company may acquire from the holder of Deferred shares all of their Deferred shares for a total consideration of 1 pence.

21. Warrant reserve

	No.	£
Opening balance	-	-
Warrants issued on conversion of the CLN (note 24(a))	67,837,603	833,306
Warrants issued on acquisition of subsidiary (note 28)	25,778,732	316,662
Share-based payment – advisor warrants	2,450,000	30,095
Warrants issued on 6 October 2025	9,680,640	-
Closing balance	<u>105,746,975</u>	<u>1,180,063</u>

On 25 April 2025, the Company issued 96,066,335 warrants, exercisable at 2.5 pence per ordinary shares between 25 April 2026 and 25 April 2028. These warrants have been recognised at fair value, which has been determined using the Black Scholes model with the following inputs:

	2.5p warrants
Share price at the date of grant (pence)	2.500
Exercise price (pence)	2.500
Dividend yield	0%
Time until exercise, assumed to be the mid-point when exercisable	2.0 years
Annual risk-free interest rate	3.66%
Volatility	89.26%
Resulting fair value per warrant (pence)	<u>1.228</u>

As part of the Aquis IPO, the Company issued further 2,450,000 warrants to advisors on the same terms as the warrants detailed above. This represents an equity settled share-based payment, which was recognised at the fair value of the warrants issued.

On 9 October 2025, the Company issued warrants in connection with an equity placing of 9,680,640 ordinary shares. The warrants entitle the holder to subscribe for one ordinary share at a fixed exercise price of £1.50 and are exercisable over a contractual term of 36 months. As the placing price for the shares and warrants of £1.00 was below the quoted market price of the Company's shares of £1.02 at the grant date, no fair value is attributed to these warrants.

No warrants were issued during the year ended 31 October 2024.

The warrants are not subsequently revalued.

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22. Lease liabilities

	31 October 2025	31 October 2024
	£	£
Current liabilities	30,112	-
Non-current liabilities	7,523	-
	<u>37,635</u>	<u>-</u>

The Group leases motor vehicles. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the consolidated statement of financial position as a right-of-use asset (note 17) and a lease liability.

The Group has recognised one motor vehicle lease in the twelve months ended 31 October 2025 as a result of acquisition of subsidiary (note 28). The hire purchase agreement includes the option to purchase the motor vehicle at the end of lease term in November 2028, which is expected to be exercised, and the rate implicit in the lease is 0%. No finance charges have been recognised in profit or loss in the relation to the lease.

23. Trade and other payables

	31 October 2025	31 October 2024
	£	£
Trade payables	118,633	30
Accruals	21,775	14,785
VAT payable	-	12,625
Other creditors	234,679	-
	<u>375,087</u>	<u>27,440</u>

24. Borrowings

	31 October 2025	31 October 2024
	£	£
Convertible loan facility	-	50,000
Loan from Power Metal Resources Plc	-	562,291
Other borrowings	-	393,105
Smarter Convert CLN	10,957,578	-
	<u>10,957,578</u>	<u>1,005,396</u>

(a) February 2025 Convertible loan note

In February 2025, the Company issued convertible loan notes ("Feb CLN") to various pre-IPO investors, totalling £1,356,752 who had originally subscribed for shares in the Company in connection with a previous aborted IPO. The loan notes entitled the holders to receive shares on IPO at a 20% discount to the IPO price, along with one warrant for each share received.

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The loan notes had the option to be redeemed in cash in the event of a default. The loan notes mandatorily converted to shares on IPO date, being 25 April 2025. The effective interest on the financial liability element of the loan note is recorded as a finance cost of £339,188. On IPO, the terms of the warrants were finalised and entitled the shareholders to subscribe for additional shares at fixed price, the IPO price, leading to the warrants being recognised as equity instruments at fair value. The value of the warrants issued totals £833,306 and is recognised in equity in the Warrant Reserve, with the corresponding reduction in share premium as part of IPO share issue costs.

(b) Loan from Power Metal Resources Plc

The loan from Power Metal Resources Plc (“POW”) was written off during the year ended 31 October 2025 with the corresponding gain recognised in other income in profit or loss. The loan from POW was provided in connection with an acquisition opportunity related to an asset owned by POW, however the transaction ultimately did not complete, and the loan was written off. At the time of the write-off, Sean Wade was the chief executive officer of both POW and the Company however he did not have a controlling interest in either company.

(c) Convertible loan facility and other borrowings

The Convertible loan facility was also repaid during the period. Other borrowings consisted of pre-IPO investors who were either repaid or refinanced into Feb CLN detailed above.

(d) Smarter Convert CLN

On 5 August 2025, the Company issued a convertible loan note (“Smarter Convert CLN”) raising gross proceeds of £15,803,733, which were used to acquire 177.8909127 Bitcoins and are held in a segregated wallet. The instrument is interest-free and has a term of one year. On maturity, the instrument can be settled as follows, at the option of the noteholders (“Settlement”):

- (i) Full or partial conversion of the notes into Company shares at £2.0475 per share; or
- (ii) Transfer of the Bitcoin acquired less transaction costs; or
- (iii) Payment of the equivalent of the value of Bitcoin in GBP, USD, or EUR;

The noteholders have the option to trigger Settlement at any time. The Company has the option to trigger Settlement after 5 February 2026, if both the market price of the Company shares exceeds £3.07125 per share for 10 consecutive trading days, and the percentage increase in the Company’s share price over that period exceeds the percentage increase in the price of Bitcoin.

The instrument was analysed in accordance with the requirements of IAS 32 and IFRS 9 and the Directors have elected on initial recognition to designate the whole instrument as a financial liability measured at fair value through profit or loss as the instrument contains a non-closely-related embedded derivative.

The fair value of Smarter Convert CLN at initial recognition was calculated using Level 3 valuation techniques detailed in note 26(b). As the fair value at of the liability at initial recognition exceeds the cash proceeds, the resulting loss, Day 1 loss, is released into the profit or loss over the term of instrument. The initial recognition of Smarter Convert CLN is detailed below:

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

	£
Fair value of Smarter Convert CLN	22,156,853
Less: cash proceeds	(15,803,733)
Day 1 loss to be released over the term of the instrument	<u>6,353,120</u>

As at 31 October 2025, the fair value of Smarter Convert CLN reduced to £15,722,418 with corresponding gain of £6,434,435 recognised in other gains and losses. Day 1 losses of £1,588,280 were released into profit or loss as an expense within other gains and losses.

Changes in the carrying values of Smarter Convert CLN and its components are detailed below:

	Fair value of Smarter Convert CLN £	Day 1 Deferred Loss £	Total £
At 1 November 2024	-	-	-
Initial recognition	22,156,853	(6,353,120)	15,803,733
Change in fair value of Smarter Convert CLN	(6,434,435)	-	(6,434,435)
Release of Day 1 losses	-	1,588,280	1,588,280
At 31 October 2025	15,722,418	(4,764,840)	10,957,578

Movements in Group's borrowings are detailed below:

	Convertible loan facility £	Loan from POW £	Other borrowings £	Feb 2025 CLN £	Smarter Convert CLN £	Total £
Balance as at 1 November 2024	50,000	562,291	393,105	-	-	1,005,396
Drawdowns	-	97,969	12,000	1,075,501	15,803,733	16,989,203
Repayments	(50,000)	-	(123,853)	-	-	(173,853)
Write-off	-	(660,260)	-	-	-	(660,260)
Refinance into CLN	-	-	(281,252)	281,252	-	-
Conversion into shares and warrants	-	-	-	(1,356,753)	-	(1,356,753)
Release of Day 1 losses	-	-	-	-	1,588,280	1,588,280
Change in fair value	-	-	-	-	(6,434,435)	(6,434,435)
Balance as at 31 October 2025	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,957,578</u>	<u>10,957,578</u>

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

25. Deferred tax liability

	Revaluation of Crypto currency	Intangible assets	Other timing differences	Smarter Convert CLN	Total
	£	£	£	£	£
As at 1 November 2024	-	-	-	-	-
Acquisition of subsidiary	2,314	(73,843)	(7,904)	-	(79,433)
Credited profit or loss	(2,314)	2,546	-	(1,211,539)	(1,211,307)
As at 31 October 2025	-	(71,297)	(7,904)	(1,211,539)	(1,290,740)

Deferred tax has been measured at the enacted corporation tax rate of 25%. As at 31 October 2025, the Group has unused tax losses of £1,970,512 (2024: £1,145,530) available for offset against future profits. No deferred tax asset has been recognised in respect of these losses (2024: £nil) as it is not considered probable that there will be future taxable profits available. All tax losses arose in the UK and may be carried forward indefinitely.

26. Financial instruments

(a) Categories of financial instruments

	31 October 2025	31 October 2024
	£	£
Financial assets		
Financial assets at amortised cost:		
Other receivables	289,977	2,200
Cash and cash equivalents	1,503,119	109,252
	<u>1,793,096</u>	<u>111,452</u>
Financial assets at fair value through profit or loss:		
Listed securities	1,649	-
Total financial assets	<u>1,794,745</u>	<u>111,452</u>
	31 October 2025	31 October 2024
	£	£
Financial liabilities		
Financial liabilities at amortised cost:		
Trade payables	118,633	30
Accruals	21,775	14,785
Other creditors	234,679	-
Borrowings	-	1,005,396
Lease liabilities	37,635	-
	<u>412,722</u>	<u>1,020,211</u>
Financial liabilities at fair value through profit or loss:		
Smarter Convert CLN, excluding Day 1 losses	15,722,418	-
	<u>15,722,418</u>	<u>-</u>

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

Total financial liabilities	<u>16,135,140</u>	<u>1,020,211</u>
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Financial instruments exclude prepayments, VAT, taxation and social security liability balances.

There are no material differences between the carrying value and fair value of the Group's financial instruments carried at amortised cost because of their short maturities.

All financial instruments are denominated in GBP.

(b) Fair value hierarchy

Some of the Group's financial assets are measured at fair value at the end of each reporting period. Valuation techniques in determining the fair values are divided into three levels based on the quality of inputs. There were no transfers between fair value hierarchies in the period ended 31 October 2025. (2024: None)

Level 1 – Quoted market prices

Fair value is determined by reference to unadjusted quoted prices for identical assets and liabilities in active markets where the quoted price is readily available.

The following financial assets are recognised at fair value through profit or loss and are classified within the Level 1 category:

	31 October 2025	31 October 2024
	<u>£</u>	<u>£</u>
Listed securities	<u>1,649</u>	<u>-</u>

Level 2 – Valuation techniques using observable inputs

Fair value is determined using inputs other than quoted prices included in Level 1 that are unobservable, directly or indirectly. There were no level 2 inputs during the year.

Level 3 – Valuation techniques using significant unobservable inputs

Fair value is dependent on significant inputs that are unobservable. The following financial liabilities are recognised at fair value through profit or loss and are classified within the Level 3 category:

	31 October 2025	31 October 2024
	<u>£</u>	<u>£</u>
Fair value of Smarter Convert CLN	<u>15,722,418</u>	<u>-</u>

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

Valuation technique and inputs

The fair value of the Smarter Convert CLN at initial recognition and 31 October 2025 was estimated using a Monte Carlo simulation model. The key inputs into the valuations were as follows:

	<u>5 August 2025</u>	<u>31 October 2025</u>
Company share price	£2.00	£0.535
Risk-free rate	3.72%	3.65%
Annualised volatility of Company shares	118%	133%
Bitcoin price at 5 August 2026	<u>US\$ 122,055</u>	<u>US\$ 116,210</u>

Bitcoin prices at 5 August 2026 were derived from forward prices. The volatility of Company shares was derived from a peer group of comparable listed companies as the Company shares have not been listed for a sufficiently long period.

No change the fair value of the Smarter Convert CLN is attributable to the changes in Company's credit risk.

Transfers between levels of the fair value hierarchy

There were no transfers between levels of the fair value hierarchy during the year.

(c) Risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training, management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The main financial risks arising from the Group's financial instruments are market risk, credit risk and liquidity risk.

Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit exposure. For the Group, credit risk arises primarily from cash balances held at banks and other receivables. The risk in relation to cash balances is mitigated by keeping cash with reputable financial institutions with a high credit rating and keeping cash balances with payment processors for only as long as necessary.

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

Liquidity risk

Liquidity risk arises from the possibility that the Company and its subsidiaries might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Directors manage this risk by monitoring its financial resources and carefully planning its expenditure programmes. The Group has successfully raised finance, and the Directors consider the Group's investment in cryptocurrencies to be highly liquid.

Contractual maturity dates of the Group's financial liabilities are detailed below. The amounts are undiscounted contractual payments and thus include future interest and charges.

	Less than	After	
<u>As at 31 October 2025</u>	12 months	12 months	Total
	£	£	£
Trade and other payable excluding non-financial liabilities	375,087	-	375,087
Lease liabilities	9,212	28,423	37,635
Smarter Convert CLN	15,619,518	-	15,619,518
Total	<u>16,003,817</u>	<u>28,423</u>	<u>16,032,240</u>

	Less than	After	
<u>As at 31 October 2024</u>	12 months	12 months	Total
	£	£	£
Trade and other payable excluding non-financial liabilities	14,815	-	14,815
Borrowings	1,005,396	-	1,005,396
Total	<u>1,020,211</u>	<u>-</u>	<u>1,020,211</u>

The contractual amount payable on the Smarter Convert CLN, as detailed in note 24(d), is based on the price of Bitcoin at the date of settlement and is subject to the noteholder electing to redeem the note in cash, unless converted earlier by the Company. The figure used in the table above is based on the Directors' estimated price of Bitcoin when the instrument matures on 25 August 2026.

The Group has sufficient cash reserves to meet its lease and trade and other payables liabilities.

Market risk

The Group is not materially exposed to currency and interest rate risk. The Group's market risk exposure is limited to price fluctuations in the value of Bitcoin, which the Directors monitor closely and do not generally rely on to fund working capital requirements. The Group's remaining investment in listed securities is minimal and is not considered material.

(d) Capital risk management

The Board's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to enable the Group to continue its principal activities, and to maintain an optimal capital structure to reduce the cost of capital. The Group's capital consists primarily of equity.

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

27. Related party transactions

Related parties comprise of key management personnel who are the Directors of the Company. Their remuneration is detailed below:

	31 October 2025	31 October 2024
	£	£
Short-term employment benefits	652,463	76,000
Social security costs	1,284	-
	<u>653,747</u>	<u>76,000</u>

Keysford Limited, in which Sean Edward Wade is a Director, charged consultancy fees for the year ended 31 October 2025 of £18,000 (31 October 2024: £56,000), which are included within the table above. The amount owed to Keysford Limited at 31 October 2025 was £nil (31 October 2024: £nil).

123 Accounting Solutions Limited, in which Mario Visconti is a Director, charged consultancy fees for the year ended 31 October 2025 of £13,000 (31 October 2024: £20,000), which are included within the table above. The amount owed to 123 Accounting Solutions Limited at 31 October 2025 was £nil (31 October 2024: £nil).

Tyler Evans, a Director of the Company, received an Aquis admission success fee of £24,000 settled in shares of Company at the Aquis admission price of 2.5 pence.

Within borrowings arising on acquisition of SWC Ltd, there was a balance of £694 owed to Andrew Webley and £1,401 Jo Webley. These represent loans made by the Director and a person connected to the Director. Both amounts were repaid during the year ended 31 October 2025.

Andrew Webley and Jo Webley were the selling shareholders of SWC Ltd, which was acquired during the interim period. Details of the consideration transferred are included in note 28.

In addition, Andrew Webley subscribed to 1,600,000 shares at the Aquis admission price of 2.5 pence.

28. Business combinations

On 25 April 2025, the Company completed the acquisition of the entire issued share capital of SWC Ltd, a web design company. As part of the consideration, the Company issued ordinary shares to the former shareholders of SWC Ltd, giving them 35% ownership of the enlarged group and SWC's CEO, joined the Company's board.

The fair value of assets acquired and the resulting goodwill is detailed below is detailed below:

	£
Intangible asset – Cryptocurrency	600,746
Other intangible assets	295,371
Property, plant and equipment	11,358
Right of use assets	25,997
Trade and other receivables	747
Financial assets – listed securities	85,485
Cash and cash equivalents	12,299
Trade and other payables	(43,819)

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

Borrowings	(2,095)
Lease liabilities	(42,241)
Deferred tax liability	(79,433)
Net identifiable assets acquired	<u>864,415</u>
Goodwill	<u>746,315</u>
Consideration	<u>1,610,730</u>

The goodwill is attributable to the workforce and an increase in market share. It will not be deductible for tax purposes.

Purchase consideration

	£
Issue of 25,778,732 ordinary shares	<u>644,468</u>
Cash consideration	90,000
Warrants issued to sellers as consideration	316,662
Loan advanced by the Company prior to acquisition	<u>559,600</u>
	<u>1,610,730</u>

The fair value of the ordinary shares issued as the part of the consideration was determined based on the Aquis IPO price. The fair value of the warrants issued as part of the consideration is detailed in note 21. The acquisition related costs were immaterial.

Cash flow

	£
Cash paid as consideration	<u>(90,000)</u>
Less cash acquired at acquisition	<u>12,299</u>
Net cash outflow on acquisition	<u>(77,701)</u>

Revenue and profit contribution

The acquired business contributed revenues of £70,029 and net profit of £8,005 to the Group for the period from acquisition to 31 October 2025. If the acquisition had occurred on 1 November 2024, consolidated pro-forma revenue and profit for the year ended 31 October 2025 would have been £154,738 and £184,858 respectively.

THE SMARTER WEB COMPANY PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025 (CONTINUED)

29. Subsidiaries

As at 31 October 2025, the Company had the following subsidiaries:

Company	Registered office	Proportion of equity shares and voting rights held by the Company	Nature of business
The Smarter Web Company Operations Limited (formerly The Smarter Web Company Limited)	160 Aztec West, Almondsbury, Bristol, United Kingdom, BS32 4TU	100%	Web portals
SWC Holdings Malta Limited	230 Works Business Centre Second Floor, Triq Ilkungress Ewkaristiku, Mosta, MST 9039, Malta	100%	Treasury company

30. Post Balance Sheet Events

On 23 December 2025, the Company entered into a new subscription agreement with Shard Merchant Capital Ltd, replacing the subscription agreement entered into on 3 September 2025. The agreement provides for the issue of 50,000,000 new ordinary shares at par value and also covers 13,240,500 ordinary shares previously issued and not yet sold, resulting in an aggregate available allocation of 63,240,500 ordinary shares. Under the agreement, Shard Merchant Capital Ltd may sell ordinary shares on behalf of the Company subject to agreed restrictions, including weekly volume limits linked to market trading closing price, and the Company's ability to suspend or recommence sales at its discretion, with the Company entitled to receive approximately 98.25% of the gross proceeds from any shares sold. Admission to trading of the new ordinary shares took place on 2 January 2026.

On 3 February 2026, the Company's ordinary shares were admitted to trading on Commercial Companies (Equity Shares) category of the Main Market of the London Stock Exchange.

THE SMARTER WEB COMPANY PLC
PARENT COMPANY FINANCIAL STATEMENTS

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2025

		31 October	31 October
		2025	2024
	Notes	£	£
Assets			
Non-current assets			
Investment in subsidiaries	C5	1,051,131	1
Cryptocurrency	C6	220,003,460	-
Property, plant and equipment	C7	5,928	-
Total non-current assets		<u>221,060,519</u>	<u>1</u>
Current assets			
Trade and other receivables	C8	467,062	3,374
Cash and cash equivalents	C9	1,463,923	109,252
Total current assets		<u>1,930,985</u>	<u>112,626</u>
Total assets		<u>222,991,504</u>	<u>112,627</u>
Liabilities			
Current liabilities			
Trade and other payables	C10	450,080	27,441
Borrowings	C11	10,957,578	1,005,396
Total current liabilities		<u>11,407,658</u>	<u>1,032,837</u>
Non-current liabilities			
Deferred tax liabilities	C12	1,211,539	-
Total non-current liabilities		<u>1,211,539</u>	<u>-</u>
Net assets		<u>210,372,307</u>	<u>(920,210)</u>
Equity			
Share capital	C13	645,687	352,500
Share premium	C13	208,760,100	1,515,032
Merger relief reserve		618,689	-
Warrant reserve	C13	1,180,063	-
Accumulated losses		(832,232)	(2,787,742)
Total equity		<u>210,372,307</u>	<u>(920,210)</u>

THE SMARTER WEB COMPANY PLC
PARENT COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2025

Under s408 of the Companies Act 2006 the Company is exempt from the requirement to present its own statement of comprehensive income. The profit after tax for the year ended 31 October 2025 was £1,616,322 (2024: loss £504,701).

The financial statements of The Smarter Web Company Plc, company registered number 00092343, were approved by the board, and authorised for issue on 19 February 2026 and signed on its behalf by:

.....

Albert Soleiman
Chief Financial Officer

THE SMARTER WEB COMPANY PLC

PARENT COMPANY FINANCIAL STATEMENTS

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 OCTOBER 2025

	Share capital £	Share premium £	Merger relief reserve £	Warrant reserve £	Accumulated losses £	Total equity £
As at 31 October 2023	352,500	1,515,032	-	-	(2,283,041)	(415,509)
Total comprehensive loss for the year	-	-	-	-	(504,701)	(504,701)
At 31 October 2024	352,500	1,515,032	-	-	(2,787,742)	(920,210)
Total comprehensive income for the year	-	-	-	-	1,616,322	1,616,322
Transactions with owners:						
Shares issued	199,570	212,390,172	-	-	-	212,589,742
Issue costs	-	(6,403,923)	-	833,306	-	(5,570,617)
Share-based payments – advisor warrants	-	(30,095)	-	30,095	-	-
Acquisition of subsidiary	25,779	-	618,689	316,662	-	961,130
Conversion of convertible loan note	67,838	1,288,914	-	-	339,188	1,695,940
Total transactions with owners	293,187	207,245,068	618,689	1,180,063	339,188	209,676,195
As at 31 October 2025	645,687	208,760,100	618,689	1,180,063	(832,232)	210,372,307

C1 Basis of preparation of the Company financial statements

The Company meets the definition of a qualifying entity under FRS 100 'Financial Reporting Standard 100' issued by the Financial Reporting Council. Accordingly, the financial statements have been prepared in accordance with FRS 101 'Reduced Disclosure Framework' and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The Company previously prepared its financial statements in accordance with IAS. Due to the similarities between FRS 101 and IAS, there are no adjustments on transition to FRS 101.

The Company financial statements have been prepared on the going concern basis and under the historical cost convention, except for revaluation of assets and liabilities recognised at fair value.

The Company financial statements are presented in Pound Sterling, which is its functional and presentational currency.

Preparation of financial statements under FRS 101 requires the application of the recognition, measurement and disclosure requirements of IAS but allows for the following disclosure exemptions:

- FRS 101.8 (d): the requirements of IFRS 7 'Financial Instruments: Disclosures' to make disclosures about financial instruments;
- FRS 101.8 (e): the requirements of IFRS 13 'Fair Value Measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- FRS 101.8 (g): the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 111, and 134 to 136 of IAS 1 'Presentation of Financial Statements' to produce a cash flow statement and to make an explicit and unreserved statement of compliance with IFRSs, additional comparative information and capital management information;
- FRS 101.8 (h): the requirements of IAS 7 'Statements of Cash Flows' to produce a cash flow statement and related notes;
- FRS 101.8 (i): the requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' to include a list of new IFRSs that have been issued but that have yet to be applied;
- FRS 101.8 (j): the requirements of paragraph 17 of IAS 24 'Related Party Disclosures' (key management compensation);
- FRS 101.8 (k): the requirements of IAS 24 'Related Party Disclosures' to disclose related party transactions entered between two or more members of a group, provided that any subsidiary which is party to a transaction is wholly owned by such a member.
- FRS 101.7A: the requirements of paragraphs 6-21 of IFRS 1 'First Time Adoption of International Financial Reporting Standards' to present an opening statement of financial position at the date of transition.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3 to the consolidated financial statements.

C2 Material accounting policies

The adopted principal accounting policies are the same as those set out in note 2 to the consolidated financial statements. The accounting policy described below is in addition to the accounting policies disclosed in the consolidated financial statements and is specific to the Company's standalone financial statements.

Investment in subsidiaries

Equity investments in the Company's subsidiaries are stated at cost, which is the fair value of the consideration paid, less impairment.

C3 Auditors' remuneration

Auditors' remuneration is disclosed within note 4 to the consolidated financial statements.

C4 Employees and Directors

The average number of employees and directors during the year was:

	31 October 2025	31 October 2024
	No.	No.
Directors	5	2
Staff	4	-
	<u>9</u>	<u>2</u>

Directors' remuneration is disclosed within the Directors' Remuneration Report.

C5 Investment in subsidiaries

	31 October 2025	31 October 2024
	No.	No.
Investment in subsidiaries	<u>1,051,131</u>	<u>1</u>

The list of subsidiaries is included in note 29 to the consolidated financial statements. Changes in the investment in subsidiaries balance is detailed below:

	31 October 2025
	£
Cost at 1 November 2024	<u>1</u>
Acquisition of SWC Ltd	1,051,130
Carrying amount at 31 October 2025	<u>1,051,131</u>

During the year, the Company acquired 100% of the issued share capital of SWC Ltd. Details of the consideration transferred are included in note 28 to the consolidated financial statements.

C6 Cryptocurrency

	£
Fair value	
As at 1 November 2024	-
Additions	220,547,185
Fair value losses, recognised in profit or loss	(543,725)
As at 31 October 2025	<u>220,003,460</u>

The fair value of Bitcoin as at 31 October 2025 was calculated by reference to the unadjusted market price as at 23:59 UK time on 31 October 2025, provided by the Group's bitcoin broker. Had Bitcoin been measured on a historical cost basis, its carrying value would have been £220,547,184 as at 31 October 2025 (31 October 2024: £nil).

C7 Property, plant and equipment

	Fixtures and fittings £
Cost	
As at 01 November 2024	-
Additions	5,598
As at 31 October 2025	<u>5,598</u>
Accumulated depreciation	
As at 01 November 2024	-
Depreciation	70
As at 31 October 2025	<u>70</u>
Carrying amount	
As at 31 October 2025	<u>5,928</u>

C8 Trade and other receivables

	31 October 2025	31 October 2024
	£	£
Intercompany receivable	-	1,174
VAT receivables	87,564	-
Prepayments	89,521	-
Other receivables	289,977	2,200
	<u>467,062</u>	<u>3,374</u>

The other receivables balance of £289,977 includes £271,938 of funds due for ATM shares placed on 31 October 2025 (31 October 2024: £nil), which were received subsequent to the year end.

C9 Cash and cash equivalents

	31 October 2025	31 October 2024
	£	£
Cash at bank and on hand	<u>1,463,923</u>	<u>109,252</u>

All cash held are denominated in GBP.

C10 Trade and other payables

	31 October 2025	31 October 2024
	£	£
Intercompany payable	60,970	-
Trade payables	118,633	31
Accruals	34,275	14,785
VAT payable	-	12,625
Other creditors	<u>236,202</u>	-
	<u>450,080</u>	<u>27,441</u>

C11 Borrowings

Please refer to note 24 to the consolidated financial statements.

Deferred tax liability

	Smarter Convert CLN	Total
	£	£
As at 1 November 2024	-	-
Charged to profit or loss	1,211,539	1,211,539
As at 31 October 2025	1,211,539	1,211,539

Deferred tax has been measured at the enacted corporation tax rate of 25%. As at 31 October 2025, the Company has unused tax losses of £1,988,685 (2024: £1,145,530) available for offset against future profits. No deferred tax asset has been recognised in respect of these losses (2024: £nil) as it is not considered probable that there will be future taxable profits available. All tax losses arose in the UK and may be carried forward indefinitely.

C12 Share capital and other reserves

Details of the Company's share capital and share premium are included in note 20 to the consolidated financial statements. Details of the Warrant Reserve are included in notes 21 to the consolidated financial statements respectively.

C13 Related party transactions

In preparing these parent company financial statements, the Company has taken advantage of the exemption available under FRS 101 from the disclosure requirements of IAS 24 *Related Party Disclosures*. The Company has not entered into any related party transactions with directors or persons connected with them that were not conducted on normal market terms during the year.

C14 Post Balance Sheet Events

Details of post balance sheet events are included in note 30 to the consolidated financial statements.