

**GLOBAL CONNECTIVITY PLC**

Annual Report and Financial Statements

Year ended 31 December 2024

# CONTENTS

	Page
Directors and Advisers	1
Chairman's Statement	2 - 3
Report of the Directors	4 – 5
Statement of Directors' Responsibilities	6
Independent auditor's report	7 – 10
Audited Financial Statements:	
- Income Statement	11
- Statement of Comprehensive Income	12
- Balance Sheet	13
- Statement of Changes in Equity	14
- Cash Flow Statement	15
- Notes to the Financial Statements	16 – 27

## Directors and Advisers

### Directors

Keith Harris (Executive Chairman)  
Selwyn Lewis (Non-executive Director)  
Michael Langoulant (Non-executive Director)

all of the registered office below

### Registered Office

Exchange House  
54-62 Athol Street  
Douglas  
Isle of Man IM1 1JD

### Administrator and Registrar

Apex Corporate Services (IOM) Limited  
Exchange House  
54-62 Athol Street  
Douglas  
Isle of Man IM1 1JD

### Aquis Exchange Corporate Adviser & Corporate Broker

Hybridan LLP  
Birchin Court  
20 Birchin Lane  
London  
EC3V 9DU

### Auditor

MAH, Chartered Accountants  
2<sup>nd</sup> Floor, 154 Bishopsgate  
London  
EC2M 4LN

## Chairman's Statement

GCON is pleased to announce its continued growth and strategic investments in the communications and global connectivity sectors.

In September 2023, GCON acquired an indirect equity stake in Voneus Limited ("Voneus"), a leading supplier of fast broadband services to rural properties in the UK. Our ownership is held through Rural Broadband Solutions Holdings Limited ("RBSHL"), an investment company in which investment funds managed by Tiger Infrastructure Partners LP ("TIP") are the largest shareholders. The other shareholder of Voneus is another entity, Voneus Investment Holdings Limited ("VIHL"), which is funded by Macquarie Capital and the Israeli Infrastructure Fund.

Since September 2023, Voneus has grown substantially, with over £136 million of equity capital invested producing a current valuation exceeding £321 million. This significant capital value has enabled a talented management team to build a viable business that has grown in all material respects. Key metrics, such as "homes passed" and those "ready for service" have grown robustly and now number around 100,000. "Sales" and "installs" are also growing quickly with high penetration levels and low churn rates. Both these metrics are widely regarded in the market as better than the average industry standards.

The alternative network (altnet) sector faces well-documented challenges, primarily related to high leverage with consequent severely reduced credit availability, and extensive operating costs. Unlike many of its peers, whose growth has been heavily reliant on debt funding, Voneus has maintained prudent debt levels in its capital structure and successfully funded growth and operations predominantly with equity capital. In the last funding round, TIP provided crucial capital on terms which solidified its ownership position in Voneus at 45.7% and mitigated the effect of dilution on GCON. Despite our ownership falling below 3% of RBSHL, we remain optimistic that our book value of £4.1 million understates the market value of our holding. It should be noted that our valuation methodology is based on conservative principles, essentially representing the cost of capital invested in Voneus. The importance of reliable and fast broadband to all properties in rural areas is recognised by our government. In short, it is an essential tool for effective communications throughout rural Britain which officially accounts for 80% of the total land mass. We believe therefore that the market value exceeds this valuation, particularly in an environment where the consolidation of altnet companies is widely anticipated.

Concurrently, whilst GCON has decided consistently not to participate in recent funding rounds, we have opted to diversify our portfolio with investments in PLUG Group Limited ("PLUG"), initiated in December 2024. PLUG's innovative technology in copper cable extraction aligns strategically with telecommunications infrastructure needs amid rising copper prices and global fibre optic adoption. PLUG's patented solutions enable copper extraction of buried copper cables, offering substantial cost savings and environmental benefits. With contracts secured with major carriers like Telefonica and V.tal in Brazil, PLUG will be poised for significant growth. We have invested a total of £150,000 for a 6% stake in the business.

The particular appeal of PLUG's investment lies in its adjacency to telecommunications, technological readiness and strong cash flow generation, positioning GCON as a pivotal shareholder with operational involvement. Looking forwards we will be in a position to provide our management expertise to support PLUG's international expansion and offer active operational support, aligning with our strategic goal to revert from a passive investment role to management engagement.

In conclusion, GCON remains committed to a prudent investment policy aligned with our strategic objectives and fiscal responsibility. As PLUG progresses, we retain the optionality to reinvest in RBSHL potentially to reclaim our surrendered ownership stake.

## Chairman's Statement (continued)

### Further detail on PLUG Group Limited ("PLUG")

Whilst demand for fibre optic replacement by networks is strong, the rise in copper prices has seen the value of carriers' unused copper networks increase significantly. Estimates suggest the value of surplus copper extends globally into billions of dollars. The LME copper officiation price curve shows a rise in copper prices from \$10,000 per ton to approaching \$12,000 by December 2025. This anticipated surge is driven by increased industrial demand, particularly from sectors such as Artificial Intelligence and automation and potential US tariffs on copper imports. As a consequence, carriers are now actively trying to recover as much of their redundant copper cables as possible.

PLUG uses patented technology to extract copper cables from the ground without the need for excavation. This solves a major problem for carriers that have significant amounts of cable underground in metropolitan areas where excavating is not an option for them. PLUG has two unique processes that it uses to solve the main challenges carriers face in removing their decommissioned cable: (1) not being able to extract cable by excavating in high density metropolitan areas, and (2) not being able to extract cable that has become stuck and cannot be removed using existing brute force direct-pulling techniques.

Copper cables are telecommunications carriers' major asset. The switch globally to fibre optic means copper cables are no longer being used, leaving billions of dollars of unused copper in the ground or on above-ground utility poles. Whilst recovery of the copper from utility poles is relatively easy, it is much more costly when it is buried, which tends to make it impossible economically to recover. In Brazil, the two major network owners, Telefonica and V.tal have contracted with PLUG to extract these cables. The extraction process commences in earnest in June 2025. Telefonica has 1,000,000 km of copper cable to be extracted in Brazil of which 100,000 km is buried in the ground. V.tal has approximately the same size of network. Both carriers have acknowledged the importance of PLUG's technology to extract their large amounts of buried stock copper cables that are otherwise unable to extract. PLUG is recognised as the only option to extract these large cables so that the copper can be recovered. Telefonica has already contracted with PLUG to this effect and V.tal is negotiating with PLUG to a similar end. It is expected that there will be subsequent opportunities in many other markets worldwide where carriers are facing similar issues.

The attractiveness to GCON of this investment is several fold:

1. It is tangential to the telecommunications sector with which we are already familiar.
2. The technology deployed clears a pathway which enables fibre to be installed more conveniently.
3. PLUG already owns and has in place the equipment required to carry out the extraction.
4. It has the technicians who created the technology and who have the expertise to oversee the required functions.
5. The business is highly cash generative and is expected to produce returns to GCON in the form of predictable cash dividends.
6. We have invested modestly, a total of £150,000, but at an early stage and as such have secured ownership of 6% of PLUG, representing a position of the largest shareholder after the founders.
7. We will have the opportunity not only to be an investor in PLUG, but also to participate in the operations of the business because traditionally GCON has had access to certain appropriate management skills which will be required as PLUG expands its operating base. In the future, it is our intention that the business moves back into where it started life by being an operator as opposed to being a passive shareholder of various investments.

Finally it should be noted that if PLUG develops on budget, we will have sufficient cash flow and the option, but not obligation, retrospectively to invest in RBSHL and thereby regain the ownership that we have surrendered.

**Keith Harris**  
Chairman  
29 May 2025

## Report of the Directors

The Directors hereby submit their annual report together with the audited financial statements of Global Connectivity Plc (the “Company”) for the year ended 31 December 2024.

### The Company

The Company is incorporated in the Isle of Man under the Isle of Man Companies Act 2006. The investment strategy of the Company is to identify investment opportunities for communication services and technologies that enhance connectivity. The Company seeks to provide Shareholders with an attractive total return achieved primarily through capital appreciation.

Secure Web Services Limited was the first private business identified by the Company to satisfy the investment strategy requirements. An increase in share capital in October 2020 partly funded the acquisition of Secure Web Services Limited and provided working capital to finance the Company’s growth.

Cadence Networks Limited was the second private business identified by the Company to satisfy the investment strategy requirements. An increase in share capital in December 2021 partly funded the acquisition of Cadence Networks Limited, a purchase aimed at driving organic growth.

In October 2022, the two wholly-owned subsidiaries were transferred to a newly formed company, Rural Broadband Solutions Limited (“RBSHL”). Tiger Infrastructure Partners Fund LP (“Tiger”) received 85% of the common equity of RBSHL in exchange for its agreement to invest up to £75m with an initial investment of £16m agreed during its first year of majority ownership. The Company’s 15% investment in RBSHL was not subject to dilution until Tiger reached its £75m capital contribution. As part of this reorganisation the Company received £825,000 in cash as partial repayment of a shareholder loan made by the Company to Secure Web Services Limited and is entitled to representation on the board of RBSHL. The two wholly-owned subsidiaries were subsequently merged with Voneus Limited (“Voneus”), and the Chairman also sits on the board of the merged company. As a result of non-participation in further capital contributions the Company’s investment in RBSHL has now been diluted to 9.51% as at 31 December 2024 which represents an indirect investment of 3.90% in Voneus. Tiger’s total capital contribution has reached £90.3m as at 31 December 2024.

In December 2024 the Company acquired a 4% investment in PLUG Group Limited (“PLUG”). PLUG is a company developing commercial opportunities to extract decommissioned copper cables for Carriers including Telefonica Brazil. PLUG uses both direct-pull methods as well as a pump-extract method developed by Fast2Fibre UK for which PLUG has the exclusive rights to use their technology in South America.

### Independent Auditor

MAH, Chartered Accountants were appointed as independent auditors and, being eligible, have indicated their willingness to continue in office.

### Results and dividends

The Company has reported a profit for the year of £5,037,696 (2023: profit £2,926,499). The results and position of the Company at the year-end are set out on pages 11 to 27 of the financial statements.

### Directors

The Directors who served during the year and up to the date of this Report were as follows:

Dr Keith Harris - Chairman  
Selwyn Lewis  
Michael Langoulant

## Report of the Directors (continued)

### Directors and other interests

Dr Keith Harris holds 36,126,667 Ordinary Shares and 9,460,000 Warrants in the Company. Dr Harris' holding includes 2,000,000 Ordinary shares and 2,000,000 Warrants owned by his wife.

Selwyn Lewis is one of four beneficiaries of a discretionary trust (the other three being his children) whose Trustees are Trident Trust Company (IOM) Limited. Trident Trust Company (IOM) Limited owns Placifor Investment Corporation which holds 35,309,262 Ordinary Shares in the Company.

Save as disclosed above and in note 18, none of the Directors had any interest during the year in any material contract for the provision of services which was significant to the business of the Company.

### Principal risk and uncertainties

The Board regularly reviews the risks to which the company is exposed and ensures through its meetings and regular reporting that these risks are minimised as far as possible.

Principal risks and uncertainties facing the Company include but are not limited to:

Shareholder value - There is a risk that the new strategy does not add to a sustained increase in shareholder value.

Business model - the risk that the Company's business model is not sustainable due to poor execution of the Company's strategic plan or inability to adapt to changing market conditions.

Financial - any risks that could impact the Company's financial profile, in particular cash flow risk arising from failure to maintain an adequate working capital position.

Compliance - the risk of not meeting relevant legislations, rules and regulations which could cause customers harm, financial losses or reputational damage to the Company.

Operational - the risk that failures of people, processes or internal and third-party systems could lead to a service disruption or financial losses.

### Future outlook of the business

The Company continues to seek out other opportunities to develop the market for rural broadband services.

On behalf of the Board

**Keith Harris**  
Chairman  
29 May 2025

## Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") (as adopted by the UK). In preparing those financial statements it is the Directors' responsibility to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the UK 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 confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper 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 to enable them to ensure that the financial statements comply with the Isle of Man 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.

On behalf of the Board

**Keith Harris**

Chairman  
29 May 2025



## Independent Auditor's Report to the members of Global Connectivity Plc

### Opinion

We have audited the financial statements of Global Connectivity Plc (the "company") for the year ended 31 December 2024 which comprise the income statement, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the company cash flow statement and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the parent company and Group financial statements is applicable law and UK - adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with UK - adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Isle of Man 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standards as applied to listed entities, 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 these 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. Our evaluation of the Directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included, as part of our risk assessment, review of the nature of the business of the group, its business model and the requirements of the applicable financial reporting framework and the system of internal control. We evaluated the directors' assessment of the Company's ability to continue as a going concern, including challenging the underlying data and key assumptions used to make the assessment, and evaluated the directors' plans for future actions in relation to their going concern assessment.

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. This is not a complete list of all risks identified by our audit.

## Independent Auditor's Report to the members of Global Connectivity Plc (continued)

Key Audit Matter	How the scope of our audit responded to the key audit matter
<b>Valuation of unquoted investments</b>  <b>The value for unquoted investments is reliant on third party financial information and projections. Due to the nature of the unquoted investments, there is a lack of observable inputs and therefore the key risk is considered to be the fair value of investments. We therefore identify the valuation of unquoted investments as high risk.</b>	<p>We performed the following audit procedures to address the risk:</p> <p>We obtained an understanding of the methodologies used by management to determine the fair value of unquoted investments. We reviewed and checked the estimates and calculations for fair value and reviewed the latest information regarding business performance and fundraising activities.</p> <p>The adequacy of disclosures in the financial statements in respect of the methodologies, assumptions and fair value hierarchy was reviewed.</p> <p>Based on the audit work performed we are satisfied that the unquoted investments are correctly valued.</p>

### Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as £125,600. This has been determined with reference to the benchmark of 1% the Company's gross assets, which we consider to be an appropriate measure based on the activities of the Company during the year and as a primary measure used by shareholders in assessing the financial position of the Company and is a generally accepted auditing benchmark.

### An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

### How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the Company's activities, the accounting processes and controls, and the industry in which they operate.

We designed our audit to ensure that we obtain sufficient and appropriate audit evidence in respect of:

- The significant transactions and balances;
- Other items, which, irrespective of size, are perceived as carrying a significant level of audit risk whether through susceptibility to fraud, or other reasons;
- The appropriateness of the going concern assumption used in the preparation of the financial statements.

### Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## Independent Auditor's Report to the members of Global Connectivity Plc (continued)

### 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 Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 (Isle of Man) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, 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 Directors' responsibilities statement set out on page 6, 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 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:

### The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Company through discussions with directors and other management, and from our commercial knowledge and experience of the broadband services sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including Companies Act 2006 (Isle of Man), data protection, employment, health and safety legislation and anti-money laundering regulations.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries with specific attributes to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 of the financial statements were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

## Independent Auditor's Report to the members of Global Connectivity Plc (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- review of legal expenditure incurred during the year;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of this report

This report is made solely to the Company's members, as a body, in accordance with Chapter 2 of Part V of the Companies Act 2006 (Isle of Man). 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.

Mohammed Haque (Senior Statutory Auditor)  
For and on behalf of  
MAH, Chartered Accountants, Statutory Auditor  
2<sup>nd</sup> Floor,  
154 Bishopsgate,  
London  
EC2M 4LN

29 May 2025

## Income Statement

		Year ended 31 December 2024	Year ended 31 December 2023
	Note	£'000	£'000
Net gain on financial assets at fair value through profit or loss	8	5,352	3,171
Other administration fees and expenses	4	(316)	(248)
<b>Operating profit</b>		<b>5,036</b>	<b>2,923</b>
Finance income		2	3
<b>Net finance income</b>		<b>2</b>	<b>3</b>
<b>Profit before income tax</b>		<b>5,038</b>	<b>2,926</b>
Income tax expense	5	-	-
<b>Profit for the year</b>		<b>5,038</b>	<b>2,926</b>
<b>Basic and diluted profit per share (pence)</b>	6	<b>1.39</b>	<b>0.81</b>

The accompanying notes on pages 16 to 27 form an integral part of these financial statements

## Statement of Comprehensive Income

		Year ended 31 December 2024	Year ended 31 December 2023
	Note	£'000	£'000
<b>Profit for the year</b>		<b>5,038</b>	<b>2,926</b>
Other comprehensive expense		-	-
<b>Total comprehensive income for the year</b>		<b>5,038</b>	<b>2,926</b>

The accompanying notes on pages 16 to 27 form an integral part of these financial statements

## Balance Sheet

		As at 31 December 2024	As at 31 December 2023
	Note	£'000	£'000
<b>Assets</b>			
<b>Non-current assets</b>			
Subscriptions due	7	375	-
Other financial assets	8	11,827	6,375
<b>Total non-current assets</b>		<b>12,202</b>	<b>6,375</b>
<b>Current assets</b>			
Amounts due from related parties	9, 18	33	33
Subscriptions due	7	-	950
Trade and other receivables	10	34	27
Cash at bank	11	292	461
<b>Total current assets</b>		<b>359</b>	<b>1,471</b>
<b>Total assets</b>		<b>12,561</b>	<b>7,846</b>
<b>Equity</b>			
Capital and reserves attributable to owners of the Parent:			
Issued share capital	12	3,294	3,619
Warrant reserve	13	77	77
Share option reserve	13	309	299
Retained earnings	14	8,856	3,818
<b>Total equity</b>		<b>12,536</b>	<b>7,813</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	16	25	33
<b>Total current liabilities</b>		<b>25</b>	<b>33</b>
<b>Total liabilities</b>		<b>25</b>	<b>33</b>
<b>Total equity and liabilities</b>		<b>12,561</b>	<b>7,846</b>

The financial statements on pages 11 to 27 were approved and authorised for issue by the Board of Directors on 29 May 2025 and signed on its behalf by:

**Keith Harris**  
Director

**Selwyn Lewis**  
Director

The accompanying notes on pages 16 to 27 form an integral part of these financial statements

## Statement of Changes in Equity

	Share capital £'000	Warrant reserve £'000	Share option reserve £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2023	3,619	77	278	892	4,866
<b>Comprehensive expense</b>					
Profit for the year	-	-	-	2,926	2,926
Total comprehensive income for the year	-	-	-	2,926	2,926
<b>Transactions with owners</b>					
Share based payments relating to share options	-	-	21	-	21
Total transactions with owners	-	-	21	-	21
<b>Balance at 31 December 2023</b>	<b>3,619</b>	<b>77</b>	<b>299</b>	<b>3,818</b>	<b>7,813</b>
Balance at 1 January 2024	3,619	77	299	3,818	7,813
<b>Comprehensive income</b>					
Profit for the year	-	-	-	5,038	5,038
Total comprehensive income for the year	-	-	-	5,038	5,038
<b>Transactions with owners</b>					
Cancellation of shares	(325)	-	-	-	(325)
Share based payments relating to share options	-	-	10	-	10
Total transactions with owners	(325)	-	10	-	(315)
<b>Balance at 31 December 2024</b>	<b>3,294</b>	<b>77</b>	<b>309</b>	<b>8,856</b>	<b>12,536</b>

The accompanying notes on pages 16 to 27 form an integral part of these financial statements



## Cash Flow Statement

	Note	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
<b>Cash flows from operating activities</b>			
Profit for the year before tax		5,038	2,926
Adjustments for:			
Net gain on financial assets at fair value through profit or loss		(5,352)	(3,171)
Finance income		(2)	(3)
Share based payments relating to share options		10	21
<b>Operating loss before changes in working capital</b>		<b>(306)</b>	<b>(227)</b>
(Increase)/decrease in trade and other receivables		(6)	62
Decrease in trade and other payables		(9)	(126)
<b>Cash used in operations</b>		<b>(321)</b>	<b>(291)</b>
Interest received		2	3
<b>Net cash used in operating activities</b>		<b>(319)</b>	<b>(288)</b>
<b>Cash flows from investing activities</b>			
Repayment from subsidiary		-	725
Investment in financial assets at value through profit or loss		(100)	-
Receipt of unpaid share capital		250	-
<b>Net cash used in from investing activities</b>		<b>150</b>	<b>725</b>
<b>Cash flows from financing activities</b>			
Net (decrease)/increase in cash and cash equivalents		(169)	437
Cash and cash equivalents at beginning of the year		461	24
<b>Cash and cash equivalents at end of the year</b>	11	<b>292</b>	<b>461</b>

The accompanying notes on pages 16 to 27 form an integral part of these financial statements

# Notes to the Financial Statements

## 1 General information

Global Connectivity Plc (the "Company") was incorporated and registered in the Isle of Man under the Isle of Man Companies Acts 1931 to 2004 on 27 June 2006 as a public limited company with registered number 117001C. On 7 January 2011 with the approval of Shareholders in general meeting, the Company was re-registered as a company under the Isle of Man Companies Act 2006 with registered number 006491v. The Company's investment strategy is to identify investment opportunities for communication services and technologies that enhance connectivity. The Company seeks to provide Shareholders with an attractive total return achieved primarily through capital appreciation.

The Company's administration is delegated to Apex Corporate Services (IOM) Limited (the "Administrator"). The registered office of the Company is Exchange House, 54-62 Athol Street, Douglas, Isle of Man, IM1 1JD.

Pursuant to a prospectus dated 20 October 2006 there was an authorisation to place up to 50 million shares. Following the close of the placing on 26 October 2006, 30 million shares were issued at a price of 100p per share.

The shares of the Company were admitted to trading on the AIM Market of the London Stock Exchange ("AIM") on 26 October 2006 when dealings also commenced. On the same date the shares of the Company were admitted to the Official List of The International Stock Exchange (the "TISE").

As a result of a further fundraising in May 2007, 32,292,810 shares were issued at a price of 106p per share, which were admitted to trading on AIM on 22 May 2007.

On 4 June 2018 the listing of the Company's shares on AIM and on TISE was cancelled.

Pursuant to an Admission Document dated 2 December 2019 there was a placing of 29,000,000 shares on 2 December 2019. On the same date the shares of the Company were admitted to trading on the Aquis Stock Exchange (formerly the NEX Exchange Growth Market).

Pursuant to an Admission Document dated 23 September 2020 there was a placing of 100,000,000 shares and 100,000,000 warrants for the fundraising, consideration shares of 16,000,000 in relation to the acquisition of Secure Web Services Limited and 800,000 shares and 1,622,400 warrants issued in consideration for services on 21 October 2020. On the same date the shares of the Company were admitted to trading on the Aquis Stock Exchange.

A further Placing and Subscription took place in December 2021 in order to fund the acquisition of Cadence Networks Limited and drive organic growth before infrastructure funding. There was a placing of 55,833,333 shares and consideration shares of 2,000,000 in relation to the acquisition of Cadence Networks Limited. These shares were issued and admitted to trading on the Aquis Stock Exchange on 21 December 2021.

The Company's agents perform all functions, other than those carried out by the Board.

## 2 Summary of significant accounting policies

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

### 2.1 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the UK. The financial statements have been prepared on the going concern basis, as the Board of Directors has a reasonable expectation that the Company has the resources to continue in business for the foreseeable future.

## Notes to the Financial Statements (continued)

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

#### 2.1 Basis of preparation (continued)

The financial statements have been prepared under the historic cost convention, as described in the accounting policies set out below. These accounting policies are consistent with those in the previous year.

#### New International Financial Reporting Standards (IFRSs) and interpretations effective in the current period

Reference	Narrative	Application date of standard (Periods commencing on or after)
IFRS 16 (amendments)	Lease liability in a sale and leaseback	1 January 2024
Amendments to IFRS 17	Initial Application of IFRS 17 and IFRS 9 – Comparative Information	1 January 2024
Amendments to IAS 1	Non- current Liabilities with Covenants	1 January 2024

#### New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretation are effective for annual periods beginning after 1 January 2025 and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company. The relevant standards are as follows.

Reference	Narrative	Application date of standard (Periods commencing on or after)
IAS 21 (amendments)	Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
IAS 1/ IFRS 18 (amendments)	Presentation and disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability	1 January 2027

#### 2.2 Significant accounting estimates and judgements

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### (a) Trade receivables and loans and receivables

The Company assesses its trade receivables and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

##### (b) Fair value of financial assets – Level 3

The Company reviews the fair value of its unquoted equity instrument at each Statement of Financial Position date. This requires management to make an estimate of the value of the unquoted security in the absence of an active market. At year end, management's best judgement is based on the information provided to them by the investee company. Where all of the information available is positive but there is insufficient information to demonstrate that the fair value is anything other than cost as a result of a lack of other inputs or evidence to suggest an uplift of the value, no fair value increase is recognised to be prudent.

## Notes to the Financial Statements (continued)

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

#### 2.3 Foreign currency translation

##### (a) *Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Pound Sterling, which is the Company's functional and presentation currency.

##### (b) *Transactions and balances*

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

#### 2.4 Revenue and expense recognition

The Company provides management services and revenue comprises of certain costs incurred during the period which are then recharged. The pricing of these services (which drives the revenue recognition) depends on the service level required by the client, and on the commercial imperatives and pricing sensitivities of the client. The contractual performance obligations will typically be embedded in an agreement with the client. Where that agreement is detailed, the revenue recognition will follow the allocation of fees and revenues against the completion of the agreed performance milestones in the accounting period. Where the agreement is not specific, the revenue recognition will be in proportion to the completion of performance milestones in the relevant accounting period against the internal costings prepared in advance for each project.

Interest income is recognised in the financial statements on a time-proportionate basis using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the period.

Expenses are accounted for on an accruals basis.

#### 2.5 Financial assets and financial liabilities

##### Financial instruments

IFRS 9 requires an entity to address the classification, measurement and recognition of financial assets and liabilities.

##### a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company classifies financial assets as amortised costs only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payment of principal and interest.

## Notes to the Financial Statements (continued)

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

#### 2.5 Financial assets and financial liabilities (continued)

##### Financial instruments (continued)

##### b) Recognition

Purchases and sales of financial assets are recognised on trade date (that is, the date on which the Company commits to purchase or sell the asset). Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

##### c) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

To determine the fair value of the investment, the Directors have reviewed all information received from the investee company. Where all of the information available is positive but there is insufficient information to demonstrate that the fair value is anything other than cost as a result of a lack of other inputs, or evidence to suggest an uplift or impairment of the value, no fair value movement is recognised.

Assets carried at amounts based on fair value are defined as follows:

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

##### Debt instruments

Amortised cost: assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

##### d) Impairment

The Company assesses, on a forward-looking basis, the expected credit losses associated with any debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### 2.6 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

## Notes to the Financial Statements (continued)

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

#### 2.7 Warrants and share options

The Company estimates the fair value of the future liability relating to issued warrants and share options using:

- residual method, where a warrant was issued and included as a part of a package placement of “1 share + 1 warrant”
- the Black-Scholes pricing model taking into account the terms and conditions upon which the warrants and share options were issued, if the warrant or share option was granted on its own.

Warrants relating to equity finance are recorded as a reduction of share premium based on the fair value of the warrants. The charge for the share options is recorded under administrative expenses in the income statement.

#### 2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The carrying amount of these assets approximates their fair value.

### 3 Risk management in respect of financial instruments

The Company's activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The financial risks relate to the following financial instruments: investments, loans and receivables and other liabilities as detailed in note 2.5.

#### *Foreign currency risk*

Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Company's operations are not conducted in jurisdictions which generate revenue, expenses, assets and liabilities in currencies other than Pound Sterling (“the functional currency of the Company”). As a result, there was no exposure to foreign currency risk as at 31 December 2023 or 31 December 2024.

#### *Credit risk*

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the balance sheet date. This relates also to financial assets carried at amortised cost.

At the reporting date, the Company's financial assets exposed to credit risk amounted to the following:

	31 December 2024 £'000	31 December 2023 £'000
Other financial assets	11,827	6,375
Subscriptions due	375	950
Amounts due from related parties	33	33
Trade and other receivables	34	27
Cash at bank	292	461
	<b>12,561</b>	<b>7,846</b>

The Company manages its credit risk by monitoring the creditworthiness of counterparties regularly. Cash transactions and balances are limited to high-credit-quality financial institutions.

## Notes to the Financial Statements (continued)

### 3 Risk management in respect of financial instruments (continued)

#### *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company currently manages its liquidity risk by maintaining sufficient cash and with the personal support of the Chairman for shortfalls as a result of the timing of loan repayments. The Company's liquidity position is monitored by the Board of Directors.

The residual undiscounted contractual maturities of financial liabilities are as follows:

<b>31 December 2024</b>	Less than 1 month £'000	1-3 months £'000	3 months to 1 year £'000	1-5 years £'000	Over 5 years £'000	No stated maturity £'000
<b>Financial liabilities</b>						
Trade and other payables	25	-	-	-	-	-
	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>31 December 2023</b>	Less than 1 month £'000	1-3 months £'000	3 months to 1 year £'000	1-5 years £'000	Over 5 years £'000	No stated maturity £'000
<b>Financial liabilities</b>						
Trade and other payables	33	-	-	-	-	-
	<b>33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### *Interest rate risk*

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk from the cash held in interest bearing accounts at floating rates or short-term deposits of one month or less and on loans from third parties. The Company's Board of Directors monitor and review the interest rate fluctuations on a continuous basis and act accordingly.

During the year ended 31 December 2024 should interest rates have decreased by 100 basis points, with all other variables held constant, the shareholders' equity and profit for the period would have been £2k lower (2023: 100 basis points, £2k lower).

#### *Capital risk management*

The Company's primary objective when managing its capital base is to safeguard its ability to continue as a going concern. Capital comprises share capital (see note 12) and reserves.

No changes were made in respect of the objectives, policies or processes in respect of capital management during the years ended 31 December 2023 and 31 December 2024.

### 4 Other administration fees and expenses

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Audit fees	16	15
Directors' remuneration and fees	122	62
Directors' insurance cover	15	16
Professional fees	58	34
Share based payment expense	10	21
Other expenses	95	100
<b>Administration fees and expenses</b>	<b>316</b>	<b>248</b>

## Notes to the Financial Statements (continued)

### 4 Other administration fees and expenses (continued)

Included within other administration fees and expenses are the following:

#### Directors' remuneration

The maximum amount of basic remuneration payable by the Company by way of fees to the Non-executive Directors permitted under the Articles of Association is £200,000 per annum. All Directors are each entitled to receive reimbursement of any expenses incurred in relation to their appointment. Mr Langoulant and Mr Lewis are entitled to receive an annual fee of £10,000 (2023: £6,000).

#### Executive Directors' fees

The Chairman is entitled to an annual fee of £100,000 (2023: £80,000).

#### All directors' remuneration and fees

Total fees and basic remuneration (including VAT where applicable) paid to the Directors for the year ended 31 December 2024 amounted to £121,848 (31 December 2023: £61,883) and was split as below. Directors' insurance cover amounted to £15,024 (31 December 2023: £15,968).

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Selwyn Lewis	10	6
Michael Langoulant	10	6
Keith Harris	100	80
Outstanding fees for former director waived	-	(31)
Expenses reimbursed	2	1
	122	62

### 5 Taxation

The Company is resident in the Isle of Man for taxation purposes. The Isle of Man has a 0% rate of corporate income tax (2023: 0%) to which the Company is subject.

On 19 May 2023, the Isle of Man Government announced a joint approach with Jersey and Guernsey to the Organisation for Economic Co-operation and Development ("OECD") Pillar 2 framework. The intention is that this approach will comprise the implementation of an income inclusion rule ("IRR") and a domestic minimum tax to provide for a 15% effective tax rate for large in-scope multinational enterprises, with effect from 1 January 2025. The Company does not fall within the scope of the OECD Pillar 2 model rules.

### 6 Basic and diluted profit per share

#### (a) Basic

Basic profit per share is calculated by dividing the profit of the Company by the weighted average number of shares in issue during the year.

	Year ended 31 December 2024	Year ended 31 December 2023
Profit attributable to equity holders of the Company (£'000)	5,038	2,926
Weighted average number of shares in issue (thousands)	361,837	361,926
Basic profit per share (pence per share)	1.39	0.81



## Notes to the Financial Statements (continued)

### 6 Basic and diluted profit/(loss) per share (continued)

#### (b) *Diluted*

Diluted profit per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two category of dilutive potential ordinary shares: warrants and share options.

Although the Company is reporting a profit from continuing operations for the year the exercise price of the warrants or performance criteria for the share options have not been met and therefore exercise cannot take place yet. The basic and diluted profit per share as presented on the face of the Income Statement are therefore identical.

### 7 Subscriptions due

On 10 September 2019, 75 million Ordinary Shares were allotted, 37.5 million to Michael Meyer (former Chairman of the Company) and 37.5 million to Barry Hersh. The Ordinary Shares were issued at a price of 1 pence per share. The consideration for the Ordinary Shares was to be left outstanding on terms that it would be paid to the Company in full by 31 December 2024.

On 17 March 2020, 20 million Ordinary Shares were allotted to Keith Harris (Chairman of the Company). The Ordinary Shares were issued at a price of 1 pence per share. The consideration for the Ordinary Shares was to be left outstanding on terms that it would be paid to the Company in full by 31 December 2024.

In December 2024, Keith Harris surrendered the 20 million Ordinary Shares held directly in certificated form, which were then cancelled by the Company. Simultaneously, his SIPP, which is his pension, bought newly issued Ordinary Shares for a total consideration of £200,000 at 1 pence per share. In December 2024, Mrs. Meyer surrendered 32.5 million Ordinary Shares which were cancelled by the Company and simultaneously paid £50,000 for the remaining 5 million Ordinary Shares at 1 pence per share in full settlement of her £375,000 obligation to the Company. Mr Hersh did not settle his £375,000 debt in full by the due date of 31 December 2024. As a result, the Company exercised its lien over the 18,662,500 shares which were still directly held by Mr Hersh. On 5 February 2025 the Company forfeited and cancelled those shares. The Company has initiated the process to recover the debt in full but the timing of the recovery is not yet known and therefore the receivable has been reclassified as a non-current asset.

### 8 Other financial assets

	31 December 2024 £'000	31 December 2023 £'000
<b>Instruments measured at fair value through profit and loss</b>		
Start of the period	6,375	3,204
Investment in financial asset	100	-
Net gain on financial assets at fair value through profit or loss	5,352	3,171
<b>Total financial assets</b>	<b>11,827</b>	<b>6,375</b>
<b>Categorised as</b>		
Level 3 – unquoted investments	11,827	6,375
<b>Total financial assets</b>	<b>11,827</b>	<b>6,375</b>

The infrastructure funding deal with Tiger Infrastructure Partners Fund III LP ("Tiger") completed on 25 October 2022. As a result, the Company transferred ownership of its two previously wholly owned subsidiaries, Secure Web Services Limited and Cadence Networks (note 18) to a new intermediate holding company, Rural Broadband Solutions Holdings Limited, of which the Company now owns 9.51% at 31 December 2024 (2023: 15%).

In December 2024 the Company acquired a 4% investment in PLUG Group Limited ("PLUG"). Due to the timing of this investment, the cost approximates its fair value at 31 December 2024.

## Notes to the Financial Statements (continued)

### 8 Other financial assets (continued)

The Company has estimated the fair value of its investment in Rural Broadband Solutions Holdings Limited, an unquoted equity instrument, and recognised an increase in fair value based on the information provided by the investee company.

### 9 Amounts due from related parties

This balance is unsecured and interest free. £32,760 (31 December 2023: £32,760) relates to management services recharges which are repayable on demand.

### 10 Trade and other receivables

	31 December 2024 £'000	31 December 2023 £'000
Prepayments	22	19
VAT receivable	12	8
<b>Trade and other receivables</b>	<b>34</b>	<b>27</b>

The fair value of trade and other receivables approximates their carrying value.

### 11 Cash and cash equivalents

	31 December 2024 £'000	31 December 2023 £'000
Bank balances	292	461
<b>Cash at bank</b>	<b>292</b>	<b>461</b>

### 12 Share capital

<b>Ordinary Shares of 1p each</b>	As at 31 December 2024 Number	As at 31 December 2024 £'000
Authorised	800,000,000	8,000
Issued and fully paid up	329,426,143	3,294
<b>Ordinary Shares of 1p each</b>	As at 31 December 2023 Number	As at 31 December 2023 £'000
Authorised	800,000,000	8,000
Issued and fully paid up	361,926,143	3,619

The holders of Ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

No distributions were paid during the year (31 December 2023: none).

## Notes to the Financial Statements (continued)

### 13 Warrants and share options

#### Warrants

The number and weighted average exercise price of warrants in issue for the year ended 31 December 2024 and 2023 is as follows:

	31 December 2024		31 December 2023	
	Outstanding (000s)	Weighted average exercise price (£)	Outstanding (000s)	Weighted average exercise price (£)
Opening balance 1 January	101,622	0.03	101,622	0.03
Issued	-	-	-	-
Exercised	-	-	-	-
Closing balance 31 December	101,622	0.015*	101,622	0.03

\* 100 million warrants were due to expire on 21 April 2024. On 28 March 2024, the Company agreed to extend the warrant exercise period by two years to 20 April 2026 and decreased the warrant exercise price to 1.5p per share.

The estimate of the fair value of the Warrants is measured based on the Black-Scholes model. The following inputs were used in the calculation of the fair value of the warrants granted.

	31 December 2024	31 December 2023
Fair value (£000s)	77	77
Share price (£)	0.025	0.025
Expected volatility	30%	30%
Expected warrants life (years)*	1	2
Expected dividend yield	0%	0%
Risk-free interest rate	0.33%	0.33%

\* exercise period was extended

The expected volatility is based on the historical share prices of a group of companies deemed to be comparable.

#### Share options

The Company has issued share options as an incentive to the senior management of the Company (and up to the reorganisation in October 2022 to the management of the subsidiary company Secure Web Services Limited). In addition, the Company has issued options to senior management and advisers in payment or part payment for services provided to the Company. All share options granted in prior years were granted under individual agreements and are subject to market and service vesting conditions. These options were HMRC approved EMI options up to the date of the reorganisation in October 2022. The vesting conditions fall into the 3 main categories:

- Salary sacrifice for certain individuals where no further vesting condition is required;
- Numbers of monthly paying customers sustained over a three month period;
- Share price hurdles based on share values of 4.5p, 7.5p and 10.5p over 3 consecutive months or a liquidity event at that price per share at any time following the award of the options.

Each share option converts into one ordinary share of the Company on exercise and are accounted for as equity-settled share-based payments. The equity instruments granted carry neither rights to dividends nor voting rights.

## Notes to the Financial Statements (continued)

**13 Warrants and share options (continued)****Share options (continued)****Share options in issue:**

	<b>Units</b>	<b>Weighted average exercise price</b>
Balance at 31 December 2023	27,250,000	1.0p
Lapsed during the year	(3,400,000)	-
Balance at 31 December 2024	23,850,000	<b>1.0p</b>
Exercisable at 31 December 2024	-	-

The fair value is estimated at the date of grant using the Black-Scholes model taking into account the terms and conditions attached to the grant.

The share options have an exercise price of £0.01 and will lapse if they have not been exercised by the 10<sup>th</sup> anniversary of the date of granting the options.

The value of share options charged to administrative expenses in the Statement of Comprehensive Income during the year is as follows:

	<b>Year ended 31 December 2024 £'000</b>	<b>Year ended 31 December 2023 £'000</b>
Share options	10	21
<b>Total</b>	<b>10</b>	<b>21</b>

**14 Reserves**

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

<b>Reserve</b>	<b>Description and purpose</b>
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere
Warrant reserve	The warrants reserve arises on the issue of warrants. Refer note 13 for further information.
Share option reserve	The share option reserve arises on the issue of share options. Refer note 13 for further information.

**15 Net asset value ("NAV") per share**

	<b>31 December 2024</b>	<b>31 December 2023</b>
Net assets attributable to equity holders of the Company (£'000)	12,536	7,813
Shares in issue (in thousands)	329,426	361,926
<b>NAV per share (£)</b>	<b>0.04</b>	<b>0.02</b>

## Notes to the Financial Statements (continued)

**16 Trade and other payables**

	31 December 2024	31 December 2023
	£'000	£'000
Other payables	25	33
<b>Trade and other payables</b>	<b>25</b>	<b>33</b>

The fair value of trade and other payables approximates their carrying value.

**17 Contingent liabilities and commitments**

As at 31 December 2024 the Company had no contingent liabilities or commitments.

**18 Related party transactions**

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence over the other party in making financial or operational decisions. Key management is made up of the Board of Directors who are therefore considered to be related parties and the transactions were made at arm's length. Fees in relation to the Directors are disclosed in note 4. Shares allotted to related parties are disclosed in note 7.

Up to the date of reorganisation in 2022, management service fees were charged to the former wholly owned subsidiary, Secure Web Services Limited. At the balance sheet date there was a balance of £32,760 (2023: £32,760) owed to the Company in relation to these fees.

**19 Ultimate controlling party**

There is no one controlling party.

**20 Post balance sheet events**

On 5 February 2025 the Company forfeited and cancelled the 18,662,500 shares that had previously been owned directly by Mr Hersh. As a result, the total number of Ordinary Shares in the Company in issue is now 310,763,643.

On 24 April 2025 the Company invested a further £50,000 into PLUG for new shares purchased at £2.00 each, for a further 2 per cent of PLUG at the same post money valuation. The Company is now a holder of 6 per cent of PLUG shares.

Post year end there have been further capital injections by shareholders into Voneus. As a result of the Company not participating in these capital injections the Company's holding has now been diluted to 2.8% which has reduced the fair value of the investment from £11.7m to £4.1m.