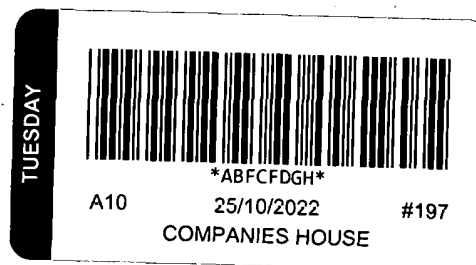


Company registration number: 05840813

Quetzal Capital Plc
Audited Financial Statements
Year Ended 30 June 2022



Quetzal Capital Plc

Audited Financial Statements

Year Ended 30 June 2022

Contents

	Page
Company Information	3
Chairman's Statement	4
Strategic Report	5-6
Directors' Report	7-9
Independent Auditor's Report to the members	10-13
Statement of Comprehensive Income	14
Statement of Financial Position	15
Statement of Changes in Equity	16
Statement of Cash Flows	17
Notes to the Financial Statements	18-25

Quetzal Capital Plc

Audited Financial Statements

Year Ended 30 June 2022

Company Information

Company registration number	05840813
Directors	Fungai Ndoro John Taylor Anthony Quirke
Secretary	Ben Harber
Registered office	6th Floor 60 Gracechurch Street London EC3V 0HR
Independent auditor	Edwards Veeder (UK) Limited 4 Broadgate Broadway Business Park Chadderton Oldham OL9 9XA
Solicitors	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London EC2A 2EW

Quetzal Capital Plc

Chairman's Statement

Year Ended 30 June 2022

The financial results for the twelve months ended 30 June 2022 show a loss of £306,163 (2021: £71,915). The net assets as at 30 June 2022 were £2,858,850 (2021: £3,160,034).

In January 2022, the Board appointed Tony Quirke as a Non-Executive Director. Tony has led successful teams and start-ups in the fintech sector and is a FCCA qualified accountant and FCA approved person.

In December 2021, Quetzal agreed to subscribe for Convertible Loan Notes ("CLNs") of £1 each in Tap Global Limited ("Tap"), for an aggregate amount of £1,500,000. Under the terms of the CLNs, Quetzal has the right to subscribe for up to a further 500,000 additional CLNs of £1 each at any point before 31 October 2022. Should the CLNs convert they will do so at a 50% discount to the valuation of Tap at a conversion event which would involve the acquisition of the entire issued share capital of Tap by Quetzal. The CLNs are secured over assets in Tap and its wholly owned subsidiaries. The funding will assist Tap's continued rapid expansion with over 100,000 registered users now using Tap's platform.

Tap has signed a call option in favour of Quetzal that gives the Company the right to acquire 100% of the issued share capital of Tap, subject to certain terms being agreed on a Sale and Purchase Agreement ("SPA"). One such term will be the achievement of a minimum valuation for Tap of £26.5m as a result of any conversion event. Should the Call Option be exercised by Quetzal and the SPA is agreed, such a transaction would constitute a Reverse Takeover under the AQSE Access Growth Market Rules. There is no guarantee that the Call Option will be exercised, nor that terms of a subsequent SPA will be agreed.

Events after the end of the reporting period

The directors have received a number of approaches and identified several potential business opportunities for the Company. The directors are presently evaluating a number of potential transactions and look forward to informing shareholders and the market further as and when this is appropriate.

On behalf of the Board of directors, I thank both long-term and new shareholders for their support.

John Edward Taylor
Chairman

Quetzal Capital Plc

Strategic Report

Year Ended 30 June 2022

The directors present their strategic report with the audited financial statements of Quetzal Capital Plc ("Quetzal" or the "Company") for the year ended 30 June 2022.

Principal Activity

The Company is an AQSE-Listed company seeking to invest in high growth companies in the technology, e-commerce, lifestyle sciences sectors. The Company is constantly looking for potential investment with one or more of the following characteristics; an experienced management and proven track record, an established client/customer base, generating positive cash flows, operating in a high growth potential sector and with the potential to operate globally.

Business Review

The results for this year reflect a targeted review and ultimately the identification of Tap Global in which the Company has made a significant investment. The Board is encouraged by the progress Tap has made in regard to its unique platform in the past few months, both in terms of technology enhancements and user capture. The Board is keenly monitoring how the addition of several recent and upcoming enhancements, including the roll out of corporate accounts and the incorporation of ten further token assets, will impact the usage of the platform going forwards. The Board is in a constant review process of Tap's progress, generally, in order to be in a position to make an informed decision on whether to trigger the acquisition option, which would lead to a Reverse Takeover of Tap and its subsidiaries.

The financial results for the year ended 30 June 2022 show a loss of £306,163 compared to a loss for the same period in 2021 of £71,915. The net assets at 30 June 2022 were £2,858,850 (2021: £3,160,034).

Future developments

The directors have received a number of approaches and identified several potential business opportunities for Quetzal. The directors are presently evaluating a number of potential transactions and the directors look forward to informing shareholders and the market further as and when this is appropriate. The Company has made investments into various AIM listed securities. The Company currently holds liquid, listed and unlisted investments totalling circa £317,000.

Promotion of the Company for the benefit of the members as a whole

The directors believe they have acted in the way most likely to promote the success of the Company for the benefit of its members as a whole, as required by s172 of the Companies Act 2006.

The requirements of s172 are for the directors to:

- Consider the likely consequences of any decision in the long term;
- Act fairly between members of the Company;
- Maintain a reputation for high standards of business conduct;
- Consider the interest of the Company's employees;
- Foster the Company's relationships with suppliers, customers and others;
- Consider the impact of the Company's operations on the community and the environment.

The Company has sought to act in a way that upholds these principals. The directors believe that the application of s172 requirements can be demonstrated in relation to some of the key decisions made and actions taken during the year.

Category	How the directors have engaged	Impact of action
Shareholders and investors	The directors have communicated regularly with its shareholders and investors via public announcements and the publication of an interim statement.	The Company's share price and capitalisation position have been improved.

Quetzal Capital Plc

Strategic Report

Year Ended 30 June 2022

Suppliers	The Company has focused on developing long term and mutually beneficial relationships with its suppliers.	Relationships have been maintained with all suppliers in place at the beginning of the period.
Employees	The Company has only three employees, its directors.	Changes in directors have been made following mutual agreement and consent.
Environment	The directors have sought to minimise their own carbon footprints and will ensure that ESG considerations are taken in to full account when assessing any investments.	The vast majority of internal and external Company meetings have been conducted virtually. When physical meetings have taken place the directors always travelled in economy rather than business class flights.

The Company is a quoted investment company and its members will be fully aware, through detailed announcements, shareholder meetings and financial communications, of the Board's broad and specific intentions and the rationale for its decisions. The Company pays its employees and creditors promptly and keeps its costs to a minimum to protect shareholders funds. When selecting investments, issues such as the impact on the community and the environment have and will be taken into consideration actively.

On behalf of the Board



Fungai Ndoro
Director

6 October 2022

Quetzal Capital Plc

Directors' Report

Year Ended 30 June 2022

The directors present their report and the audited financial statements of the Company for the year ended 30 June 2022.

Directors of the Company

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

John Taylor
Fungai Ndoro
Tony Quirke

(Appointed 21 January 2022)

Dividends

The directors do not recommend the payment of a dividend.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 17 to the financial statements.

Going Concern

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

The Company meets its day to day financing through its cash reserves. As at 30 June 2022 the Company has net current assets of £2,858,850 and £1,066,912 of cash in the bank.

The directors have prepared cash flow forecasts for the period to 31 December 2023. On the basis of these forecasts, the Company is expected to continue to operate within its available financial facilities for at least the next 18 months.

Directors' interests

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

	No. of ordinary shares of 0.1p each	
	2022	2021
John Taylor	2,750,000	2,750,000

Requirement for further funds

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

Principal risks and uncertainties

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

Liquidity risk

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

Quetzal Capital Plc

Directors' Report

Year Ended 30 June 2022

Interest rate risk

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

Substantial shareholdings

As at 30 June 2022, other than the directors' holdings, the following shareholders hold more than 5% of the issued share capital:

Shareholder	No. of ordinary shares	% of issued share capital
Chris Akers	36,000,000	21%
Monecor (London) Limited	20,321,224	11.9%
Mark Horrocks and family interest	9,100,000	5.3%

Number of shares not in public hands are 68,171,224 which equates to 39.9% of issued share capital.

Matters covered in the strategic report

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

Political and charitable donations

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

Directors' responsibilities statement

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

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Corporate Governance Code

The directors are committed to maintaining high standards of corporate governance and propose, so far as is practicable given the Company's size and nature, to voluntarily adopt and comply with the QCA Code. At present, due to the size of the Company, the directors acknowledge that adherence to certain other provisions

Quetzal Capital Plc

Directors' Report

Year Ended 30 June 2022

of the QCA Code may be delayed until such time as the directors are able to fully adopt them. In particular, action will be required in the following areas:

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

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

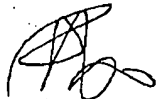
To demonstrate the Company's adherence to the QCA Code, the Company will hold timely board meetings as issues arise which require the attention of the Board. The Company will report to its shareholders as to its compliance with the QCA Code on an ongoing basis and will publish an updated Corporate Governance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

Auditor

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

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

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



Fungai Ndoro
Director

6th October 2022

Quetzal Capital Plc

Independent Auditors Report to the Members of Quetzal Capital Plc

Year Ended 30 June 2022

Opinion

We have audited the financial statements of Quetzal Capital PLC (the 'Company') for the year ended 30 June 2022 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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 company'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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, 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) we identified, including 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.

Key audit matter one

Related parties

We are required to consider if the disclosures made in the financial statements are complete and accurate and to consider whether the processes for the identifying related parties and related party transactions are appropriate.

Quetzal Capital Plc

Independent Auditors Report to the Members of Quetzal Capital Plc

Year Ended 30 June 2022

Audit response

We have assessed the Company's procedures for identifying related parties and ensuring the completeness of the disclosures that are included in the audit planning pack.

Key audit matter two

Going concern

The risk for our audit was whether this contributed to a material uncertainty that may cast doubt on the Company's ability to continue as a going concern.

Audit response

Critical assessment of the directors' going concern assessment, challenging forecast and assumption.

Assessment of the cash flow forecast for committed and contracted expenditure versus discretionary expenditure compared to the level of cash resources.

Assessment of the adequacy of disclosures in the financial statements.

Key audit matter three

Investment / Financial assets

The investment portfolio at 30 June 2022 comprised of listed investments and options whose price is readily available and unlisted options.

We focused on the existence and valuation of investments, represent the principal element of the net asset value as disclosed in the Statement of Financial Position in the Financial Statements.

Audit response

We agreed the existence of the investment portfolio holdings to the Custodian information.

We tested the valuation of all listed investments held by agreeing prices to independent third party sources.

We tested the call option held as investments to authorised payments made to call option agreement which was approved by the Board.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatements in the Financial Statements. As in all our audits, we addressed the risk of management override of controls, including among other matters consideration of whether there was any evidence of bias that represented a risk of material misstatement due to fraud.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions could influence the economic decisions of reasonable users that are taken on the basis of the financial statements. Importantly, misstatements below these levels will not necessarily be evaluated as material, as we also take into account the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined the materiality for the financial statements as a whole to be £60,000 (2021: £64,000) which is based on an average of 2% of gross assets. We considered this as

Quetzal Capital Plc

Independent Auditors Report to the Members of Quetzal Capital Plc

Year Ended 30 June 2022

an appropriate benchmark. We set performance materiality as 75% of the overall Financial Statement materiality.

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 directors are 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 Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' 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 statement of directors' responsibilities, the directors are 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Quetzal Capital Plc

Independent Auditors Report to the Members of Quetzal Capital Plc

Year Ended 30 June 2022

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.

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:

- Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud.
- Auditing the risk of management of override controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified that AQSE listing rules and compliance with the Companies Act 2006 are most likely to have a material impact on the financial statements.

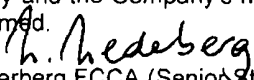
The Company is subject to many other laws and regulations where consequences of non-compliance could have material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines. We identified the following areas as most likely to have such an effect: The Listing Rules in certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit required audit procedure to identify non-compliance with these laws and regulations to inquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures, we did not become aware of actual or suspected non-compliance.

Owing to the inherent limitations of an audit, there's an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). For instance, the further removed non-compliances from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. 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 state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Lee Lederberg FCCA (Senior Statutory Auditor)

For and on behalf of

Edwards Veeder (UK) Limited

Chartered accountants & statutory auditor

4 Broadgate

Broadway Business Park

Chadderton, Oldham

OL9 9XA

Date: 6th October 2022

Quetzal Capital Plc**Statement of Comprehensive Income****Year Ended 30 June 2022**

	Note	2022 £	2021 £
Turnover		50,000	-
Administrative expenses	4	(371,792)	(68,803)
Operating profit / (loss)		(321,792)	(68,803)
Interest payable and similar expenses	7	-	-
Profit / (loss) before taxation		(321,792)	(68,804)
Tax on profit / (loss)	8	15,629	(3,112)
Profit / (loss) for the financial year and total comprehensive income		(306,163)	(71,915)
Earnings per share	18	(0.018)p	(0.087)p
Diluted earnings per share	18	(0.018)p	(0.076)p

All the activities of the Company are from continuing operations and investments.

The notes on pages 18 to 25 form part of these financial statements.

Quetzal Capital Plc


Company number 05840813

Statement of Financial Position

Year Ended 30 June 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	9	1,987	2,279
		<u>1,987</u>	<u>2,279</u>
Current assets			
Debtors	10	102,078	71,628
Financial assets	11	1,815,320	267,930
Cash and cash equivalents		1,066,912	2,841,679
Total current assets		<u>2,984,310</u>	<u>3,181,237</u>
Creditors: amounts falling due within one year	12	<u>139,964</u>	<u>20,370</u>
Net current assets		<u>2,844,346</u>	<u>3,160,867</u>
Total assets less current liabilities		<u>2,846,333</u>	<u>3,163,146</u>
Provisions	13	<u>12,517</u>	<u>(3,112)</u>
Net assets		<u>2,858,850</u>	<u>3,160,034</u>
Capital and reserves			
Called up share capital	15	1,701,243	1,701,243
Share premium		4,687,681	4,687,681
Option & warrant reserve		14,099	9,120
Profit & loss accounts		(3,544,173)	(3,238,010)
Shareholders' funds/ (deficit)		<u>2,858,850</u>	<u>3,160,034</u>

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


Fungai Ndoro
Director

6th October

2022

The notes pages 18 to 25 form part of these financial statements.

Quetzal Capital Plc

Statement of Changes in Equity

Year Ended 30 June 2022

	Called up Share Capital £	Share Premium £	Other Reserves £	Profit & Loss Account £	Total £
As at 1 July 2020	1,552,202	1,572,336	-	(3,166,095)	(41,557)
Total comprehensive profit for the year	-	-	-	(71,915)	(71,915)
Issue of shares	149,041	3,115,345	-	-	3,264,386
Option & warrant reserve	-	-	9,120	-	9,120
Balance at 30 June 2021	1,701,243	4,687,681	9,120	(3,238,010)	3,160,034
	Called up Share Capital £	Share Premium £	Other Reserves £	Profit & Loss Account £	Total £
As at 1 July 2021	1,701,243	4,687,681	9,120	(3,238,010)	3,160,034
Total comprehensive profit for the year	-	-	-	(306,163)	(306,163)
Option & warrant reserve	-	-	4,979	-	4,979
Balance at 30 June 2022	1,701,243	4,687,681	14,099	(3,544,173)	2,858,850

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

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

The notes pages 18 to 25 form part of these financial statements.

Quetzal Capital Plc

Statement of Cash Flows

Year Ended 30 June 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Profit / (loss) after taxation for the financial year		(306,163)	(71,915)
<i>Adjustments for:</i>			
Tax on profit / (loss)		(15,629)	3,112
Share option charge		4,979	9,120
Fair value adjustment of listed shares		82,552	(16,472)
Profit on disposal of investments		(162,769)	-
<i>Changes in:</i>			
Trade and other debtors		(27,338)	(64,133)
Trade and other creditors		119,594	(30,869)
Cash generated from operations		(304,774)	(171,157)
Interest paid		-	-
Net cash used in operating activities		(304,774)	(171,157)
Cash flows from investing activities			
Purchase of Convertible Loan Note		(1,500,000)	-
Purchase of investments		(612,875)	(251,550)
Sales of investments		645,994	-
Net cash used in investing activities		(1,466,881)	(251,550)
Cash flows from financing activities			
Tax paid		(3,112)	-
Share issue		-	3,470,124
Share issue expenses paid		-	(205,738)
Net cash used in financing activities		(3,112)	3,264,387
Increase / (Decrease) in cash and cash equivalents		(1,774,767)	2,841,679
Cash and cash equivalents at beginning of the year		2,841,679	-
Cash and cash equivalents at the end of the year		1,066,912	2,841,679

The notes pages 18 to 25 form part of these financial statements.

Quetzal Capital Plc

Notes to the Financial Statements

Year Ended 30 June 2022

1. General information

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

2. Statement of compliance

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

3. Summary of significant accounting policies

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

Basis of preparation

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

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

Going Concern

The Company made a loss for the year of £306,163 (2021: £71,915) and has net asset position of £2,858,850 (2021: £3,160,867). The directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors believe it is appropriate to prepare the financial statements on a going concern basis as the Company will have sufficient funds to finance its operations for the next 15 months from the approval of these financial statements.

Judgements and key sources of estimation uncertainty

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

Significant judgements

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

Key sources of estimation uncertainty

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

Investments

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

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

Quetzal Capital Plc

Notes to the Financial Statements

Year Ended 30 June 2022

Impairment of fixed assets

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

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

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

Financial instruments

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

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

Debt instruments are subsequently measured at amortised cost.

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

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

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

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

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

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

Quetzal Capital Plc

Notes to the Financial Statements

Year Ended 30 June 2022

4. Operating profit

Operating profit or loss is stated after charging/crediting:

	2022 £	2021 £
Fair value adjustment of listed shares	(82,552)	(15,581)

5. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	7,100	8,050
	<u>7,100</u>	<u>8,050</u>

6. Employees and directors

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

	2022	2021
Directors	<u>3</u>	<u>2</u>

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

	2022 £	2021 £
Directors	<u>99,115</u>	<u>13,333</u>

7. Interest payable and similar expenses

	2022 £	2021 £
Other interest payable and similar charges	<u>-</u>	<u>-</u>

Quetzal Capital Plc

Notes to the Financial Statements

Year Ended 30 June 2022

8. Tax on profit

Major components of tax expense

	2022 £	2021 £
Current tax:		
UK current tax expense	-	-
Deferred tax:		
Origination and reversal of timing differences	15,629	3,112
Tax on profit	<u>15,629</u>	<u>3,112</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities of the year is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

	2022 £	2021 £
Profit on ordinary activities before taxation	(321,792)	(68,804)
Profit on ordinary activities by rate of tax	(61,140)	(13,073)
Effect of expenses not deductible for tax purposes	55,360	(1,228)
Deferred tax movement	(15,629)	3,112
Unutilised / (Utilised) losses carried forward	5,780	14,301
Tax on profit	<u>(15,629)</u>	<u>3,112</u>

At 30 June 2022, the Company had UK tax losses of £3,397,381 (2021: £3,366,956) available to be carried forward and utilised against future taxable profits. A deferred tax asset of £645,502 (2021: £639,722) has not been recognised due to uncertainties over the timing of when taxable profits will arise.

9. Investments

	Shares in group undertakings £	Other investments other than loans £	Total £
Cost			
As at 1 July 2021	-	2,279	2,279
Additions	-	-	-
Revaluations	-	(292)	(292)
Balance at 30 June 2022	<u>-</u>	<u>1,987</u>	<u>1,987</u>

Quetzal Capital Plc

Notes to the Financial Statements

Year Ended 30 June 2022

9. Investments (continued)

	Shares in group undertakings	Other investments other than loans	Total
Carrying amount	£	£	£
As at 1 July 2021	-	2,279	2,279
Balance at 30 June 2022	-	<u>1,987</u>	<u>1,987</u>

10. Debtors

	2022 £	2021 £
Prepayments and accrued income	23,092	16,370
VAT liability	21,057	
Other debtors	57,929	55,258
	<u>102,078</u>	<u>71,628</u>

£24,817 (2021: £46,560) of other debtors represent funds held as a cash balance in a brokerage account.

11. Financial assets

	2022 £	2021 £
<i>At fair value</i>		
Available for sale listed and unlisted investments	1,815,320	267,930
	<u>1,815,320</u>	<u>267,930</u>

12. Creditors falling due within one year

	2022 £	2021 £
Trade creditors	41,739	12,118
Accruals	98,225	8,252
	<u>139,964</u>	<u>20,370</u>

Quetzal Capital Plc

Notes to the Financial Statements

Year Ended 30 June 2022

13. Provisions

Carrying amount	Deferred tax £
As at 1 July 2021	3,112
Movement	(15,629)
Balance at 30 June 2022	<u>(12,517)</u>

14. Deferred tax

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

	2022 £	2021 £
Included in provision (note 13)	(12,517)	3,112
	<u>(12,517)</u>	<u>3,112</u>

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

	2022 £	2021 £
Revaluation of listed investments / financial assets	(12,517)	3,112
	<u>(12,517)</u>	<u>3,112</u>

15. Called up share capital

	2022		2021	
	No.	£	No.	£
Ordinary shares of £0.001 each	171,187,399	171,187	171,187,399	171,187
Deferred shares of £0.099 each	15,455,115	1,530,056	15,455,115	1,530,056
	<u>186,642,514</u>	<u>1,701,243</u>	<u>186,642,514</u>	<u>1,701,243</u>

16. Share options and share warrants

The Company grants share options to employees as part of the remuneration of key management personnel and directors to enable them to purchase ordinary shares in the Company. Under the plan, 1,125,000 options were granted for no cash consideration for a period of 2 years expiring on 10 March 2023. The share options outstanding at 30 June 2022 had a weighted average remaining contractual life of 0.75 years (2021: 1.75). Maximum term of new options granted was 2 years from the grant date. The weighted average exercise price of share options as at the date of exercise is £0.0064 (2021: £0.015).

Quetzal Capital Plc

Notes to the Financial Statements

Year Ended 30 June 2022

16. Share options and share warrants (continued)

Share Options

John Taylor hold the following options:

Number	Exercise Price	Expiry Date	Vesting Conditions
150,000	£0.06	10 March 2023	Fully Vested
150,000	£0.08	10 March 2023	Fully Vested
150,000	£0.10	10 March 2023	Fully Vested

Fungai Ndoro hold the following options:

Number	Exercise Price	Expiry Date	Vesting Conditions
112,500	£0.06	10 March 2023	Fully Vested
112,500	£0.08	10 March 2023	Fully Vested
112,500	£0.10	10 March 2023	Fully Vested

Simon Grant-Rennick retained the following share options granted to him on 10 March 2021. 75% of the original grant lapsed on Simon's resignation:

Number	Exercise Price	Expiry Date	Vesting Conditions
37,500	£0.06	10 March 2023	Fully Vested
37,500	£0.08	10 March 2023	Fully Vested
37,500	£0.10	10 March 2023	Fully Vested

Anthony Quirke hold the following options:

Number	Exercise Price	Expiry Date	Vesting Conditions
112,500	£0.06	10 March 2023	Fully Vested
112,500	£0.08	10 March 2023	Fully Vested
112,500	£0.10	10 March 2023	Fully Vested

Share Warrants

The Company has 37,500,000 share warrants with each warrant giving the holder the right to subscribe for one ordinary share in the Company at a price of £0.08 per share and will expire on 31 December 2022.

The fair value of these share options expensed during the year was £4,979, being the value of the options attributable to the vesting period to 30 June 2022 (2021: £9,120).

The volatility is set by reference to the historic volatility of the share price of the Company.

17. Events after the end of the reporting period

Since the end of the reporting period the Company agreed to extend the deadline to subscribe for a further £500,000 of Convertible Loan Notes of £1 each, in TAP Global to 31 October 2022.

Quetzal Capital Plc

Notes to the Financial Statements

Year Ended 30 June 2022

18. Earnings per share

Earnings per share is calculated by dividing the loss for the period attributable to ordinary equity shareholders of the parent by the number of ordinary and deferred shares outstanding during the year.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

In accordance with FRS102 the share options and warrants in issue has a dilutive impact on the earnings per share for the year ended 30 June 2022 and the year ended 30 June 2021. The total number of dilutive securities are 1,739,980,790 (2021: 94,479,925).

19. Related party transactions

All transactions with Directors are included within Note 6 and Note 16.

20. Controlling party

The directors consider that there is no ultimate controlling party.