

Company registration number 11554676 (England and Wales)

KVASIR TECHNOLOGIES LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

KVASIR TECHNOLOGIES LTD

COMPANY INFORMATION

Directors	M Merritt-Holmes Brothers In Arms APS MMH Investment Holdings Ltd Oberhuber Limited M Lindsey
Secretary	MMH Investment Holdings Ltd
Company number	11554676
Registered office	71-75 Shelton Street London WC2H 9JQ
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL

KVASIR TECHNOLOGIES LTD

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KVASIR TECHNOLOGIES LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present the strategic report for the year ended 31 March 2025.

Review of the business

The business of the Company is the active management of wholesale energy strategies through the application of scientific methods to investment management.

Principal risks and uncertainties

Most of the Company's risk management efforts are focused on investment and operational risk. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems. The Company has sound operational and compliance procedures and ensures that all staff are experienced and knowledgeable to perform their responsibilities to the highest standards of professionalism and integrity. The Company's policy is to operate a robust and effective risk management process, embedded within the governance and management structures of the business.

Development and performance

In 2025, we successfully made the transition from fund-based strategies to a wholesale energy strategy, launching in 6 countries across the financial year.

We achieved profitability in August last year, which was our initial aim. Since then, we have increased our country roll-out and improved models, becoming both consistent in revenue and extremely profitable. As we look to the next 12 months, we will consolidate on our established revenue streams whilst also growing in geography, trading in other countries and in new strategies in the energy trading sphere.

Other performance indicators

The key performance indicators of the business in its early stages are the costs that the Company is incurring, laying the foundation for future growth. Management of the Company's costs is reported in these financial statements.

The most significant costs for the Company are staff costs. Staff costs have increased from £1,725,088 to £1,969,679. This is due to our continued investment in existing staff through remuneration increases. In the 2024/25 financial year, the average number of employees has decreased by 1 from the prior year.

Sections 172(1) Statement

Promoting the success of the company

Kvasir Technologies' success depends on acting in the combined best interests of its various stakeholders including customers, partners, employees and shareholders. When making decisions, the Board is mindful of its responsibilities under s172(1) of the Companies Act 2006 to make decisions with regard to these stakeholders and wider environment and community in which the Company operates. All of these groups are important to the success of the Company and considerations for them are discussed below:

- Our Customers
- Partners and Suppliers
- Our Investors
- Our Employees

Impact of operations on the community and environment

Kvasir is very mindful of its environmental responsibility both from an operations and investment perspective. Operationally, there is an ongoing development to integrate Environmental, Social, and Governance (ESG) into the business across Firm, Individual, Investment Process, and Product workstreams. Operationally, Kvasir promotes recycling and sustainable travel to/from the office as well as lean business travel policy where employees and directors are encouraged to assess whether travel is necessary before embarking on that journey.

The Company operates using an outsourced business model for a significant part of its middle and back office infrastructure.

KVASIR TECHNOLOGIES LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Maintaining a reputation for high standards and business conduct

Kvasir always has a high regard for integrity and transparency in the workplace as well as a drive to deliver high business standards and fairness across all of our stakeholders. As an FCA regulated firm, we are also bound by the rules and regulations of the FCA handbook which complements this philosophy. The Company operates using an outsourced business model for a significant part of its middle and back office infrastructure. As a consequence, third-party service providers are important to the success of the Company's strategy and ongoing due diligence and reviews take place to ensure appropriate levels of service are delivered.

Likely consequences of any decision in the long term

The directors are aware of the changing external landscape and the needs of its different stakeholder groups. Where conflicts arise between the short term and long-term consequences of a decision these consequences are weighed carefully. Whilst precedence is given to long term benefits, the directors will consider whether these are outweighed by short term impacts in reaching their conclusions.

On behalf of the board



M Merritt-Holmes
Director

25 July 2025

KVASIR TECHNOLOGIES LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements of Kvasir Technologies Ltd ("the company") for the year ended 31 March 2025.

Principal activities

The principal activity of the company is energy related trading services.

Results and dividends

The profit (loss) for the year, after taxation amounted to £567,875 (2024: (£3,123,253)).

The directors did not recommend a dividend this year (2024: £nil).

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M Merritt-Holmes
Brothers In Arms APS
MMH Investment Holdings Ltd
Oberhuber Limited
M Lindsey

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



M Merritt-Holmes
Director

25 July 2025

KVASIR TECHNOLOGIES LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

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

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

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

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

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

KVASIR TECHNOLOGIES LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KVASIR TECHNOLOGIES LTD

Opinion

We have audited the financial statements of Kvasir Technologies Ltd ('the company') for the year ended 31 March 2025, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

KVASIR TECHNOLOGIES LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF KVASIR TECHNOLOGIES LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

How the audit was considered capable of detecting irregularities including fraud

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

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations, including knowledge specific to auditing regulated investment advisory firms and trading of energy contracts;
- we made enquiries of the directors and other management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the company through discussions with directors at the planning stage, and from our knowledge and experience of regulated investment advisory firms and trading of energy contracts;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations; and
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company including the Companies Act 2006, The Financial Services and Markets Act 2000, employment legislation, and taxation legislation.

KVASIR TECHNOLOGIES LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF KVASIR TECHNOLOGIES LTD

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of the directors and other management;
- reviewing legal expenditure throughout the year for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

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

- determined the susceptibility of the company to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process;
- reviewed journal entries throughout the year to identify unusual transactions;
- performed analytical procedures to identify any large, unusual or unexpected transactions;
- reviewed accounting estimates and evaluated where judgements or decisions made by management indicated bias on the part of the company's management;
- tested turnover by agreement to contracts and confirmations from third party administrators and checking to entries included in the accounting records; and
- carried out substantive testing of expenditure.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

Katherine White (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP

25 July 2025

Statutory Auditor

Buzzacott Audit LLP
130 Wood Street
London
EC2V 6DL

KVASIR TECHNOLOGIES LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Turnover	3	3,184,746	550,077
Cost of sales		(463,319)	(1,350,722)
Gross profit/(loss)		<u>2,721,427</u>	<u>(800,645)</u>
Administrative expenses		(2,142,438)	(2,533,020)
Other operating income		181,669	-
Operating profit/(loss)	4	<u>760,658</u>	<u>(3,333,665)</u>
Interest receivable and similar income		10,882	5,664
Interest payable and similar expenses		(21,996)	(1,202)
Profit/(loss) before taxation		<u>749,544</u>	<u>(3,329,203)</u>
Tax on profit/(loss)	8	<u>1,118,666</u>	<u>205,950</u>
Profit/(loss) for the financial year		<u><u>1,868,210</u></u>	<u><u>(3,123,253)</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There was no other comprehensive income for 2025 or 2024.

There were no recognised gains other than those included in the profit and loss account.

The notes on pages 12 to 20 form part of these financial statements.

KVASIR TECHNOLOGIES LTD

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	9		17,318		16,477
Current assets					
Debtors	10	3,270,528		464,099	
Cash at bank and in hand		1,150,514		1,809,085	
		<u>4,421,042</u>		<u>2,273,184</u>	
Creditors: amounts falling due within one year	11	<u>(470,352)</u>		<u>(189,863)</u>	
Net current assets			<u>3,950,690</u>		<u>2,083,321</u>
Net assets			<u><u>3,968,008</u></u>		<u><u>2,099,798</u></u>
Capital and reserves					
Called up share capital	18		2		2
Share premium account		10,254,099		10,254,099	
Profit and loss reserves		<u>(6,286,093)</u>		<u>(8,154,303)</u>	
Total equity			<u><u>3,968,008</u></u>		<u><u>2,099,798</u></u>

The financial statements were approved by the board of directors and authorised for issue on 25 July 2025 and are signed on its behalf by:



M Merritt-Holmes
Director

Company Registration No. 11554676

The notes on pages 12 to 20 form part of these financial statements.

KVASIR TECHNOLOGIES LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 April 2023		2	8,177,910	(5,031,050)	3,146,862
Year ended 31 March 2024:					
Loss and total comprehensive income for the year		-	-	(3,123,253)	(3,123,253)
Issue of share capital	18	-	2,292,638	-	2,292,638
Reduction of shares	18	-	(216,449)	-	(216,449)
Balance at 31 March 2024		2	10,254,099	(8,154,303)	2,099,798
Year ended 31 March 2025:					
Profit and total comprehensive income for the year		-	-	1,868,210	1,868,210
Balance at 31 March 2025		2	10,254,099	(6,286,093)	3,968,008

The notes on pages 12 to 20 form part of these financial statements.

KVASIR TECHNOLOGIES LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	21	(902,399)		(2,331,415)	
Interest paid		(21,996)		(1,202)	
Income taxes refunded		24,281		287,482	
Net cash outflow from operating activities		(900,114)		(2,045,135)	
Investing activities					
Purchase of tangible fixed assets		(6,304)		(11,287)	
Proceeds from disposal of tangible fixed assets		-		570	
Interest received		10,882		5,664	
Net cash generated from/(used in) investing activities			4,578		(5,053)
Financing activities					
Proceeds from issue of shares		-		2,292,638	
Redemption of shares		-		(216,449)	
Proceeds from borrowings		236,965		-	
Net cash generated from financing activities			236,965		2,076,189
Net (decrease)/increase in cash and cash equivalents			(658,571)		26,001
Cash and cash equivalents at beginning of year		1,809,085		1,783,084	
Cash and cash equivalents at end of year		1,150,514		1,809,085	

KVASIR TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Company information

Kvasir Technologies Ltd is a private company limited by shares incorporated in England and Wales. The company registration number is 11554676. The registered office and principal place of business is 71-75 Shelton Street, Covent Garden, London, England, WC2H 9JQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	Straight line over 4 years
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

KVASIR TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

KVASIR TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

KVASIR TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgement had the most significant effect on amounts recognised in the financial statements.

Qualifying R&D expenditure

A key judgement in calculating the tax charge or credit for the year is the determination of qualifying expenditure in respect of the company's R&D tax claim, in accordance with applicable law. The R&D tax credit recognised in the Statement of comprehensive income in relation to the year ended 31 March 2025 totaled £181,669 and was based upon £908,345 of qualifying expenditure.

3 Turnover and other revenue

Company turnover in the current year is primarily attributable to the new principal activity of the company. The other revenue recognised in the year relates to income derived from previous investment management activity of the company.

All revenue arose from activities performed within the United Kingdom.

4 Operating profit/(loss)

	2025	2024
	£	£
Operating profit/(loss) for the year is stated after charging:		
Exchange losses	6,733	33,345
Depreciation of owned tangible fixed assets	5,463	4,395
Operating lease charges	124,926	153,688
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2025	2024
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	10,500	10,500
	<u> </u>	<u> </u>
For other services		
Audit-related assurance services	4,000	4,000
	<u> </u>	<u> </u>

KVASIR TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

6 Staff costs and average number of employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025	2024
	Number	Number
Management	1	1
Operations	7	8
Total	<u>8</u>	<u>9</u>

Their aggregate remuneration comprised:

	2025	2024
	£	£
Wages and salaries	1,527,528	1,492,028
Social security costs	173,504	170,929
Pension costs	72,380	62,132
	<u>1,773,412</u>	<u>1,725,089</u>

7 Directors' remuneration

	2025	2024
	£	£
Remuneration for qualifying services	<u>204,300</u>	<u>186,300</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2025	2024
	£	£
Remuneration for qualifying services	<u>204,300</u>	<u>186,300</u>

8 Taxation

	2025	2024
	£	£
Current tax		
UK corporation tax on profits for the current period	<u>34,517</u>	<u>(205,950)</u>
Deferred tax		
Previously unrecognised tax loss, tax credit or timing difference	<u>(1,153,183)</u>	<u>-</u>
Total tax credit	<u>(1,118,666)</u>	<u>(205,950)</u>

KVASIR TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

8 Taxation

(Continued)

The actual credit for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2025 £	2024 £
Profit/(loss) before taxation	749,544	(3,329,203)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 25.00% (2024: 25.00%)	187,386	(832,301)
Tax effect of expenses that are not deductible in determining taxable profit	1,478	11,375
Change in unrecognised deferred tax assets	(1,307,320)	545,835
Permanent capital allowances in excess of depreciation	(210)	(1,723)
Research and development tax credit	-	70,864
Taxation credit for the year	(1,118,666)	(205,950)

9 Tangible fixed assets

	Computers £
Cost	
At 1 April 2024	29,699
Additions	6,304
At 31 March 2025	36,003
Depreciation and impairment	
At 1 April 2024	13,222
Depreciation charged in the year	5,463
At 31 March 2025	18,685
Carrying amount	
At 31 March 2025	17,318
At 31 March 2024	16,477

10 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Corporation tax recoverable	147,152	205,950
Other debtors	1,970,193	258,149
	2,117,345	464,099

KVASIR TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

10 Debtors		(Continued)	
		2025	2024
		£	£
Amounts falling due after more than one year:			
Deferred tax asset (note 15)		1,153,183	-
		<u> </u>	<u> </u>
Total debtors		<u>3,270,528</u>	<u>464,099</u>
11 Creditors: amounts falling due within one year		2025	2024
		£	£
		Notes	
Other borrowings	12	236,965	-
Trade creditors		-	12,768
Taxation and social security		121,555	114,445
Other creditors		71,562	44,350
Accruals and deferred income		40,270	18,300
		<u> </u>	<u> </u>
		<u>470,352</u>	<u>189,863</u>
12 Loans and overdrafts		2025	2024
		£	£
Loans from related parties		236,965	-
		<u> </u>	<u> </u>
Payable within one year		236,965	-
		<u> </u>	<u> </u>

On 24 June 2024, the company entered an arrangement with an existing shareholder, JV Equity ApS to borrow £236,965. This loan is unsecured.

The loan is due for repayment on 31 December 2025 and has an interest rate of 12% per annum.

13 Contingent liabilities

There were no contingent liabilities at 31 March 2025 or 31 March 2024.

14 Capital commitments

The company had no capital commitments at 31 March 2025 or 31 March 2024.

KVASIR TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

15 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2025 £	Assets 2024 £
Balances:		
Tax losses	1,153,183	-
	<u> </u>	<u> </u>
		2025 £
Movements in the year:		
Liability at 1 April 2024		-
Increase in deferred tax loss asset in the year		(34,517)
Recognition of deferred tax on previously unrecognised tax losses brought forward		(1,118,666)
		<u> </u>
Asset at 31 March 2025		(1,153,183)
		<u> </u>

The deferred tax asset set out above is expected to reverse within 5 years and relates to the utilisation of tax losses against future expected profits of the same period.

16 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	72,380	62,132
	<u> </u>	<u> </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

17 Operating lease commitments

As lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within 1 year	61,032	78,708
	<u> </u>	<u> </u>

18 Share capital

	2025 Number	2024 Number	2025 £	2024 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £0.0001 each	18,881	18,881	2	2
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

KVASIR TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

19 Related party transactions

Total remuneration paid to key management personnel, including directors, during the year totalled £804,547 (2024 - £753,200).

On 24 June 2024, the company entered an arrangement with an existing shareholder, JV Equity ApS to borrow £236,965. The loan was repayable 9 months from date of agreement with a base interest rate per annum of 8% to increase to 12% per annum if certain turnover conditions are met. The loan term was extended in March 2025 and is now due for repayment 31 December 2025 and interest of £21,970 has been accrued.

20 Ultimate controlling party

There is no ultimate controlling party as no single shareholder has overall control.

21 Cash absorbed by operations

	2025 £	2024 £
Profit/(loss) after taxation	1,868,210	(3,123,253)
Adjustments for:		
Taxation credited	(1,118,666)	(205,950)
Finance costs	21,996	1,202
Investment income	(10,882)	(5,664)
Loss on disposal of sale of fixed assets	-	619
Depreciation and impairment of tangible fixed assets	5,463	4,395
Movements in working capital:		
(Increase)/decrease in debtors	(1,712,044)	889,188
Increase in creditors	43,524	108,048
Cash absorbed by operations	<u>(902,399)</u>	<u>(2,331,415)</u>

22 Analysis of changes in net funds

	1 April 2024 £	Cash flows 31 March 2025 £	
Cash at bank and in hand	1,809,085	(658,571)	1,150,514
Borrowings excluding overdrafts	-	(236,965)	(236,965)
	<u>1,809,085</u>	<u>(895,536)</u>	<u>913,549</u>