Group strategic report, report of the directors and

Consolidated financial statements for the year ended 31 December 2022

For

Ucapital Global Plc

(Formerly Aleph Finance Group PLC)

Parker Russell
CHARTERED ACCOUNTANTS

Ucapital Global Plc

Contents of the consolidated financial statements for the Year Ended 31 December 2022

Ucapital Global Plc

Company information
for the Year Ended 31 December 2022

DIRECTORS:	Mr P Battaglia Mr A Sprizzi Mr O Vesevo
SECRETARY:	Mr G A Ivanova
REGISTERED OFFICE:	4th Floor 399-401 Strand London WC2R 0LT
REGISTERED NUMBER:	06469680 (England and Wales)
SENIOR STATUTORY AUDITOR:	Jason Parker MA, FCA
INDEPENDENT AUDITORS:	Parker Russell UK LLP Chartered Accountants and Statutory Auditor Level 30 The Leadenhall Building 122 Leadenhall Street City of London EC3V 4AB

The directors present their strategic report of the Group for the year ended 31 December 2022.

REVIEW OF BUSINESS
The Group's history and current developments

Ucapital Global Plc, formerly Aleph Finance Group plc, (hereinafter "the Company") is a London based holding company of its Group. The Group is active in managing investments, the provision of wealth management and advisory services to high net worth individuals, family offices and corporates across Europe. The Company was incorporated in 2008 under the legal name of Pairstech Limited and, until 2015, was dormant. As of 3 June 2015, the Company changed its legal name to Pairstech CM Ltd.

In March 2016, following the departure of a minority partner of Ucapital Asset Management Llp (formerly Pairstech Capital Management LLP), the subsidiary, the Company increased its interest in Ucapital Asset Management support its development.

As of 16 April 2018, Pairstech CM Ltd changed its name to Aleph Finance Group Ltd.

On 27 March 2019, the Company issued 6.5% 2024 Non-Convertible Bonds. As of 27 March 2019, the Bonds were admitted to trading on the Vienna MTF, a Multilateral Trading Facility operated by the Wiener Börse AG (the Vienna Stock Exchange).

By way of a written resolution of the Shareholders adopted on 18 July 2019, the Company was transformed into a public limited company.

As of 11 December 2021, the Company became listed on the Paris Stock Exchange Euronext - Access Plus segment.

In December 2022, it was submitted a filing to the FCA with the request for UCapital Ltd, a below 5% shareholder in that moment, to acquire a majority interest in the Company. Such filing was promptly approved in January 2023 and was completed on 13th April 2023, with the result of UCapital Ltd becoming majority shareholder.

In August 2023 the Company changed its name into UCapital Global PLC and the subsidiary Pairstech Capital Management LLP changed its name into UCapital Asset Management LLP.

Recap of business performance through 2022

While the Group has been quite resilient during the pandemic period, the conflict in Ukraine has deeply affected the operations of the group, with the discontinuation of many business lines indirectly affected by the new geopolitical conditions. This unexpected event has caused a sensible effect on the top line, while its effects on the bottom line has been mostly neutralized by the very flexible business model and by management cost cutting initiatives.

Share performance

The performance of the share has been almost flat, with a performance of -5.37% at 3.10619 eur/ share, following the strong previous year performance of +27%.

Description of the Group's activities

The Group operates mainly in the areas of asset management and wealth management. The Group provides also corporate and capital market services to European SMEs, making the Group a true pan- European investment player capable of serving clients with a "360-degree" approach.

The Company's main activities are: (i) the development of corporate strategy in favour of its Subsidiaries and Investees and (ii) the management of equity interests in other companies operating in the areas of fund management, wealth management, capital markets and financial services.

The Group's activities falling within each sub-line can be described as follows.

Wealth Management	Fund Sub-Management	Capital Markets	Financial Services Hub
Managed Accounts	UCITS Funds	Corporate finance	Regulatory umbrella
Advisory Mandates	Alternative Funds	Listing and Placement	Compliance Oversight
			Securitisation
	Marketing and	Investor Relations	Vehicles, Certificates
Portfolio Allocation	Placement	Services	and Funds Setup
Risk Analysis	Risk Management	Club Deals	
		Crowdfunding	

Wealth Management

The Group is active in the wealth management sector through the subsidiary Ucapital Asset Management.

The Asset management activities represent the first and the most relevant business of the Group.

Services in this sub category represent a combination of active management activities (i.e. managed accounts and portfolio allocation) and advisory activities (i.e. advisory mandates and risk analysis) activities.

In this line of business, the Group has also established strong partnerships with leading credit and financial institutions in the various countries in which it operates, providing to the Group and its clients with custody, custodian bank, execution, trading and settlement services.

Funds' Sub-Management

Funds' sub-management is a key area for the Group. The Group is active in the fund sub-management through the subsidiary Ucapital Asset Management.

The Group operates primarily as a delegated investment manager, both in relation to UCITS and Alternative Investment Funds, based on investment management agreements with leading European management companies.

While these agreements maintain the ultimate liability and responsibility to the management companies, they also grant significant discretion and powers to the delegated investment manager (i.e. Ucapital Asset Management) in the execution and monitoring of the investments as well as in the management of the relevant Funds (or compartments thereof).

This structure allows clients to benefit from, (i) on the one hand, the infrastructure and services of fully regulated and well-respected management companies and (ii) on the other hand, be-spoke investment solutions offered by Ucapital Asset Management's investment managers, and their specific expertise of.

Ucapital Asset Management is also active in the distribution side, by marketing and placing UCITS and Alternative Investment Funds through its clients.

Capital markets

Capital markets have historically been a core business for Ucapital Global and its Group, both on the transactional and advisory perspective.

The Group assists corporate clients in the entire transactional process, from the structuring of capital markets' transactions (equity and debt) to the placing and listing phase.

In this regard, the Group's main target customers are European small-medium enterprises ("SMEs") that wish to diversify their sources of funding and seek to dis-intermediate the traditional banking channel. In this context, Ucapital Asset Management has gained a top-notch experience and market recognition in the structuring and distribution of the so-called mini-bonds (i.e. debt securities issued by Italian SMEs), typically to be listed on the ExtraMOT Pro, a market segment managed and organised by Borsa Italiana - the Italian Stock Exchange - or the Vienna MTF, a market of the Vienna Stock Exchange. Ucapital Asset Management is an official listing sponsor of Euronext.

Financial Services Hub

The Group also operates as a hub for financial services' solutions.
Finally, another important part of the financial services business is represented by the so-called "special opportunities", such as the set-up and management of securitisation vehicles and/or compartments through which securitisation transactions are executed and the structuring of certificates and other investment products.
Geographical presence

The Group provides its services mainly in the United Kingdom, Italy and Luxembourg.

The business model's key pillars

The business model of Ucapital Global and its Group is based on the following key pillars:

1. Geographical presence: the Group is able to offer seamless investment, asset management, and advisory solutions to its clients in all the most relevant financial jurisdictions in Europe, either through the physical presence of regulated intermediaries/branches or on a freedom to provide services basis;

2. Technology and innovation: the Group strongly believes in the role and importance of technology applied to financial and insurance services. In this regard - through its collaboration with the UCapital24 platform - the Group is able to offer fintech and digital investment and products to its clients;

3. Manufacturing and structuring capability: the Group does not only operate as a distributor of third- party products but has a strong capability to internally create and develop its own strategies and portfolios as well as to sub-manage funds thus offering bespoke investment solutions to its clients and offering full transparency about their investments;

4. capability and experience in Illiquid investments: the Group has acquired a strong expertise in illiquid products which are increasingly becoming part of institutional and professional clients' portfolios, who often seek alternative, attractive and high-yield solutions;

5. Advisory and regulatory services: the Group offers on-going and recurring advisory and regulatory services to SMEs, family offices and appointed representatives, thus ensuring a constant and stable flow of business;

6. Human capital: the Group boasts a group of highly-skilled professional with a good age-combination and with a focus on a specific industry and/or geographical area Performances

Business performance and key performance indicators

The conflict in Ukraine has deeply affected the operations of the Group, with the discontinuation of many business lines indirectly affected by the new geopolitical conditions.As a result revenues for the year ended 31 December 2021 significantly decreased as compared to the year ended 31 December 2021, from approximately £ 9.8 million to approximately £ 1.8 million, or by 81%.

Assets under management, as disclosed in the table below, decreased by EUR 38 million or approximately 35% in 2022 as compared to 2021, or from EUR 108 million in 2021 to EUR 70 million in 2022 (decrease in 2021 amounted to EUR 66 million). This is largely due to the decision of Mainfirst O3 to manage internally its fund, and furthermore due to a decrease of the AUM for the Managed Accounts.

	2022	2021
MANAGED ACCOUNTS	**EUR**	**EUR**
	38,579,775	47,391,303
FUNDS		
LEMANIK HR6	17,803,202	24,816,166

PHARUS MV7	9,286,400	9,651,900
CARDIFF	100,000	100,000
NAXOS	1,352,640	3,335,539
CAMSOR	2,431,758	-
MAINFIRST 03	-	22,306,578
	30,974,020	60,210,183

The performance of the share during the year ended 31 December 2022 has been almost flat, with a performance of -5.37% at 3.10619 eur/ share.

Despite these conditions the Group made profit during the year ended 31 December 2022 of approximately 0.03 million. This is attributable to increase of marketable securities and investments in unlisted equity instrument that the Group has as of 31 December 2022. Particularly, during the current year the Group recorded fair value gain on financial instruments of approximately £ 1.3 million.

With regards to the holdings, Bridge Insurance, owner of the "viteSicure" brand, is no longer considered strategic for the Group and the interest in that entity will be carried forward in 2023. Similarly, the Italian Crowdfunding platform Opstart is no longer considered strategic for the Group and the divestiture of the interest in that company will be carried forward in 2023.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk related to the Issuer's expansion and growth

We have experienced, and intend to continue to pursue, a rapid growth and we intend to implement an expansion strategy. The Company's and the whole Group's organizational structure is also becoming more complex as operational, financial and management infrastructure is growing and we continue to improve and invest into our reporting systems and procedures. These investments will require significant capital expenditures and the allocation of management resources, and any investments the Company makes will occur in advance of experiencing the benefits from such investments, making it difficult to determine in a timely manner if we are efficiently allocating our resources.

If we are unable to manage our growth effectively and efficiently and/or we do not achieve the benefits anticipated from these investments and/or if the achievement of these benefits is delayed, the Group's results of operations and financial and economic conditions may be adversely affected.

Furthermore, our capacity to achieve our growth targets and increase our revenues and profits depends, to a large extent, on our capacity to implement our business plan and strategy and to achieve a high level of efficiency and effectiveness in our operations. If we are not able to successfully implement our business strategy, or if such implementation is delayed (for any reason), or if the assumptions as well as targets of our business strategy and plan prove to be incorrect or not achievable (also in part), the Group's results of operations and financial and economic conditions may be adversely affected.

Moreover, our ability to forecast future results of operations is subject to a number of uncertainties. Any predictions about the Group's future revenues and expenses may not be as accurate as expected.

If management assumptions regarding these risks and uncertainties, which the Group uses to plan and operate business, are incorrect or change, or if the Group does not address these risks successfully, results of operations could differ materially from expectations, growth rates may slow, and business would suffer.

Should any of the negative events above materialize and in case we are not able to address such negative events and mitigate the negative consequences thereof quickly and effectively, they may have a material adverse effect (i) on our results of operations, financial and economic position and profits in the future and consequently (ii) on the market price of the Shares.

Risks related to joint ventures, partnerships and future acquisitions

We may establish partnerships or joint ventures or make acquisitions to develop and implement our growth strategy or strengthen our core business. However, the possible benefits or expected returns from such joint ventures, partnerships and acquisitions may be difficult to achieve or may prove to be less valuable than we estimate. Furthermore, joint ventures, partnerships and acquisitions bear the risk of difficulties that may arise when integrating people, operations, technologies and products. This may have a material adverse effect on the Group's business, financial and economic condition and results of operations.

In addition, the success of acquisitions depends in part on our ability to identify successfully and acquire suitable companies and other assets on acceptable terms and, once they are acquired, on the successful integration into our and the Group's operations, as well as our ability to identify suitable strategic partners and conclude suitable terms with them. Any inability to implement an acquisition strategy or a failure in any particular implementation of this strategy may have a material adverse effect (i) on our results of operations, financial and economic position and profits in the future and consequently (ii) on the market price of the Shares.

Risk related to the failure to meet the expectations of investors

The Group's past results should not be relied upon as indicative measure of future performance. In fact, we may not be able to accurately predict future performance, revenues and results of operations. If our performance, revenues or results of operations fall below the expectations of the investors in a particular year, or below any guidance or forecast that we may communicate to the public and the market, the market price of the Shares may decline.

Currency risk

A significant amount of revenues generated by the Group is denominated in Euro while a significant amount of fixed costs in Sterling. Moreover, the Group does not currently undertake foreign currency hedging transactions to mitigate potential foreign currency exposure but may decide to do so in the future.

Therefore, a negative fluctuation of the exchange rates between Sterling and Euro may have a material adverse effect (i) on our results of operations, financial and economic position and profits in the future and consequently (ii) on the market price of the Shares.

Liquidity and funding risks

We are exposed to potential liquidity risks that may also arise from circumstances outside our control such as a credit crisis or severe economic conditions. Moreover, there can be no assurance that we will be able to (i) receive cash flows from our Investees and/or (ii) borrow from banks or raise financial resource in the capital markets to meet our payment obligations and/or to refinance our exposure.

The occurrence of any of the above-mentioned events and the consequent inability to ensure sufficient liquidity may have a material adverse effect (i) on our results of operations, financial and economic position and profits in the future and consequently (ii) on the market price of the Shares.

Operational risks

The Group is potentially subject to various operational risks - including the risk of fraud by employees of other persons, unauthorized transactions by employees or operational errors, including due to malfunctions in production machines and equipment - which may negatively affect its business, financial and economic condition and results of operations.

The occurrence of any of the above-mentioned events, in turn, may have a material adverse effect (i) on our results of operations, financial and economic position and profits in the future and consequently (ii) on the market price of the Shares.

Risk of changes in tax regimes

We are subject to the risk that countries in which we and our Subsidiaries and Investees operate, or will operate in the future, may impose additional withholding taxes, income taxes or other taxes, as well as changing tax levels from those in force at the date of the respective projects or the date hereof.

Any future adverse changes concerning tax regimes generally applicable to us and/or our Subsidiaries and Investees may have a material adverse effect (i) on our results of operations, financial and economic position and profits in the future and consequently (ii) on the market price of the Shares.

Risk of litigation

Legal proceedings may arise from time to time in the course of the Group's businesses.
In particular, the Issuer and its Subsidiaries and Investees (and in particular Ucapital Asset Management) (i) are exposed to possible litigation risks including, but not limited to, regulatory interventions and proceedings as well as third party claims and (ii) may be involved in disputes if, for example, (a) the appropriate standard of care and/or the applicable conduct rules are not satisfied in the performance of financial vis-à-vis the clients and/or (b) any power, authority or discretion is not exercised in a prudent or appropriate manner in accordance with accepted standard of practice.

We cannot exclude that litigation may be brought against the Group and that such litigation may have a material adverse effect on our financial conditions and results of operations.

As far as we are aware, however, there is no current, pending or threatened litigation in which the Group is directly or indirectly concerned, which may have a material adverse effect on our reputation, business, financial conditions and results of operations.

Risk related to the breach of the Group's security measures

Unauthorized access to, or other security breaches of (including malware attacks), systems or networks used by the Company or its Subsidiaries and Investees (and, in particular, Ucapital Asset Management) - including those of their contractors, or those with which they have strategic relationships - could result in the loss or corruption of data, loss of business, reputational damage vis-à-vis affected clients, regulatory investigations and orders, litigation, indemnity obligations, damages for contract breach, penalties for violation of applicable laws or regulations, significant costs for remediation and other liabilities.

The occurrence of any of the above-mentioned events may have a material adverse effect (i) on our results of operations, financial and economic position and profits in the future and consequently (ii) on the market price of the Shares. We have addressed mitigation of cyber risk also via proper insurance policy.

Risk related to the Issuer's inability to retain key persons

We believe that our success depends on the continuous contribution from the Company and Ucapital Asset Management's directors, management and other key persons.

In addition, since our future success is dependent on our ability to continue to enhance our existing services and introduce new services, we are heavily dependent on the ability to attract and retain qualified personnel with the requisite education, background, and industry experience. In particular, as we expand our business, our success will also depend, in part, on the ability to attract and retain qualified personnel capable of supporting a larger and more diverse customer base.

The termination of the employment relationships with a significant number of key persons could be disruptive. In addition, if any of the key persons joins a competitor or decides to otherwise compete with the Group, we may experience a material disruption of operations and business strategy, which may result in a loss of clients, in an increase in operating expenses and in a diversion of our personnel's focus.

The occurrence of any of the above-mentioned events may have a material adverse effect (i) on our results of operations, financial and economic position and profits in the future and consequently (ii) on the market price of the Shares.

Risk related to potential conflicts of interest

As at the date of this report, no members of the Board of Directors of the Company may have interests of their own or of third parties in certain transactions of the Company and/or the Group, as they hold, directly or indirectly, interests in the Issuer's share capital and/or in the Investees' capital and sit in the Company's or the Investees' Boards of Directors.
Risk related to related party transactions
The Company and its Subsidiaries and Investees regularly enter into agreements and/or transactions with related parties.

However, related party transactions present the typical risks of transactions executed by legal entities part of the same Group or, in any case, linked by shareholding and/or business relationships that may jeopardize the fairness of the relevant terms and conditions.

Risk related to the macroeconomic framework

In recent years, the macroeconomic framework has been characterised by a high degree of uncertainty due to the crisis of the main financial institutions and the sovereign debt crisis of certain European countries.

The United Kingdom's approval of its exit from the European Union (known as Brexit) have raised and continues to raise concerns about the long-term sustainability of the Economic and Monetary Union and, in the extreme, the resilience of the European Union itself. In this context, several countries of the Economic and Monetary Union have requested and obtained financial assistance from the European authorities and the International Monetary Fund and are currently carrying out structural reform programmes.

At the date of this report there is no legal procedure or practice aimed at facilitating the exit of a Member State from the Euro and the consequences of these decisions are exacerbated by the uncertainty regarding the methods through which a Member State could manage its current assets and liabilities denominated in Euros and the exchange rate between the newly adopted currency and the Euro.

In addition, a collapse of the Eurozone could be accompanied by the deterioration of the economic and financial situation of the European Union and could have a significant negative effect on the entire financial sector, creating new difficulties in the granting of sovereign loans and loans to businesses and involving considerable changes to financial activities both at market and retail level.

The occurrence of any of the abovementioned events may have a significant negative impact on us, with negative implications for the economic, financial and asset situation of our Group.

Risks related to Brexit

The United Kingdom has now exited from the European Union, however, this has created significant uncertainties with regard to the political and economic prospects of the United Kingdom and the European Union. The situation is very uncertain since they could occur:

- a possibility that other European Union countries could hold similar referendums to the one held in the United Kingdom and/or call into question their membership of the European Union.
- Further falls in stock exchange indices.
- a fall in the value of the Sterling and/or the Euro.
- an increase in exchange rates between the Sterling and the Euro and/or greater volatility of markets in general due to the increased uncertainty, with possible negative consequences on capital markets.

These events may have a material adverse effect (i) on our results of operations, financial and economic position and profits in the future and consequently (ii) on the market price of the Shares. Risks related to conflict in Ukraine

The Group has been since its beginning a strong supporter of peaceful cooperation from different countries, with a particular focus on Eastern Europe, according to a vision of a more integrated pan European economic area.

Unfortunately, the burst of the conflict in Ukraine during 2022 has forced to revisit such a vision, in line with a world "re organizing" politically, economically and financially under "blocks" or areas of influence, with the Group "naturally" being part of the Western hemisphere.

The increase in prominence of new majority shareholder, with strong ties and growth path projected toward the United States, is a testimony of the new vision the company has embraced.

Risk related to competition

The markets where the Group operates are highly and increasingly competitive. A significant number of companies (including investment firms and insurance companies) have developed, or are developing, services that currently or in the future may compete with those of the Group or be of better quality. This competition could result in decreased revenue, increased pricing pressure, increased sales and marketing expenses and loss of market shares, any of which could adversely affect the Company's business and operating results.

Many of the Group's competitors and potential competitors are larger and have greater brand and/or name recognition, longer operating histories, larger marketing budgets and established client relationships, access to larger client bases, and significantly greater resources for the development of their solutions. In addition, the Group faces potential competition from participants in adjacent markets that may enter the markets or providing alternative approaches to provide similar results. The Group may also face competition from companies entering the market, including companies that could expand their offerings or acquire one of the Group's competitors. They may have significantly greater financial resources and longer operating histories than the Group does. As a result, competitors and potential competitors may be able to respond more quickly and effectively than the Group can to new or changing opportunities, technologies or customer needs.

Further, some potential clients, particularly large corporates, may elect to develop their own internal solutions. The ability to compete is also subject to the risk of future disruptive technologies. If new technologies emerge that are able to deliver similar or better solutions at lower prices, more efficiently, or more conveniently, such technologies could adversely affect the Group's ability to compete. With the introduction of new technologies and market entrants, competition is expected to intensify in the future.
If we are unable to keep up with these developments, (i) our results of operations, financial and economic position and profits in the future and consequently (ii) the market price of the Shares, may be negatively affected.

Risk related to regulatory changes affecting the industries in which the Group operates

Some of the groups Subsidiaries and Investees operate in highly-regulated industries and markets, which impose severe regulatory burdens and compliance obligations as well as an on-going supervision by the relevant competent Authorities.

Moreover, such industries and markets are subject to frequent legal and regulatory changes that require amendments and changes to internal policies and procedures as well as to the business model of the relevant regulated entities.

Compliance with such regulatory requirements and obligations as well as potential regulatory proceedings by the competent Authorities may require the expenditure of significant financial resources by the Group and may cause the Group's management to devote significant time to compliance activities thus diverting resources away from the Group's business activities.

In addition, regulatory changes may have a material negative effect on the business of the Group by restricting or imposing additional conditions to the activities and services that the Group currently carries out. Similarly, the suspension, withdrawal, revocation of the authorisations, licenses and permissions granted to Ucapital Asset Management and the other Investees operating in regulated industries may result in material negative effects on the Group's business.

The occurrence of any of the above-mentioned events may have a material adverse effect (i) on our results of operations, financial and economic position and profits in the future and consequently (ii) on the market price of the Shares.

Risk related to the issuance of new shares and to the acquisition of additional financing

The Company may seek to raise financing to fund future acquisitions or other growth opportunities by issuing additional equity or convertible equity securities. As part of its business strategy, the Company may acquire or make investments in companies, products or technologies and issue equity or convertible securities to pay for any such acquisition or investment.

Any such issuances of additional Shares may cause Shareholders to experience significant dilution of their ownership interests and the per-share value of our Shares to decline.

The Company may also raise capital through equity financings in the future. Any additional capital raised through the sale of equity or convertible securities may dilute the then existing Shareholders' ownership in the Company and Shareholders could be asked in the future to approve the creation of new equity securities which could have rights, preferences and privileges superior to those of the holders of the Shares.

Conversely, capital raised through debt financing would require the Company (and the Group) to make periodic interest payments and may impose restrictive covenants on the conduct of the business. Furthermore, additional financings may not be available on terms favourable to the Company (and its Group), or at all. A failure to obtain additional funding could prevent the Issuer from making expenditures that may be required to implement its growth strategy and grow or maintain its operations.

SECTION 172(1) STATEMENT

As directors, we are aware of our duty under section 172 of the Companies Act 2006 to act in the way we consider, in good faith, would be most likely to promote the company's success for the benefit of its shareholders as a whole, and to have regard to the long-term effect of our decisions on the company and its other stakeholders.

Our board members understand and embrace the responsibility of balancing the interests of the wide stakeholder base. A strong culture encouraging responsible practice has been deeply embedded at all levels of our business for many years. Our board members observe clear guiding principles that drive ethical interactions with, and generate positive outcomes for, our key stakeholders. The Board sets the tone by monitoring, nurturing and reaffirming these principles, and demonstrating through its discussions and actions, that the interest of stakeholders are central to its decision-making.

The Directors consider the interests of each of our key stakeholder groups when considering their duties under section 172 and take into account the information gathered through engagement with these stakeholders whendetermining the Group’s strategies and key decisions.

The Group continue to monitor and maintain key business relationships with its suppliers and customers to enable it to delivery its services.

During the course of the year the Group took a number of steps to ensure that the operations are in compliance with the relevant regulations outlined by the FCA and most recently undertaking a compliance audit for PSD2 compliance and review of the Group's safeguarding procedure which were supported by the firm of compliance professionals.

STRATEGY AND FUTURE DEVELOPMENTS

The mission of the Group is to develop an innovative and integrated "financial ecosystem" platform, with both on-line and traditional off-line services, capable of providing investment, advisory and to its clients across Europe.

The 3 fundamental strategic pillars of the Group's philosophy and business approach are as follows:

1. Scouting of investment opportunities: the Group is active in the scouting and selection process of international and innovative investment opportunities to be offered to existing and prospective clients;
2. Value creation through a thorough risk-management approach: the Group focuses on creating value for its clients, through a diligent and thorough risk management and risk mitigation approach;
3. Monitoring and attention to changes: the Group dedicates significant resources to the monitoring and analysis of market's trends and changes.

The three pillars described above are strongly rooted in the strategic vision and in the business model of the Company and its Group.

The company will look to pursue its growth mission, in particular toward

a) Coping with Brexit changes in the regulatory landscape
b) Growing AUM by strategically supporting operating companies,
c) Scouting for acquisition in the fin tech asset management arena
d) monitor Opportunistically the ability to make acquisitions in synergy with existing activities
e) Developing an online and social media presence in order to create business opportunities with presenting to a larger audience the group activities, with a primary focus in cross selling among the exiting operating companies client base.

ENVIRONMENTAL MATTERS AND SUSTAINABILITY

The Group is committed to environmental responsibility.The Group is firmly convinced that the value creation for its stakeholders and in general the development of a sustainable long-term strategy requires the introduction of environmental, social, and corporate governance guidelines into all the phases of its activity (investment, management, and divestment stages). The Group believes that the incorporation of the principles of sustainability into its ESG (environmental, social and governance) policy will lead to a more balanced risk-return profile for its investments and a long-term path of growth.

The Group understands that its activity and the activities performed have a footprint on the environment and through its ESG policy has the target to minimize this impact. The Group is committed to foster an environmentally responsible behaviour promoting these efforts.

The Group has identified its environmental goals and intends to achieve the target of minimize its environmental impact, so it will:
- Reduce the production of waste and improve it recycle.
- Increase the use of remote conferencing in order to minimize travel.
- Minimize emissions of gases responsible for the greenhouse effect.
- Promote the manufacturing and the use of products derived from natural resources and/or easily recyclable.

With regard to direct impacts, the Group makes its employees aware of the responsible use of resources and the correct disposal of waste and promotes the minimization of business trips, preferring instead innovative telematic and digital communication standards and "Agile" working methods.

DIRECTORS AND EMPLOYEES

Relations between the people of the Group are based on the values of fairness, transparency, freedom, loyalty, and trust. In this context, the Group has always been committed to offering working conditions that respect personal dignity, human rights, equal opportunities, and a professional and participatory work environment. The Group also promotes the dissemination of these practices also in the daily work among the stakeholders with whom it interfaces in conducting its activities.

The personnel selection process is conducted in full respect of diversity, equal opportunities, heterogeneity, and non-discrimination, avoiding favouritism and facilitations of any kind.

The structure of the Group's directors and employees during the year ended 31 December 2022 was as follows:

	The Company		The Subsidiary	
	Directors	**Employees**	**Directors**	**Employees**
Male	4	-	2	1
Female	-	-	-	1

SOCIAL, COMMUNITY AND HUMAN RIGHTS ISSUES

The Group considers that social aspects are crucial in the investment activity. Taking this into account, the Group will:

- Promote the respect of internationally recognized human rights.
- Avoid, directly or indirectly, the use of forced labour or child labour.
-Promote the elimination of discrimination in respect of employment and occupation.
- Promote the equal opportunities and diversity principles.
- Monitor the health and safety risks related to work activities, with the aim to eliminate or minimize those risks.
- Promote a recruiting, developing, and retaining system related to human resources able to create a working environment where the contribution of each employee is encouraged, recognized, respected, and rewarded.
- Promote the support of its employees to charities and similar organizations and institutions.

ANTI-BRIBERY AND ANTI-CORRUPTION

The Group does not tolerate Bribery and Corruption. We believe that the right way to do business is the only way to do business. We have zero tolerance for bribery and corruption because we are committed to fair and honest competition. We are committed to winning business through fair and honest competition in the marketplace.

Our Code of conduct prohibits promising, or paying anything of value to someone with the intention of improperly influencing an official action or business decision to secure a business advantage.

We consider our policies to be effective.

ON BEHALF OF THE BOARD:

ANDREA SPRIZZI
ANDREA SPRIZZI (Dec 22, 2023 20:36 GMT+1)

Mr A Sprizzi - Director

22 December 2023

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2022.

DIVIDENDS
No dividends will be distributed for the year ended 31 December 2022.

EVENTS SINCE THE END OF THE YEAR
In January 2023 the Parent Company issued 896,557 ordinary shares.

In April 2023 UCapital LTD became and Mr E Danieletto ceased to be the ultimate controlling party of the Group.

In November 2023 the Group sold two largest investments in non-listed equity instruments, which carrying value in the statement of financial position as of 31 December 2022 amounted to £ 1,182,162.

DIRECTORS
Mr A Sprizzi has held office during the whole of the period from 1 January 2022 to the date of this report.

Other changes in directors holding office are as follows:

Mr P Battaglia - appointed 1 January 2022
Mr M Grandinetti - resigned 31 December 2022
Mr R C Snedden - resigned 5 September 2022

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments in listed securities and unlisted equity instruments, trade and other receivables, and cash and cash equivalents.

The Group is exposed to market risk, credit risk and liquidity risk.

The Board regularly reviews and agrees policies for managing each of these risks. The Group's policies for managing these risks are summarised below and have been applied throughout the period.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

Interest rate risk

The Group is not exposed to interest rate risk as it's interest-bearing liabilities are with fixed interest rates, as well as loans that the Group has granted to other entities.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's borrowings and loans granted to other entities. The Group is particularly exposed to changes of british pound to euro exchange rates The Group does not currently have a policy to hedge its exposure to foreign currency exchange risk. The gains or losses disclosed in the consolidated financial statements are equivalent to a sensitivity analysis and indicate how the profit or loss is affected by changes in foreign currency exchange rates.

Equity price risk

The Group's listed and non-listed equity investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group is exposed to market risk from its marketable securities, the prices of which can fluctuate as they are determined by reference to quoted market prices. The Group's maximum exposure to this type of risk represents the carrying value of marketable securities and investments in unlisted equity instruments at the statement of financial position date, that is disclosed in Note 19.

The gains or losses disclosed in Notes 4 and 5 to the consolidated financial statements are equivalent to a sensitivity analysis and indicate how the profit or loss is affected by changes in market prices.

The Group manages equity price risk through portfolio diversification and by closely monitoring its investment strategies.

Credit risk
The Group is exposed to significant credit risk from its loans and receivables if underlying borrowers fail to make repayments or default.

The Board of Directors manages credit risk by using secured debt instruments with collateral where possible and by reviewing the credit worthiness of counterparties prior to making loans and credit sales. The carrying amounts of trade and other receivables and cash in banks, as disclosed in Notes 18 and 20 to the consolidated financial statements, represent the Group's maximum exposure to credit risk in relation to financial assets.

Cash is placed with reputable financial institutions.

Liquidity risk
Liquidity risk is the risk that Group will encounter difficulty in meeting these obligations associated with financial liabilities.

The responsibility for liquidity risks management rest with the Board of Directors, which has established appropriate liquidity risk management framework for the management of the Group's short term and long-term funding risks management requirements.

The Group manages liquidity risks by maintaining adequate reserves and reserve borrowing facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The major portion of the Group's borrowings, 6.5% fixed rate bonds mature in September 2026. Trade and other payables are either on demand or mature within the three months from the statement of financial position date.

POLITICAL DONATIONS AND EXPENDITURE
The Group made no political donations or contributions during 2022 (2021: nil). It is the Group's policy to not make political donations or incur political expenditure in the EU. However, there may be uncertainty as to whether some normal business activities fall under the wide definitions of political donations, organisations and expenditure used in the Companies Act. We will therefore continue to seek directors approval to make political donations or incur expenditure within the EU as a precaution to avoid any inadvertent breach of the Companies Act.

POLICIES TO PREVENT SLAVERY/HUMAN TRAFFICKING/BRIBERY/ANTI-CORRUPTION
It is our policy to conduct all of our business in a honest and ethical manner. We will uphold all laws relevant to Anti-slavery and will advance this through our company policies including Human Rights, Equal Opportunities. Health & Safety, Anti-corruption, Anti-bulling & Harassment and whistle-blowing policy. The Group will not work with other organisations which we consider do not share our commitment to preventing bribery, corruption or acts of slavery.

BUSINESS ETHICS

Business conduct and ethics serves to (1) emphasis the Group's commitment to ethics and compliance with established laws and regulations; (2) set basic standards of ethical and legal behaviour; (3) provide a reporting mechanism for known or suspected ethical or legal violations; and (4) help prevent and detect any wrongdoings.

The Group believes that a firm understanding of ethical conduct provides everyone in the organisation with the same moral compass to follow when making business decisions. The Group's code of business conduct and ethics and underlying philosophy is a key part of its ethical framework, outlining the organisation's ethical principles, and providing guidance on the expected standards of behaviour for all employees. Our corporate philosophy is coupled with a business operational approach that ensures the organisation acts within the context of various laws and regulations governing business ethics.

Our values since its founding, the Group has conducted business according to a set of values that over the years have become linked with the Group's brand, products, services, and its people.

GOING CONCERN

The financial statements have been prepared on a going concern basis which assumes the Group and the Parent company will continue in operational existence for at least 12 months from the date of approval of the financial statements. Although the Group has negative net assets as of 31 December 2022, it has made a profit in the year ended 31 December 2022. The Group expects profit in the following years as well. The Group expectation in respect of the future profitability is based on future cooperation with the new major shareholder, Ucapital, and entities that the major shareholder controls. The directors are confident that the Group will have sufficient funds to ensure they remain in operational existence for the foreseeable future.

On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. However, should targets in the business plan not be met, the going concern basis used in preparing the Group's financial statements may be invalid and adjustments would have to be made to reduce the value of assets to their realisable amount and to provide for any further liabilities which may arise. The financial statements do not include any adjustment to the Group's assets or liabilities that might be necessary should this basis not continue to be appropriate.

PUBLICATION OF ACCOUNTS ON GROUP WEBSITE

Financial statements are published on the Group's website. The maintenance and integrity of the website is the responsibility of the directors. The directors' responsibilities also extend to the financial statements contained therein.

DIRECTORS REMUNERATION REPORT

The Group did not have any employed director during the year ended 31 December 2022.

The Parent Company did not pay any remuneration to directors during the current year. Remuneration paid to the director of the subsidiary UCapital Assets Management amounted to £21,000.

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 International Financial Reporting Standards (IFRS) as adopted for use in the European Union. 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 Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS;
- 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 Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS
The auditors, Parker Russell UK LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

ANDREA SPRIZZI
ANDREA SPRIZZI (Dec 22, 2023 20:36 GMT+1)

Mr A Sprizzi - Director

22 December 2023

Opinion

We have audited the financial statements of Ucapital Global Plc (the "Parent company") and its subsidiaries (the "Group") for the year ended 31 December 2022 which comprise the Consolidated Statement of Profit or Loss, the Consolidated Statement of Profit or Loss and Other Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of Group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of Company financial statements is applicable law and UK and International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent company's affairs as at 31 December 2022 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the UK and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC’s Ethical Standard were not provided to the Group and the Company and we remain independent of the Group and the Company in conducting the audit.

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 although it exists material uncertainty in respect of the Group and the Company's ability to continue as a going concern. .

Our evaluation of the directors assessment of the Groups's and the Company's ability to continue to adopt the going concern basis of accounting included reviewing the Group's financial status and evaluating the forecasts prepared by the Group and testing mathematical accuracy of the forecasts.

In giving our opinion on the financial statements we have also reviewed the adequacy of disclosures in Note 3 to the financial statements, regarding the Company's and the Group ability to continue as a going concern, which indicate that net current assets are negative and that the Company's and the Group's future profitability and ability to continue to operate on a going concern basis are dependant on the expected future cooperation with the new major shareholder and entities that that shareholder controls.

These conditions indicate the existence of material uncertainties that may cast significant doubt about the ability of the Company to continue as a going concern. The financial statements do not include any adjustments that would result if the Company were unable to continue as a going concern.

Because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

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 judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or 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 our audit work included, but was not restricted to:

Key audit matter	How our audit addressed the key audit matter
Provision for expected credit losses of trade and other receivables As disclosed in Note 18, during the year ended 31 December 2022 the Group recognized provision for expected credit losses on trade and other receivables amounting to £484,331. Management assessed the requirement for a provision of expected credit losses in line with the lifetime expected credit loss. The expected credit loss is based upon the Group's historical credit loss experience that is adjusted to account for factors that are specific to individual customers. Management applied judgement in estimating the provision for expected credit losses on trade and other receivables.	Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included: (i) obtaining and understanding of the management's process for developing the estimate of the provision for expected credit losses on trade and other receivables, (ii) obtaining and testing the aging of trade receivables, (iii) testing the collections from particular debtors during the year, (iv) obtaining loan agreements and assessing the compliance of other debtors to the provisions of the loan agreements, particularly timelines of debts repayment, (v) understanding management's plans for collecting outstanding accounts receivable and evaluating the ability to carry out those plans and (vi) performing subsequent cash receipt testing by comparing actual cash collections received subsequent to year-end to related accounts receivable outstanding as of year-end to evaluate the reasonableness of management estimate.We found no material exceptions in our testing.

Valuation of investments

As disclosed in Note 19 to the financial statements the Group and the Company has marketable securities and investments in unlisted equity shares that are measured at fair value and their fair value is determined using level 1 and level 3 valuation inputs, respectively. Valuations, particularly those using level 3 valuation inputs, are more complex and potentially subjective.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included: (i) obtaining evidence to ascertain the Group's ownership over these financial assets, (ii) obtaining and understanding of the management's process to determine fair value, (iii) obtaining evidence from third parties regarding the market value of marketable securities as of the year end, (iv) we reviewed the management's models for determining fair value of investments in unlisted equity shares and tested the accuracy of underlying data, (v) we have reviewed subsequent events related to sales of certain instruments.We found no material exceptions in our testing.

Our application of materiality

Overall Group materiality was set at £36,827 and the Company was set at £35,602.

This has been calculated based on 1% of total assets, which we have determined, in our professional judgement, to be the principal benchmarks that users of the financial statement would be interested in when assessing the Group and the Company.

We report to the Directors all corrected and uncorrected misstatements we identified through our audit with a value in excess of £1,780, as well as other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

An overview of the scope of our audit

We tailored the scope of our audit to ensure that we were able to give our audit opinion on the financial statements of the Group and the Company taking into account the nature of the Group's activities, the Group's risk profile, the accounting processes and controls, and the environment in which the Group operates.

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.

We performed a full scope audit of the two companies which were included in the consolidated accounts: Ucapital Global Plc and Ucapital Assets Management LLP.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 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 parent company 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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:

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and Company and determined that the most significant are the International Financial Reporting Standards as it applies to the European Union, the UK Companies Act 2006, the Financial Conduct Authority's (FCA) rules and regulations, and tax legislation (governed by HM Revenue and Customs).
- We understood how the Group and Company are complying with those frameworks by making enquiries of senior management. We also reviewed significant correspondence between the Group and Company and regulatory bodies, reviewed any minutes of the Board, and gained an understanding of the Group and Company's approach to governance, demonstrated by the Board's review of the Group and Company's risk management framework and internal control processes.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved inquiries of senior management, review of significant correspondence with regulatory bodies and submissions made to the FCA, review of risk assessments, minutes of meetings of the Board, and focused testing.
- We assessed the susceptibility of the Group and Company's financial statements to material misstatement, including how fraud might occur. In doing so, we inquired those charged with governance and considered investors expectations and management remuneration which may create an incentive or a pressure for management to manipulate earnings. We considered the controls that the Group and the Company has established to address risks identified by the Group and Company, or that otherwise seek to prevent, deter or detect fraud.
- In response to the assessed risks we developed further audit procedures. We have: (i) performed analytical procedures to identify any unusual or unexpected relationships; (ii) tested journal entries to identify unusual transactions; (iii) assessed whether judgements and assumptions made in determining the accounting estimates in relation to income recognition were indicative of potential bias; (iv) investigated the rationale behind significant or unusual transactions and (v) tested transactions back to source information.

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 Report of the Auditors.

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 a Report of the Auditors 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.

PARKER RUSSELL UK LLP
PARKER RUSSELL UK LLP (Dec 22, 2023 20:00 GMT)

Jason Parker MA, FCA (Senior Statutory Auditor)

for and on behalf of Parker Russell UK LLP
Chartered Accountants and
Statutory Auditor
Parker Russell
CHARTERED ACCOUNTANTS
22 December 2023

Note:

The maintenance and integrity of the Ucapital Global Plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Ucapital Global Plc

Consolidated statement of profit or loss for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 as restated £
Continuing operations			
Revenue		1,844,129	9,854,327
Cost of sales		(1,253,784)	(8,915,776)
Gross profit		590,345	938,551
Other operating income	4	1,504,782	247,022
Administrative expenses		(1,544,191)	(1,576,908)
Other operating expenses	5	-	(257,113)
Operating profit/(loss)		550,936	(648,448)
Finance costs	7	(204,636)	(337,003)
Finance income	7	16,358	20,715
Profit/(loss) before income tax	8	362,658	(964,736)
Income tax	9	(332,749)	-
Profit/(loss) for the year		29,909	(964,736)
Profit/(loss) attributable to:			
Owners of the parent		67,253	(954,387)
Non-controlling interests		(37,344)	(10,349)
		29,909	(964,736)
Earnings per share expressed in pence per share:	11		
Basic		0.28	-9.16
Diluted		0.28	-9.16

The notes form part of these financial statements

Consolidated statement of profit or loss and other comprehensive income for the Year Ended 31 December 2022

	31.12.22 £	31.12.21 as restated £
Profit/(loss) for the year	29,909	(964,736)
Other comprehensive income	-	-
Total comprehensive income for the year	29,909	
Prior year adjustment		(8,677)
Total comprehensive income since last annual report		(973,413)
Total comprehensive income attributable to:		
Owners of the parent	67,253	(963,064)
Non-controlling interests	(37,344)	(10,349)
	29,909	(973,413)

The notes form part of these financial statements

Consolidated statement of financial position
31 December 2022

	Notes	31.12.22 £	31.12.21 as restated £
Assets			
Non-current assets			
Goodwill	14	140,808	140,808
Property, plant and equipment	15	132,193	134,569
Investments	16	-	-
Loans and other financial assets	17	-	100,781
Trade and other receivables	18	-	7,603
		273,001	383,761
Current assets			
Trade and other receivables	18	709,315	3,023,773
Investments	19	2,411,869	1,065,714
Cash and cash equivalents	20	271,321	536,779
Prepayments		17,224	-
		3,409,729	4,626,266
Total assets		3,682,730	5,010,027
Equity			
Shareholders' equity			
Called up share capital	21	53,250	52,647
Retained earnings	22	(2,092,987)	(2,160,033)
		(2,039,737)	(2,107,386)
Non-controlling interests		83,303	117,647
Total equity		(1,959,434)	(1,989,739)

The notes form part of these financial statements

continued...

Consolidated statement of financial position - continued
31 December 2022

	Notes	31.12.22 £	31.12.21 as restated £
Liabilities			
Non-current liabilities			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	24	4,516,597	4,224,194
Deferred tax	25	332,749	-
		4,849,346	4,224,194
Current liabilities			
Trade and other payables	23	792,332	2,774,351
Financial liabilities - borrowings			
Bank overdrafts	24	-	735
Tax payable		486	486
		792,818	2,775,572
Total liabilities		5,642,164	6,999,766
Total equity and liabilities		3,682,730	5,010,027

The financial statements were approved by the Board of Directors and authorised for issue on 22 December 2023 and were signed on its behalf by:

ANDREA SPRIZZI
ANDREA SPRIZZI (Dec 22, 2023 20:36 GMT+1)
Mr A Sprizzi - Director

Oscar Vesevo
Oscar Vesevo (Dec 22, 2023 20:45 GMT+1)
Mr O Vesevo - Director

The notes form part of these financial statements

Company statement of financial position
31 December 2022

	Notes	31.12.22 £	31.12.21 as restated £
Assets			
Non-current assets			
Goodwill	14	-	-
Property, plant and equipment	15	131,633	134,455
Investments	16	696,212	696,212
Loans and other financial assets	17	-	100,781
Trade and other receivables	18	-	7,603
		827,845	939,051
Current assets			
Trade and other receivables	18	240,782	813,178
Investments	19	2,411,869	860,074
Cash and cash equivalents	20	72,035	144,238
Prepayments		7,680	-
		2,732,366	1,817,490
Total assets		3,560,211	2,756,541
Equity			
Shareholders' equity			
Called up share capital	21	53,250	52,647
Retained earnings	22	(1,534,416)	(1,756,145)
Total equity		(1,481,166)	(1,703,498)

The notes form part of these financial statements

continued...

Ucapital Global Plc (Registered number: 06469680)

Company statement of financial position - continued
31 December 2022

	Notes	31.12.22 £	31.12.21 as restated £
Liabilities			
Non-current liabilities			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	24	4,516,597	4,224,194
Deferred tax	25	332,749	-
		4,849,346	4,224,194
Current liabilities			
Trade and other payables	23	188,404	234,624
Financial liabilities - borrowings			
Bank overdrafts	24	3,142	735
Tax payable		486	486
		192,032	235,845
Total liabilities		5,041,377	4,460,039
Total equity and liabilities		3,560,211	2,756,541

The financial statements were approved by the Board of Directors and authorised for issue on 22 December 2023 and were signed on its behalf by:

ANDREA SPRIZZI
ANDREA SPRIZZI (Dec 22, 2023 20:36 GMT+1)

Mr A Sprizzi - Director

Oscar Vesevo
Oscar Vesevo (Dec 22, 2023 20:45 GMT+1)

Mr O Vesevo - Director

The notes form part of these financial statements

Ucapital Global Plc

Consolidated statement of changes in equity for the Year Ended 31 December 2022

	Called up share capital £	Retained earnings £	Total £	Non-controlling interests £	Total equity £
Balance at 1 January 2021	-	(1,196,969)	(1,196,969)	127,996	(1,068,973)
Prior year adjustment	-	(8,677)	(8,677)	-	(8,677)
As restated	-	(1,205,646)	(1,205,646)	127,996	(1,077,650)
Changes in equity					
Issue of share capital	52,647	-	52,647	-	52,647
Total comprehensive income	-	(954,387)	(954,387)	(10,349)	(964,736)
Balance at 31 December 2021	52,647	(2,160,033)	(2,107,386)	117,647	(1,989,739)
Changes in equity					
Issue of share capital	603	-	603	-	603
Total comprehensive income	-	67,253	67,253	(37,344)	29,909
Other Changes		(207)	(207)	-	(207)
Balance at 31 December 2022	53,250	(2,092,987)	(2,039,737)	80,303	(1,959,434)

The notes form part of these financial statements

Ucapital Global Plc

Company statement of changes in equity
for the Year Ended 31 December 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2021	-	(1,257,023)	(1,257,023)
Prior year adjustment	-	71,472	71,472
As restated	-	(1,185,551)	(1,185,551)
Changes in equity			
Issue of share capital	52,647	-	52,647
Total comprehensive income	-	(570,594)	(570,594)
Balance at 31 December 2021	52,647	(1,756,145)	(1,703,498)
Changes in equity			
Issue of share capital	603	-	603
Total comprehensive income	-	221,729	221,729
Balance at 31 December 2022	53,250	(1,534,416)	(1,481,166)

The notes form part of these financial statements

Ucapital Global Plc

Consolidated statement of cash flows for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 as restated £
Cash flows from operating activities			
Cash generated from operations	1	(84,115)	(186,714)
Interest paid		(204,636)	(337,003)
Tax paid		-	486
Net cash from operating activities		(288,751)	(523,231)
Cash flows from investing activities			
Purchase of tangible fixed assets		(446)	-
Sale of intangible fixed assets		-	41
Sale of tangible fixed assets		-	4,563
Sale of fixed asset investments		-	18,400
Interest received		15,284	19,860
Dividends received		1,074	855
Net cash from investing activities		15,912	43,719
Cash flows from financing activities			
Share issue		8,206	45,044
Net cash from financing activities		8,206	45,044
Decrease in cash and cash equivalents		(264,663)	(434,468)
Cash and cash equivalents at beginning of year	2	536,044	970,512
Cash and cash equivalents at end of year	2	271,321	536,044

The notes form part of these financial statements

1. RECONCILIATION OF PROFIT/(LOSS) BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	31.12.22	31.12.21 as restated
	£	£
Profit/(loss) before income tax	362,658	(964,736)
Depreciation charges	2,821	3,307
Profit on disposal of fixed assets	-	(23,004)
Loss on revaluation of fixed assets	598	-
Finance costs	204,636	337,003
Finance income	(16,358)	(20,715)
	554,355	(668,145)
Decrease/(increase) in trade and other receivables	2,297,142	(3,023,771)
(Decrease)/increase in trade and other payables	(2,935,702)	3,505,202
Cash generated from operations	(84,205)	(186,714)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2022

	31.12.22	1.1.22
	£	£
Cash and cash equivalents	271,321	536,779
Bank overdrafts	-	(735)
	271,321	536,044

Year ended 31 December 2021

	31.12.21 as restated	1.1.21
	£	£
Cash and cash equivalents	536,779	970,512
Bank overdrafts	(735)	-
	536,044	970,512

The notes form part of these financial statements

1. GENERAL INFORMATION ABOUT THE GROUP

The consolidated financial statements of Ucapital global Plc (formerly Aleph Finance Group Plc) (hereinafter the "Company" or "the Parent Company) include the Company and its subsidiary Ucapital Assets Management (hereinafter "the Group"). The consolidated financial statements for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 22 December 2023.

The Group is principally engaged in managing investments, and the provision of wealth management and advisory services

2. STATUTORY INFORMATION

Ucapital global Plc (formerly Aleph Finance Group Plc) (the "Company") is a public limited company incorporated and domiciled in England and Wales. Details of the registered office, the officers and advisers to the company are presented on the company information page at the start of this report. The Company is listed on the Euronext Access + Paris stock market.

The Company's financial statements for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 22 December 2023.

continued...

3. ACCOUNTING POLICIES

BASIS OF PREPARATION

The Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs) and International Financial Reporting Interpretations Committee (IFRIC) interpretations (collectively 'IFRSs') as adopted for use in the European Union and as issued by the International Accounting Standards Board and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.The Company financial statements have been prepared in accordance with IFRSs as adopted by the UK and as applied in accordance with the provisions of the Companies Act 2006.

The financial statements have been prepared under the historical cost convention, except for marketable securities and short-term financial investments that have been measured at fair value.

The financial statements are prepared in sterling, which is the functional currency of the Group and the Company and all values are rounded to the nearest £, except when otherwise indicated.

The Group and the Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The principal accounting policies are summarised below. They have all been applied consistently throughout the period under review.

continued...

3. **ACCOUNTING POLICIES - continued**

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31st December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non- controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Where certain assets of the subsidiary are measured at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 "Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

continued...

3. ACCOUNTING POLICIES - continued

GOING CONCERN

The financial statements have been prepared on a going concern basis which assumes the Group and the Parent company will continue in operational existence for at least 12 months from the date of approval of the financial statements. Although the Group has negative net assets as of 31 December 2022, it has made a profit in the year ended 31 December 2022. The Group expects profit in the following years as well. The Group expectation in respect of the future profitability is based on future cooperation with the new major shareholder, Ucapital, and entities that the major shareholder controls. The directors are confident that the Group will have sufficient funds to ensure they remain in operational existence for the foreseeable future.

On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. However, should targets in the business plan not be met, the going concern basis used in preparing the Group's financial statements may be invalid and adjustments would have to be made to reduce the value of assets to their realisable amount and to provide for any further liabilities which may arise. The financial statements do not include any adjustment to the Group's assets or liabilities that might be necessary should this basis not continue to be appropriate.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION

Estimates and judgement are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under certain circumstances.

The Group thus makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

There were no major estimates and assumptions made during the year that have a significant risk of causing material adjustments to the carrying amount of the Group and Company 's assets and liabilities within the next financial year.

continued...

3. **ACCOUNTING POLICIES - continued**

REVENUE RECOGNITION
Revenue represents income from the provision of financial services such as wealth and asset management, insurance brokerage, corporate finance, regulatory umbrella and compliance services.

Revenue is recognised over time in accordance with the terms of the agreements with customers.

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.

CASH AND CASH EQUIVALENTS
Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under 'current liabilities' on the Statement of Financial Position.

continued...

3. ACCOUNTING POLICIES - continued

BUSINESS COMBINATIONS AND GOODWILL
Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;

- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment transactions with share-based payment transactions of the group are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and

- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non- current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Goodwill is calculated as the excess of the sum of:

i) the consideration transferred;
ii) any non-controlling interest; and
iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired in a business combination.

The value of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a 100% interest will depend on the method adopted in measuring the aforementioned non- controlling interest.

The Group can elect to measure the non-controlling interest in the acquiree either at fair value ('full goodwill method') or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets ('proportionate interest method'). The Group determines which method to adopt for each acquisition.

 continued...

3. **ACCOUNTING POLICIES - continued**

Under the 'full goodwill method', the fair values of the non-controlling interests are determined using valuation techniques which make the maximum use of market information where available.

Goodwill is carried at cost less accumulated impairment losses. Goodwill is reviewed for impairment at least annually and any impairment is recognised immediately in profit or loss and is not subsequently reversed. Goodwill is deemed to have an indefinite useful life due to the expectation of the acquired business to operate in perpetuity, so is not amortised.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets.

The Group reviews the estimated residual values and expected useful lives of assets at least annually.

An item of property, plant and equipment is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

continued...

3. ACCOUNTING POLICIES - continued

FINANCIAL INSTRUMENTS

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date,i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

continued...

3. **ACCOUNTING POLICIES - continued**
- Financial assets at fair value through profit or loss

The Group has financial assets that are measured at amortised cost (debt instruments),and financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)
Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised,modified or impaired.

The Group's financial assets at amortised cost includes trade receivables and loan to other entities.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This group includes marketable securities and unlisted equity investments.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:
-The rights to receive cash flows from the asset have expired, or
-The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through'arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

continued...

3. **ACCOUNTING POLICIES - continued**

Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECLs).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group determines ECL based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in ineffective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, and loans and borrowings including bank overdrafts.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:
- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

continued...

3. **ACCOUNTING POLICIES - continued**

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the deracination of the original liability and the recognition of a new liability.
The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise th assets an d settle the liabilities simultaneously.

INVESTMENTS IN SUBSIDIARIES

Investment in subsidiaries are carried at cost less impairment, if any.

continued...

3. **ACCOUNTING POLICIES - continued**

TAXATION

Current income tax

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:
- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:
- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent
that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

continued...

3. **ACCOUNTING POLICIES - continued**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Value added tax

Expenses and assets are recognised net of the amount of value added tax, except:when the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

Receivables and payables are stated with the amount of value added tax included.

The net amount of value tax recoverable from, or payable to, the taxation authority is included as part ofreceivables or payables in the statement of financial position.

FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

continued...

3. ACCOUNTING POLICIES - continued

FAIR VALUE MEASUREMENT

The Group measures financial instruments such as marketable securities and investments in unlisted equity instruments, at fair value at each statement of financial position date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

* Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
* Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
* Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

The Group applied for the first-time certain standards or amendments, as disclosed in the table below, which were endorsed by EU and which became for annual periods beginning on or after 1 January 2022.

Standard or amendment	**EU effective date**
Amendments to IFRS 3 Business Combinations	1 January 2022
Amendments to IAS 16 Property, Plant and Equipment	1 January 2022
Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets	1 January 2022
Annual Improvements 2018-2020	1 January 2022

The amendments had no impact on the Group's consolidated financial statements.

continued...

3. **ACCOUNTING POLICIES - continued**

NEW STANDARDS AND AMENDMENTS ISSUED BUT NOT EFFECTIVE
The following standards and amendments have not been adopted in the group's consolidated financial statements as they are not yet effective:

Standard / amendment	EU endorsement status	Mandatory effective date
IFRS 17 Insurance Contracts; including Amendments to IFRS 17	Endorsed	1 January 2023
Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	Endorsed	1 January 2023
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies	Endorsed	1 January 2023
Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Endorsed	1 January 2023
Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information (issued on 9 December 2021)	Endorsed	1 January 2023
Amendments to IAS 12 Income taxes: International Tax Reform - Pillar Two Model Rules	Endorsed	1 January 2023
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback	Endorsed	1 January 2023
Amendments to IAS 1 Presentation of Financial Statements: - Classification of Liabilities as Current or Non-current (issued on 23 January 2020); - Classification of Liabilities as Current or Non-current - Deferral of Effective Date (issued on 15 July 2020); and - Non-current Liabilities with Covenants (issued on 31 October 2022)	Not endorsed yet	
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023)	Not endorsed yet	
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lackof Exchangeability (issued on 15 August 2023)	Not endorsed yet	

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The Group estimates that implementation of these standards and amendments will not have material effect on the consolidated financial statements.

continued...

4. OTHER OPERATING INCOME

	31.12.22	31.12.21 as restated
	£	£
Rents received	639	-
Fair value gain on financial instruments	1,330,994	-
Gain on sale of investments	173,149	-
Exchange gains	-	228,622
Profit on sale of fixed asset investments	-	18,400
	1,504,782	247,022

5. OTHER OPERATING EXPENSES

	31.12.22	31.12.21 as restated
	£	£
Fair value loss on financial instruments	-	256,627
Depreciation of tangible fixed assets	-	486
	-	257,113

6. EMPLOYEES AND DIRECTORS

	31.12.22	31.12.21 as restated
	£	£
Wages and salaries	32,615	19,696

The average number of employees during the year was as follows:

	31.12.22	31.12.21 as restated
Fund management	1	1
Marketing	1	-
	2	1

continued...

6. EMPLOYEES AND DIRECTORS - continued

Wages and salaries presented above include directors remuneration as detailed below.

	31.12.22	31.12.21 as restated
	£	£
Directors' remuneration	21,000	12,000

Directors remuneration relates to a director in subsidiary. The Parent Company did not pay remuneration to directors during the year ended 31 December 2022.

7. NET FINANCE COSTS

	31.12.22	31.12.21 as restated
	£	£
Finance income:		
Shares in group undertakings	1,074	855
Deposit account interest	-	19,860
Current asset investment income	15,284	-
	16,358	20,715
Finance costs:	-	13,476
Bank interest	204,636	323,527
Interest payable		
	204,636	337,003
Net finance costs	188,278	316,288

Interest expenses during the year ended 31 December 2022 entirely relate to interest on issued bonds.

Current assets investment income relate to interest calculated on loans granted to other parties.

continued...

8. PROFIT/(LOSS) BEFORE INCOME TAX

The profit before income tax (2021 - loss before income tax) is stated after charging/(crediting):

	31.12.22	31.12.21 as restated
	£	£
Cost of inventories recognised as expense	1,253,784	8,915,776
Depreciation - owned assets	2,822	2,877
Profit on disposal of fixed assets	-	(23,004)
Auditors' remuneration	32,850	22,500
Foreign exchange differences	249,360	(194,478)

9. INCOME TAX

Analysis of tax expense

	31.12.22	31.12.21 as restated
	£	£
Deferred tax	332,749	-
Total tax expense in consolidated statement of profit or loss	332,749	-

The Group's current year profitability is due to increase in fair value of marketable securities and investments in unlisted equity instruments. These revenues will be taxable in the future years. As a result, the Group has recognized deferred tax liabilities. The Group does not have current income tax expense for the current year.

10. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the income statement of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £268,690 (2021 - £(570,594) loss).

continued...

11. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

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

Reconciliations are set out below.

	Earnings £	31.12.22 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	76,871	10,589,725	0.73
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	76,871	10,589,725	0.73

	Earnings £	31.12.21 as restated Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	(964,736)	10,529,477	-9.16
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	(964,736)	10,529,477	-9.16

continued...

12. PRIOR YEAR ADJUSTMENT

After the Group financial statements for the year ended 31 December 2021 were issued, the Group has discovered that accounting treatment of certain provisions of partnership agreements in the subsidiary was not appropriate. Particularly that certain payments should be treated as expenses instead as profit distribution. Furthermore, the Group discovered cut-off errors in recognition of revenues and expenses, particularly that not all revenues and expenses were properly accrued, and than en error in proper application of amortized cost method for valuation of financial liabilities, as well as some other minor errors.

The errors have been corrected by restating each of the affected financial statement line items for the prior periods, as follows:

Impact on statement of profit or loss (increase/(decrease) in profit)

	31.12.21
	£
Revenue	427,281
Cost of sales	1,520,938
Administrative expenses	25,555
Finance cost	59,826
Net impact on profit for the year	(1,020,787)
Attributable to:	
Equity holders of the Parent	(921,420)
Non-controlling interests	(99,366)

Impact on equity (increase/(decrease) in equity)

	31.12.21	01.01.21
	£	£
Property, plant and equipment	(2,821)	(4,232)
Trade and other receivables	410,717	-
Investments	-	(5,107)
Total assets	407,896	(9,339)
Financial liabilities	18,883	(80,811)
Trade and other payables	1,409,799	80,149
Total liabilities	1,428,683	(662)
Net impact on equity	(1,020,787)	(8,677)

continued...

Impact on basic and diluted earnings per share (EPS) (increase/(decrease) in EPS)

	31.12.21
	Per-share amount pence
Basic EPS	-8.75
Diluted EPS	-8.75

13. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

Segment performance is evaluated based on revenue and gross margin. There are no transactions between segments.

	Wealth management	**Fund Sub-Management**	**Capital markets**	**Other**	**Total**
Year ended 31 December 2022					
Sales	617,069	878,642	175,679	172,739	1,844,129
Cost of sales	373,148	530,033	197,103	153,499	1,222,050
Gross profit	243,921	348,609	(21,425)	19,239	590,345
Year ended 31 December 2021					
Sales	6,197,140	2,770,385	779,362	107,440	9,854,327
Cost of sales	5,629,108	2,428,816	775,891	81,961	8,915,776
Gross profit	568,032	341,569	3,471	25,480	938,551

continued...

14. GOODWILL

Group

	£
COST	
At 1 January 2022	192,011
Impairments	(51,203)
At 31 December 2022	140,808
NET BOOK VALUE	
At 31 December 2022	140,808
At 31 December 2021	192,011

Recognized goodwill as of 31 December 2022 and 31 December 2021 entirely relates to acquisition of subsidiary Ucapital Assets Management.

15. PROPERTY, PLANT AND EQUIPMENT

Group

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 January 2022	141,066	30,600	442	172,108
Additions	-	446	-	446
At 31 December 2022	141,066	31,046	442	172,554
DEPRECIATION				
At 1 January 2022	7,053	30,486	-	37,539
Charge for year	2,822	-	-	2,822
At 31 December 2022	9,875	30,486	-	40,361
NET BOOK VALUE				
At 31 December 2022	131,191	560	442	132,193
At 31 December 2021	134,013	114	442	134,569

continued...

15. PROPERTY, PLANT AND EQUIPMENT - continued

Group

In 2019 the Group purchased the right to moor boats in the water for the period of 50 years. The Group has the right to further sub-lease the purchased right.

Company

	Long leasehold £	Fixtures and fittings £	Totals £
COST			
At 1 January 2022			
and 31 December 2022	141,066	442	141,508
DEPRECIATION			
At 1 January 2022	7,053	-	7,053
Charge for year	2,822	-	2,822
At 31 December 2022	9,875	-	9,875
NET BOOK VALUE			
At 31 December 2022	131,191	442	131,633
At 31 December 2021	134,013	442	134,455

In 2019 the Company purchased the right to moor boats in the water for the period of 50 years. The Company has the right to further sub-lease the purchased right.

continued...

16. INVESTMENTS

Company

	Shares in group undertaki £
COST	
At 1 January 2022	
and 31 December 2022	696,212
NET BOOK VALUE	
At 31 December 2022	696,212
At 31 December 2021	696,212

Investments as of 31 December 2022 and 31 December 2021 entirely relate to investment in subsidiary Ucapital Assets Management LLP, formerly Pairstech Capital Management LLP, that is measured at cost. The Company has 90.3% of ownership of the LLP's capital.

17. LOANS AND OTHER FINANCIAL ASSETS

Group

	Loans to group undertaki £
At 1 January 2022	100,781
Other movement	(100, 1)
At 31 December 2022	( )

Loans and other financial assets as of 31 December 2022 and 31 December 2021 entirely relate to a loan to a non-consolidated subsidiary (Note 28).

continued...

17. LOANS AND OTHER FINANCIAL ASSETS

Company

	Loans to group undertaki £
At 1 January 2022	100,781
Other movement	(100,781)
At 31 December 2022	(-)

Loans and other financial assets as of 31 December 2022 and 31 December 2021 entirely relate to a loan to a non-consolidated subsidiary (Note 27).

18. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31.12.22	31.12.21 as restated	31.12.22	31.12.21 as restated
	£	£	£	£
Current:				
Trade debtors	117,149	165,811	10	189,266
Amounts owed by group undertakings	-	2	-	363,265
Other debtors	452,306	540,508	196,524	240,766
VAT	12,018	140,845	-	3,232
Prepayments and accrued income	127,059	2,176,607	44,338	16,649
Prepayments	873	-	-	-
	709,405	3,023,773	240,872	813,178
Non-current:				
Called up share capital not paid	-	7,603	-	7,603
Aggregate amounts	709,405	3,031,376	240,872	820,781

continued...

18. TRADE AND OTHER RECEIVABLES - continued

During the year ended 31 December 2022 the Group recognized provision for expected credit losses on trade and other receivables amounting to £484,331 (£808,251 during the year ended 31 December 2021).

Trade and other receivables as of 31 December 2022 and 31 December 2021 include net receivables from related parties amounting to £227,279 and £433,741, respectively (Note 27).

19. INVESTMENTS

	Group		Company	
	31.12.22	31.12.21 as restated	31.12.22	31.12.21 as restated
	£	£	£	£
Shares in group undertakings	35,364	40,490	35,364	40,490
Unlisted investments	1,187,307	755,673	1,187,307	755,673
Marketable securities	1,189,198	269,551	1,189,198	63,911
	2,411,869	1,065,714	2,411,869	860,074

In addition to UCapital Assets Management LLP, the Parent Company as of 31 December 2022 has investments in ordinary shares of the following subsidiaries:

Name	Country of incorporation	% of sharesheld
B Securitization S.A.	Luxembourg	100%
Horizon Capital Investments S.R.L.	Italy	100%

These subsidiaries are held for sale. The investments in these subsidiaries are therefore classified as current asset investments (Note 19) and are not consolidated.

During the current year the Company sold shares in subsidiary Sofia S.R.L., Italy and accounted for gain on sale amounting to GBP 173,149 that is recognized within other operating income. The Company used to own 60% of shares in this subsidiary.

Investments in unlisted equity shares are valued at fair value through profit or loss. Their fair value is determined using level 3 valuation inputs.

Marketable securities mainly relate to equity linked bonds and bonds that are traded on an active market. Marketable securities are valued at fair value through profit or loss and their fair value is determined using value 1 valuation inputs.

continued...

20. CASH AND CASH EQUIVALENTS

	Group		Company	
	31.12.22	31.12.21 as restated	31.12.22	31.12.21 as restated
	£	£	£	£
Cash in hand	4,000	4,000	4,000	4,000
Bank accounts	267,321	532,779	68,035	140,238
	271,321	536,779	72,035	144,238

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.22	31.12.21 as restated
			£	£
10,649,972	Ordinary	£0.005	53,250	52,647

120,495 Ordinary shares of £0.005 each were allotted and fully paid for cash at par during the year.

continued...

23. TRADE AND OTHER PAYABLES

	Group		Company	
	31.12.22	31.12.21 as restated	31.12.22	31.12.21 as restated
	£	£	£	£
Current:				
Trade creditors	287,408	1,260,380	84,707	118,879
Amounts owed to group undertakings	-	-	43,463	-
Social security and other taxes	883	883	883	883
Other creditors	353,283	362,130	-	-
Other creditors-related partie s	25,293	25,293	25,293	25,293
Accrued expenses	125,465	1,125,665	25,350	89,569
VAT	-	-	8,708	-
	792,332	2,774,351	188,404	234,624

23. TRADE AND OTHER PAYABLES - continued

Trade and other payables as of 31 December 2022 and 31 December 2021 include payables to related parties amounting to £354,773 and £384,703, respectively (Note 26).

24. FINANCIAL LIABILITIES - BORROWINGS

	Group		Company	
	31.12.22	31.12.21 as restated	31.12.22	31.12.21 as restated
	£	£	£	£
Current:				
Bank overdrafts	-	735	3,142	735
Non-current:				
No description	4,516,597	4,224,194	4,516,597	4,224,194

In 2019 the Parent Company issued 6.5% fixed rate bonds for a maximum aggregate amount of EUR 10,000,000. By 31 December 2022, bonds amounting to EUR 5,108,000 have been subscribed. The initial maturity of bonds was September 2024.

In September 2022, the Parent Company proposed to bondholders to reduce the interest rate from 6.5% to 2.5% and extend the maturity of the bonds to September 2026. The proposal was accepted by bondholders. Furthermore, it was approved the option for the Parent Company to settle the coupon of the bonds by issuing or transferring new shares.

25. DEFERRED TAX

26. COMMITMENTS AND CONTINGENCIES

During the year ended 31 December 2020, a loan amounting to £349,600 owed to a third party was waived by the third party. The loan has originally been provided to purchase listed investments, and these investments subsequently became delisted and have been written off as having no value.

In the event that these investments return to their previous listed value, the loan amounting to £349,600 will become payable.

Neither the loan, nor the investments, are included in the balance sheet. There is a contingent liability of £349,600, which is not recognised as an actual liability on the basis that the investments currently have no value.

continued...

27. RELATED PARTY DISCLOSURES

As of 31 December 2022 the Group has long-term loan receivable from non-consolidated subsidiary amounting to £53,206 (£100,781 as of 31 December 2021). The loan is in EUR and interest rate is 4% per annum. The loan should be repaid in quarterly installments, from 1 January 2022 to 1 January 2027. The Group has short-term loans receivables from this non-consolidated subsidiary amounting to £142,987 (£37,821as of 31 December 2021). Interest rate is 4% per annum. During the year ended 31 December 2022 the Group has recorded interest income related to these loans amounting to £6,395.As of 31 December 2022 the Group has fully impaired these receivables.

As of 31 December 2022 the Group has short-term interest bearing loan receivable from an entity under common control amounting to £134,487 (£125,598 as of 31 December 2021). Interest income recognised during the year amounted to £8,889 calculated per interest rate of 7%. Furthermore, the Group has non-interest bearing loan from an entity under common control with gross value of the receivable amounting to £400,467 as of 31 December 2022 (£270,322 as of 31 December 2021). The loan is approved in EUR. During the year the Group has recorded an impairment loss in relation to this loan amounting to £254,469 and the net value of the receivable, included within trade and other receivables as of 31 December 2022, amounted to £145.998.

As of 31 December 2022 the Group has loans receivable from a director amounting to £17,435. The loan does not bear interest.

As of 31 December 2022 the Group has loans payable to the major shareholder amounting to £202,754 (£ 233,984). These liabilities do not bear interest.

During the year ended 31 December 2022 the Group made purchases from entities under common control amounting £39,900 (£ 32,136 during the year ended 31 December 2021) and outstanding trade payables from these purchases amounted to £3,780 as of 31 December 2022 (£ 2,480 as of 31 December 2021).

The Group has loans payable to an entity under common control amounting to £148,239 as of 31 December 2022 and 31 December 2021. The loan does not bear interest.

During the year ended 31 December 2022 the Group made purchases from a director amounting to £28,921.

continued...

28. EVENTS AFTER THE REPORTING PERIOD

In January 2023 the Parent Company issued 896,557 ordinary shares.

In April 2023 UCapital LTD became and Mr E Danieletto ceased to be the ultimate controlling party of the Group.

In November 2023 the Group sold two largest investments in non-listed equity instruments, which carrying value in the statement of financial position as of 31 December 2022 amounted to £ 1,182,162.

29. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr E Danieletto, the major shareholder of the Parent Company.

continued...

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments in listed securities and unlisted equity instruments, trade and other receivables, and cash and cash equivalents.

The Group is exposed to market risk, credit risk and liquidity risk.

The Board regularly reviews and agrees policies for managing each of these risks. The Group's policies for managing these risks are summarised below and have been applied throughout the period.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

Interest rate risk
The Group is not exposed to interest rate risk as it's interest-bearing liabilities are with fixed interest rates, as well as loans that the Group has granted to other entities.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's borrowings and loans granted to other entities. The Group is particularly exposed to changes of british pound to euro exchange rates The Group does not currently have a policy to hedge its exposure to foreign currency exchange risk. The gains or losses disclosed in the consolidated financial statements are equivalent to a sensitivity analysis and indicate how the profit or loss is affected by changes in foreign currency exchange rates.

Equity price risk
The Group's listed and non-listed equity investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group is exposed to market risk from its marketable securities, the prices of which can fluctuate as they are determined by reference to quoted market prices. The Group's maximum exposure to this type of risk represents the carrying value of marketable securities and investments in unlisted equity instruments at the statement of financial position date, that is disclosed in Note 19.

The gains or losses disclosed in Notes 4 and 5 to the consolidated financial statements are equivalent to a sensitivity analysis and indicate how the profit or loss is affected by changes in market prices.

continued...

The Group manages equity price risk through portfolio diversification and by closely monitoring its investment strategies.

Credit risk
The Group is exposed to significant credit risk from its loans and receivables if underlying borrowers fail to make repayments or default.

The Board of Directors manages credit risk by using secured debt instruments with collateral where possible and by reviewing the credit worthiness of counterparties prior to making loans and credit sales. The carrying amounts of trade and other receivables and cash in banks, as disclosed in Notes 18 and 20 to the consolidated financial statements, represent the Group's maximum exposure to credit risk in relation to financial assets.

Cash is placed with reputable financial institutions.

Liquidity risk
Liquidity risk is the risk that Group will encounter difficulty in meeting these obligations associated with financial liabilities.

The responsibility for liquidity risks management rest with the Board of Directors, which has established appropriate liquidity risk management framework for the management of the Group's short term and long-term funding risks management requirements.

The Group manages liquidity risks by maintaining adequate reserves and reserve borrowing facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The major portion of the Group's borrowings, 6.5% fixed rate bonds mature in September 2026. Trade and other payables are either on demand or mature within the three months from the statement of financial position date.

31. CAPITAL MANAGEMENT

Capital is made up of stated capital and retained earnings. The Group's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure through adjustments that are dependent on economic conditions. In order to maintain or adjust the capital structure, the Group may choose to change or amend dividend payments to shareholders or issue new share capital to shareholders. There were no changes to the objectives, policies or processes during the year.

continued...

32. FAIR VALUE

The Group considers that fair value of financial assets and liabilities disclosed in notes 16, 18, 19, 20, 24 and 25 either does not differ significantly from their fair values as of the consolidated statement of financial position date or their carrying value is reasonable approximation of fair value.

Ucapital Global Plc

Consolidated detailed statement of profit or loss
for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 as restated £
Revenue			
Sales		1,844,129	9,854,327
		1,844,129	9,854,327
Cost of sales			
Purchases		1,082,190	8,757,525
Other direct costs		171,594	162,814
Profit/loss on sale of tangible fixed assets		-	(4,563)
		1,253,784	8,915,776
Other operating income			
Rents received		639	-
Fair value gain on financial i nstruments		1,330,994	-
Gain on sale of investments		173,149	-
Exchange gains		-	228,622
Profit on sale of fixed asset investments		-	18,400
		1,504,782	247,022

This page does not form part of the statutory financial statements

Ucapital Global Plc

Consolidated detailed statement of profit or loss for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 as restated £
Administrative expenses			
Establishment costs			
Rent		16,293	14,144
Other establishment costs		19,819	83,787
Insurance		12,800	3,655
Administrative expenses			
Directors' fees		21,000	12,000
Wages		11,615	7,696
Telephone		2,481	1,862
Post and stationery		56	-
Advertising		818	20,762
Travelling		63,022	63,403
Computer costs		145,536	147,359
Sundry expenses		8,179	18,093
Accountancy		17,982	15,784
Subscriptions		416	3,553
Consultancy		242,480	92,905
Legal fees		145,613	121,086
Auditors' remuneration		32,850	22,500
Foreign exchange losses		249,360	34,144
Depreciation of tangible fixed assets			
Long leasehold		2,821	2,821
Admin extra 1			
Bad debts		484,331	808,251
Training		1,925	-
Finance costs			
Bank charges		64,196	103,144
Profit/loss on sale of assets			
Goodwill		-	(41)
Gain/loss on revaluation of assets			
Gain/loss on revaluation of investments		598	-
		1,544,191	1,576,908

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Ucapital Global Plc

Consolidated detailed statement of profit or loss for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 as restated £
Other operating expenses			
Fair value loss on financial i		-	256,627
Depreciation of tangible fixed assets			
Long leasehold		-	430
Plant and machinery		-	56
		-	257,113
Finance costs			
Bank interest		-	13,476
Interest payable		204,636	323,527
		204,636	337,003
Finance income			
Shares in group undertakings		1,074	855
Deposit account interest		-	19,860
Curr asset inv income		15,284	-
		16,358	20,715

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