



**Quantum Exponential Group plc**  
**Annual Report & Financial Statements**  
**For the year ended**  
**30 April 2025**

**A Company Registered in England & Wales No. 13324860**

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**Quantum Exponential Group plc**  
**Company Information**  
**For the year ended 30 April 2025**

**Directors and Advisors**

**Directors**

I Pearson  
S Metcalfe  
D S Nicol

**Company registration number**

13324860

**Registered office**

Fladgate LLP  
16 Great Queen Street  
London  
United Kingdom  
WC2B 5DG

**Solicitors**

Fladgate LLP  
16 Great Queen Street  
London  
United Kingdom  
WC2B 5DG

**Registrars**

Avenir Registrar Limited  
5 St John's Lane  
Farringdon  
London  
United Kingdom  
EC1M 4BH

**Bankers**

Arbuthnot Latham & Co.  
Arbuthnot House  
7 Wilson Street  
London  
United Kingdom  
EC2M 2SN

**Auditors**

Moore Kingston Smith LLP  
10 Orange Street  
Haymarket  
London  
United Kingdom  
WC2H 7DQ

## **Quantum Exponential Group plc**

### **Chairman's Statement**

### **For the year ended 30 April 2025**

In many ways the last financial year was one of those classic "game of two-halves".

#### **A game of two-halves**

As I reported in my statement last year, the board concluded just before the start of the first half that the company's status as a publicly traded company on the AQSE Growth Market, in addition to being a cost burden, was an impediment to securing investment commitments, and that it was in the interest of shareholders to delist the company. We were in the process of securing approval for this when the company received an approach from an investor group interested in making a substantial investment in the company, subject to the proposed delisting not proceeding. The Directors determined it was in the best of interests of all shareholders to enter into discussions with the investors to fully understand and explore this potential opportunity, and it took most of the first half of the year before these discussions were exhausted, with the subscription agreements not being forthcoming, and a General Meeting held on 4 October 2024 voted through the resolution to withdraw from AQSE.

In the second half of the year, having successfully de-listed, the focus has been on building value in the business, supporting our portfolio with strategic advice and active support, cutting our own costs, further developing and consolidating our position within the quantum ecosystem, and laying the foundations for a successful capital raise, so the company can make future follow-on and new investments.

#### **Portfolio performance**

Our investments all continued to perform well, as you will see from the Chief Investment Officer's report. We are already seeing up-rounds at significantly higher valuations and our mid case scenario continues to suggest there should be highly attractive gross return multiples for investors in the future.

#### **Clear focus, strategy and capability**

It is worth restating Quantum Exponential's position as a pure-play quantum technology investor. The company is fully committed to supporting the transition of academic discovery and innovation to successful commercial realisation of quantum IP generated in the UK. We also have the ambition to support quantum IP being generated in Europe and other NATO friendly countries as well, and support jobs and growth in those economies on a fair basis.

The focus of the company is to identify and invest in businesses that have the potential to both grow and scale to be hugely successful, and which are focused on tackling global problems - from combating climate change to global cyber security and to improvements in healthcare and medical procedures.

Our strategy is to invest in a portfolio of quantum technology companies with exponential growth potential and add value by supporting them with marketing, strategic and operational expertise as well as financial capital. We believe this is uniquely attractive in providing our investors with diversified opportunities for value creation.

The company also has access to deep sector expertise through our Advisory Board which enables us to identify segments and opportunities early. We have an experienced team with an active management approach to investments and the ability to scale and add capabilities as we bring in new funds for investment.

**Quantum Exponential Group plc**  
**Chairman's Statement** (continued)  
**for the year ended 30 April 2025**

**Prospects and next steps**

This year marks 100 years of quantum mechanics. With the UN declaring 2025 as the “International Year of Science and Technology”, the field has moved on massively from the largely philosophical pursuit it was when I studied PPE in the late 1970s. It's world changing potential is now recognised. The US tech giants are pumping billions of dollars into research and commercialisation, as are governments, friendly and not. The landscape, as I like to characterise it, is complex, important and valuable - and there are opportunities for investors of all sizes.

Quantum Exponential has created a strong initial portfolio in quantum technology companies that we believe have the prospect of producing highly attractive returns for our shareholders. The next challenge for us is to do more, and to build on the foundation that has been created. At the same time as supporting our investee companies to grow and mature, we have identified a strong pipeline of new quantum opportunities that we want to invest into, and will be looking to secure new funding to execute on some great deals.

I would like to take this opportunity to thank shareholders for their continued support and look forward to updating shareholders on our progress in due course.



**Ian Pearson**

**Non-Executive Chairman**

**03 October 2025**

**Quantum Exponential Group plc  
Chief Executive Officer Report  
for the year ended 30 April 2025**

During the past 12 months to the end of April 2025 QE has consolidated its position within the quantum technology ecosystem, whilst not having sufficient funds to carry on further investing we have been working hard to help act as the conduit between academia and the commercialisation of these nascent technologies.

We have looked to move forward by bringing in further investors whilst at the same time being mindful of its cost base. By de-listing QE from Aquis and carrying out some cost cutting, we have cut the costs whilst also having the advantage of a true valuation for the company whilst we look to fundraise.

The capital raising for the company was starting to gain traction by year end and we are confident of that coming to a successful conclusion.

As a board we feel confident that we continue to carry out stated strategy for having a strong balanced quantum technology portfolio and that the portfolio will go on to produce very strong returns for our investors as these start-ups mature over time. We also continue to believe that creating a larger side car fund that fits for larger institutional investors would be the right direction to travel whilst also benefiting existing QE shareholders. This would also create the next step of funding for our portfolio companies whilst also having the funds for new investments as the technology matures and there becomes more quantum start-ups emerging from academia and centres of excellence.

The quantum technology industry is really starting to gather pace with regards maturity and acceptance from the wider investment community. We look forward to this starting to show in the returns of our portfolio over the next 12 months.



**Steven Metcalfe**

**Chief Executive Officer**

**03 October 2025**

## **Quantum Exponential Group plc Chief Investment Officer Report for the year ended 30 April 2025**

The Quantum Exponential ("QE") team continue to add value to its investees via strategic advice and introductions to potential customers, investors and suppliers.

Going forward and subject to funding from shareholders, QE expects to invest to support some of its current portfolio and to make new investments in early stage quantum technology companies.

Each company in the portfolio has informed us that they expect to:

- have adequate cash runway;
- achieve technical and commercial milestones prior to the next fundraise;
- receive further grants aligned to their intended innovation route.

We expect that this will lead to the value of QE's initial investment increasing after these fundraises. We forecast NAV will double in the next 12 months.

However, there is always a risk of losing all or part of an investment in Quantum Exponential. Investors are recommended to seek independent financial advice before making investment decisions in regard to QE.

There are currently seven companies in the portfolio. Six of these are equity investments with one, Arqit, structured as an option.

### **Aegiq Limited**

On 30 April 2022, the Company invested £406,050 in two parts in Aegiq Limited, a hardware photonics company, building reliable photonic quantum solutions at scale. Following the initial investment, Quantum Exponential had a c.4.06% stake in Aegiq's issued share capital on a fully diluted basis.

Last year Aegiq carried out paid trials with the Royal Navy and won the competitive tender to be the National Quantum Computing Centre's photonic quantum computer for their national test bed.

All of Aegiq's commercial contacts are meeting their contractual requirements and are being delivered within the customers' timeline.

Aegiq has made significant technical advances in the field of photonic quantum computing:

**Photonic Quantum Computing:** Aegiq is developing full-stack photonic quantum computers that leverage hybrid modular photonic integrated circuits. These circuits interface with optical fibres, combining the best of silicon-based photonic platforms and compound semiconductors.

**Artemis Photonic Quantum Computer:** Their Artemis system is a reconfigurable photonic quantum computer designed for both analogue and gate-based quantum computing. It offers high-speed clock cycles and modular interconnectivity using standard telecom optical fibres.

**Single Photon Sources:** Aegiq has developed proprietary single photon source technology, which is crucial for reliable and controlled generation of single photons. This technology is essential for photonic quantum computing and secure quantum communications.

## **Quantum Exponential Group plc** **Chief Investment Officer Report** (continued) **for the year ended 30 April 2025**

Quantum Link Assurance System (QLAS): Aegiq leads the QLAS project, which aims to enhance security and quality assurance for fibre networks. This project is supported by BT Group and Open Light Comm.

During 2024 Aegiq raised an additional £6m in equity to accelerate its development. This investment also leads to the conversion of our loan note. The valuation increase for QE is 2.1x our initial investment value (<http://www.aegiq.com/>).

### **Arqit Quantum Inc.**

Prior to listing, the Company secured an option to acquire 199,993 ordinary shares in Arqit Quantum Inc. Arqit is listed on NASDAQ. The value of this option as at COB 30<sup>th</sup> April 2025 was £93,000.

A global leader in quantum encryption technology, Arqit has successfully demonstrated a quantum safe communication channel to secure data transmissions. (<https://arqit.uk/>).

Arqit has made significant technical advances in quantum-safe encryption:

**Symmetric Key Agreement Platform:** Arqit offers a core Symmetric Key Agreement Platform-as-a-Service, which can be used for any encryption task. This platform is designed to be quantum-resistant and provides computationally secure encryption keys.

**Quantum Satellite Protocol:** Arqit invented a quantum satellite protocol to deliver replicated entropy securely and frequently to data centres. This protocol ensures quantum safety and is unique in achieving secure delivery.

**Product Suite:** Arqit has launched several application products, including TradeSecure™, NetworkSecure™, and WalletSecure™. These products provide quantum-safe encryption for digital assets, firewalls, and Ethereum-based digital wallets.

**Channel Partnerships:** Arqit has entered into partnerships with major global technology vendors like Fortinet, Dell, AWS, Juniper, SecureCloud+, and SNC MS UK to integrate its software into their products for general sale.

Regarding funding, Arqit has raised a total of \$345 million through various rounds, including a significant IPO in September 2021. As of 31 March 2025 the Company had cash and cash equivalents of approximately \$24.7 million.

### **Delta g Ltd**

On 5 July 2023 Quantum Exponential Invested £300,000 in Delta g Ltd, a company focused on investing in quantum technologies, as part of a circa. £1,500,000 pre-seed funding round. Delta g is a UK based gravity sensing hardware and technology development company that has developed a cutting-edge underground imaging system that leverages quantum technology to measure gravity gradients. The funding round was led by Science Creates Ventures, with additional investment from Maven, Bristol Private Equity Club and angel investors.

## Quantum Exponential Group plc Chief Investment Officer Report (continued) for the year ended 30 April 2025

Following the investment, Quantum Exponential holds 153,061 ordinary B shares in Delta g representing approximately 7.8% of Delta g's enlarged issued share capital on a fully diluted basis.

Since investment the Company has hired further senior staff, secured significant further grant funding and made strong progress on technical improvements.

Delta g has made significant technical advances in the field of quantum gravity sensing:

**Quantum Gravity Gradiometry:** Delta g is developing sensors based on quantum gravity gradiometry, which can visualize underground locations, measure ground conditions, and detect hidden objects. This technology uses clouds of cooled atoms to gather geological data from the Earth's crust to its core.

**Noise Immunity:** Their sensors are designed to be immune to 'noise' from vibrations and other environmental factors, making them highly accurate for underground surveying. This technology is likened to 'Noise Cancelling Headphones' for underground mapping.

**Real-World Applications:** Delta g's technology has been successfully tested in various real-world settings, including trials on ships for ocean mapping and resilient navigation. They aim to provide reliable data for infrastructure security, carbon capture effectiveness, and more.

Regarding funding, Delta g has raised a total of £1.5 million in a pre-seed investment round. They also secured a £2.4 million Small Business Research Initiative contract from the Department of Transport. (<https://www.delta-g.co.uk/>).

### Oxford Quantum Circuits Ltd

On 3 February 2023, the Company invested £299,997 as part of a c.£869,000 second funding round in Oxford Quantum Circuits Ltd ('OQC'). QE holds 47,164 Series A2 shares representing, at that time, 0.34% of OQC on a fully diluted basis.

OQC designs unique superconducting circuits. These are made into quantum computers that are already in use and earning modest revenues via companies/ research institutions accessing them via the Cloud.

Since investment OQC has publicly announced two data-centre projects. One is between OQC and Fujitsu to deploy solutions to CESGA, a Spanish supercomputing centre. The other is installed in Tokyo at the Equinix IBX data centre. OQC is actively working on further data centre installations in key global locations.

Oxford Quantum Circuits has made significant strides in the field of quantum computing. Here are some of their key technical advances:

1. **Superconducting Qubits:** OQC focuses on developing quantum computers based on superconducting qubits, which are known for their stability and scalability.
2. **Enterprise-Ready Solutions:** They offer quantum computing solutions that are accessible via the cloud, colocation data centres, and open-source quantum services. This makes their technology easily integrable into existing business applications.
3. **Partnerships for Enhanced Capabilities:** OQC has partnered with companies like Classiq to streamline the development and execution of quantum software on their hardware. This collaboration aims to make quantum computing more accessible and efficient for users.
4. **Error Suppression Techniques:** In collaboration with NVIDIA, OQC is working on scaling error suppression techniques to improve the performance and reliability of quantum processors.

## **Quantum Exponential Group plc** **Chief Investment Officer Report** (continued) **for the year ended 30 April 2025**

These advances position OQC as a leader in making quantum computing practical and beneficial for various industries.

In 2024 OQC raised a further £35m with key investors including Chevron and Soft Bank. This round valued QE's stake at a 13% increase to cost on a fully-diluted basis (<https://oqc.tech/>).

### **QLM Technology Ltd**

On 4 Aug 2022, the Company invested £450,000 as part of a £12,000,000 Series A funding round in QLM Technology Ltd ('QLM'), a UK-based photonics hardware and technology development company that has developed a cutting-edge gas imaging camera based on quantum technology termed a Quantum Gas Imaging Lidar.

Beyond emissions monitoring for the oil and gas market, the QLM solution is well-suited for use in tracking and reducing methane emissions in other applications such as in biogas production, landfills, wastewater treatment plants, and coal mines.

Following the Investment, Quantum Exponential holds 1,203,208 B Ordinary Shares at a price of £0.374 in QLM representing 1.6% of QLM's fully diluted share capital.

Since investment QLM has worked closely with SLB (formerly known as Schlumberger – a leading equipment supplier to the oil and gas industry) to test and improve the devices in preparation for large scale manufacture and roll-out. The devices have now been rigorously tested.

QLM Technology has made significant technical advances in the field of quantum gas sensing:

**Quantum Gas Lidar:** QLM has developed a quantum gas lidar that combines lidar and gas absorption spectroscopy with single-photon detection. This technology enables rapid and highly sensitive detection of greenhouse gas leaks, which is crucial for tackling climate change.

**Tunable Diode Lidar (TDLidar):** Their TDLidar technology, enabled by advances in IR single-photon detectors and novel signal processing algorithms, is designed for methane (CH<sub>4</sub>) monitoring. This technology provides accurate and cost-effective gas leak detection.

**Real-World Applications:** QLM's technology has been successfully trialled in real-world settings, such as the National Gas Transmission's Bacton Terminal. These trials demonstrated the ability to continuously monitor and quantify emissions, providing valuable data for decarbonization efforts. The Company has also had successful paid trials with Severn Trent Water.

In June 2024, QLM agreed a £5m convertible loan and a £2m InnovateUK loan. This should ensure QLM has the resources needed to commercialise their award-winning methane detection system (<https://qlmtec.com>).

### **Siloton Limited**

On 1 March 2022, the Company led a £470,000 initial financing round, investing £300,000 into Siloton Limited. The Company holds 2,752 ordinary shares in Siloton representing 12.79% of Siloton's enlarged issued share capital.

## **Quantum Exponential Group plc** **Chief Investment Officer Report** (continued) **for the year ended 30 April 2025**

Siloton is a technology company that uses quantum techniques and photonic integrated circuits ('PICs') for use in sub-surface optical scanning devices with applications across healthcare and non-destructive testing.

In October 2024, the Company announced loan and equity investment totalling £860,000. Evenlode Foundation committed further capital in the latest round alongside members of the South East Angels, the Francis Crick Institute, and other experienced angel investors. They were complemented by non-dilutive funding from an Innovate UK Biomedical Catalyst grant, taking total funding in the company to date to £1.7 million. The valuation increase for QE is 2.2x our initial investment value.

(<https://www.siloton.com/news>).

Siloton has made significant technical advances in the field of optical coherence tomography (OCT) and photonic integrated circuits (PICs):

**Photonic Integrated Circuits (PICs):** Siloton integrates OCT systems with chip-scale devices known as PICs. These devices can dynamically control and manipulate light on scales smaller than a human hair, allowing for mass production at low cost. Whilst Siloton's initial focus is eye health it has also been paid by other companies to explore the use of their PIC for assessing other medical conditions: these markets may also result in the multi-million-dollar sales of the same PICs.

**Akepa OCT Chip:** Siloton's first-generation OCT chip, Akepa, compresses a tabletop-worth of optical components onto a single piece of material smaller than a £1 coin. This technology enables affordable and compact home monitoring for ophthalmic conditions.

**World-First Imaging:** Siloton achieved a world-first by taking a sub-surface image of a human retina using their groundbreaking photonic chip technology. This advance improves diagnosis and treatment for eye diseases, potentially saving healthcare providers billions annually.

### **Universal Quantum Limited ("Universal Quantum", "UQ")**

On 16 May 2022, the Company invested £450,000 through an Advanced Subscription Agreement ("ASA") in Universal Quantum Limited ("Universal Quantum"), a company focused on using trapped ions to build scalable fault-tolerant quantum computers. Following an agreed and documented change to the ASA QE's ASA has now converted at a valuation of £89M. Following the conversion, the Company owns 84,000 Shares in UQ representing 0.507% of UQ's issued share capital.

In late 2022 UQ won two contracts worth a total of over €67m from the German Government. These were purchased by the DLR: Germany's space agency and national aeronautics and space research centre. Since 2023 UQ has been delivering on these contracts and earning revenues from them. Provided these contracts go roughly to plan the Company has assessed it has cash runway until 2027. Both the Company and QE believe that if it does wish or need to raise further funds that investors will be interested, willing and able to invest at a price in excess of 2x the value of our initial investment. The Company continues to improve upon the accuracy and scalability of its quantum computing architecture.

Universal Quantum has made several notable technical advances in quantum computing:

**Million-Qubit Quantum Computer:** Universal Quantum is developing technology to enable quantum computers with millions of qubits. They have created the first commercial Application-Specific Integrated Circuit (ASIC) chip for integration into their Quantum Processing Units (iQPU). This chip enhances qubit connectivity, error correction, and scalability.

**Quantum Exponential Group plc**  
**Chief Investment Officer Report** (continued)  
**for the year ended 30 April 2025**

UQConnect and UQLogic: Their UQConnect technology allows for direct transfer of qubits between chip modules at a world record rate, while UQLogic provides ultra-efficient microwave control of qubits. These technologies solve the 'wiring problem' and improve the execution of quantum algorithms at scale.

In October 2024 Universal Quantum announced it had achieved a breakthrough in fault-tolerant quantum computing with "Constant-Time Magic State Distillation," which significantly reduces the time and resources needed for error correction. This advance enhances the practicality of large-scale quantum computation. The process is akin to filtering several noisy signals to yield a clearer output, crucial for tasks requiring robust computation.

To date Universal Quantum has raised a relatively modest amount of funding (due to the German Government contracts) from highly regarded co-investors such as In-Q-Tel and Village Global.

<https://universalquantum.com>.



**Stuart Nicol**  
**Chief Investment Officer**  
**03 October 2025**

**Quantum Exponential Group plc**  
**Strategic Report**  
**for the year ended 30 April 2025**

The Directors present the Strategic Report for Quantum Exponential Group plc (“the Company”) and its subsidiaries undertakings (together referred to as “the Group”) for the year ending 30 April 2025.

**Company overview**

Quantum Exponential Group plc is a UK company Fund investing in early - stage Quantum Technology start-ups and scale-ups. It is in the privileged position of seeing the vast majority of early-stage quantum deals.

QE’s management and advisory team have unique access to deal flow and deep market knowledge. Together with significant venture capital experience, this enables them to access, invest and support high-growth companies in this important sector.

On 30 October 2024, the company de-listed from the AQUIS market.

**Financial Review**

The trading results and the financial assets at the end of the financial year are shown on the attached financial statements.

As detailed elsewhere in the financial statements the Company did not make an investment during the year (2024: £300,000).

In the year the company had an unrealised profit on quoted investments of £19,131 (2024: unrealised loss £ 106,103) resulting in a recorded pre-tax loss of £217,744 (2024: pre-tax loss £1,155,210).

**Dividend**

The Directors do not propose the payment of a dividend.

**Key performance indicators**

**Financial key performance indicators**

As an investment company, our key performance indicators (KPI’s) are Net Asset Value per share, and available cash, which enables future investment opportunities.

| <b>Net Asset Value per share</b> | <b>30 April<br/>2025</b> | <b>30 April<br/>2024</b> |
|----------------------------------|--------------------------|--------------------------|
| Net Assets (Group) at 30 April   | £ 2,860,526              | £2,643,270               |
| Ordinary shares in issue         | 371,875,000              | 328,750,000              |
| Net Asset Value per share        | £0.008                   | £0.008                   |
| <b>Available cash</b>            |                          |                          |
| At 30 April                      | £496,401                 | £344,623                 |

**Non-financial key performance indicators**

As a result of the type of company and short trading history we do not monitor any non-financial key performance indicators.

We anticipate in the future monitoring such items as shareholder and supplier satisfaction and investment success.

## **Quantum Exponential Group plc Directors' Report (continued) for the year ended 30 April 2025**

### **Review of Principal Risks and uncertainties**

#### *The Company's strategy*

The implementation of the Company's strategy will have a significant effect on the success of the Company. The Company's target markets may not grow or develop as it currently expects, and if it fails to penetrate new markets, its revenue and financial condition could be harmed. The Company's continued success will depend significantly on its ability to accurately anticipate changes in industry standards and to continue to appropriately fund development efforts to enhance its investments in a timely manner.

The Company's ability to implement its strategy within envisaged timeframes may be impacted as a result of the following:

- the Company may need to raise further capital to make particular investments and/or fund the
  - assets or business invested in;
  - the Company may be required to conduct extensive negotiations in order to secure and
  - facilitate an investment;
  - the necessitation of certain structures in order to facilitate an investment;
  - market conditions, competition from other investors, or other factors may limit the Company in
- respect of identify suitable investments or such investments may not be available at the rate the Company currently envisages.

Mitigation: The Company has appointed a board of Directors with significant collective experience of growing and scaling businesses, and strategy development, implementation and review. In addition, the Advisory Board has substantial direct experience in the latest developments in quantum technologies which informs decisions on target markets.

#### *Potential loss on investments*

The Company's strategy carries inherent risks and there can be no guarantee that any appreciation in the value of an investment or acquisition will occur or that the objectives of the Company will be achieved. For example (i) trading difficulties may occur following investment by the Company; or (ii) the Company may not be able to conduct a full investigation of a target prior to investment and adverse matters may only come to light after an investment has been made.

*Material acquisitions, dispositions and other strategic transactions involve a number of risks, including:*

- potential disruption of the Company's on-going investments;
- distraction of management and key personnel;
- the Company may become more financially leveraged;
- the anticipated benefits and costs savings of those transactions may not be equalised fully or at
- all or may take longer to realise than expected;
- increasing the scope and complexity of the Company's investment strategy; and
- loss or reduction of control over certain of the Company's investments.

Mitigation: The Company has put in place a robust investment decision making process and conducts robust due diligence prior to investment decisions being taken. It has also established close post-investment monitoring processes. Through the Advisory Board there is the ability to provide insight to support the investment decision process and also to add value to investee companies post-completion of investment.

## **Quantum Exponential Group plc Strategic Report (continued) for the year ended 30 April 2025**

### *Material facts or circumstances not revealed in the due diligence process*

Any due diligence process involves subjective analysis and there can be no assurance that due diligence will reveal all material issues related to a potential investment. Any failure to reveal all material facts or circumstances relating to a potential investment may have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

Mitigation: Prior to making or proposing any investment, the Company will undertake legal, financial, and commercial due diligence on potential investments to a level considered reasonable and appropriate by the Company on a case-by-case basis. In undertaking due diligence, the Company utilises its own resources and will rely upon third parties to conduct certain aspects of the due diligence process. It also has the expertise of the Advisory Board and a wide variety of quantum, venture capital and business professionals available to support this process.

### *Competition*

It is likely that the Investee Companies will face competition from industry specialist technology and software companies, generic software providers and outsourced/managed services companies, some of which may be significantly larger enterprises with greater financial and marketing resources. There may also be new entrants to the market which could become competitors. Such companies may also have greater financial and marketing resources than the Investee Companies. Competitors may seek to develop software which more successfully competes with the Investee Companies' software and services, and they may also adopt more aggressive pricing models or undertake more extensive marketing and advertising campaigns. This may have a negative impact on sales volumes or profit margins achieved by the Investee Companies.

Mitigation: The Company makes a thorough assessment of competition risk in its investment appraisal process, both against other competing quantum technologies and other non-quantum ones. Our focus is on companies whose technology is to be commercialised in the near future or may already have commenced trading. Through portfolio monitoring and horizon scanning for future competitive risks we seek to mitigate this risk to the extent possible.

### *Technology risk*

There can be no guarantee that the Investee Companies will bring superior technologies, products, or services to the market which, as a result, make the Investee Companies offerings obsolete. The Investee Companies will accordingly need to continually enhance their products and services and will need to promptly respond to technological change as and when this occurs.

Mitigation: While there is an inherent level of risk in the quantum sphere generally, and different competing quantum technologies, QE has a team of experts with unparalleled market knowledge and access. Technology risk is also mitigated through assembling a portfolio of potential investments in leading Quantum technology companies.

## **Quantum Exponential Group plc Strategic Report (continued) for the year ended 30 April 2025**

*Other risks have been identified which relate to investee companies.*

Investments will typically be in private companies. They may have little or no operating history upon which the Company may assess their likely performance. They may be more vulnerable to changes in market conditions or the activities of competitors. Private companies may also be more dependent on a limited number of management and operational personnel, increasing the impact of the loss of any one or more individuals. This may have material adverse effects on the business, financial condition, results and/or future operations of the Company.

Investee Companies business will be dependent on various key systems, the internet, and other technologies. Shutdowns or service disruptions caused by events such as criminal activity, sabotage or espionage, computer viruses, hacking and other cyber-security attacks, fraudulent activity, router disruption, automated attacks such as denial of service attacks, power outages, natural disasters, accidents, terrorism, equipment failure or other events within or outside the Investee Companies control could adversely affect the Investee Companies and their customers.

Mitigation: All these types of risks are assessed pre-investment as part of the due-diligence work that is carried out, and post-investment they are regularly monitored as part of the Company's portfolio management and reporting processes.

### **Outlook and future developments**

Looking ahead, we remain confident about the impact that quantum technology will have globally, with various industry reports showing that most businesses will now have to start planning for the new quantum world. Notwithstanding the difficult overall macroeconomic climate, the environment for quantum technologies at least feels very favourable. We have seen a significant increase in the flow of good companies, with quantum technology at the forefront of their business, who are looking for investment to accelerate growth.

With global government spending on quantum technologies expanding, it is clear that the sector is at the forefront of countries technology developments and the future for Quantum Exponential in the sector is exciting.

### **Section 172 statement**

Under section 172(1) of the Companies Act 2006 ("Section 172"), the Directors must act in the way that they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole and in doing so have regard (amongst other matters) to:

- the likely consequences of any decisions in the long-term.
- the interests of the Company's employees.
- the need to foster the Company's business relationships with suppliers, customers and others.
- the impact of the Company's operations on the community and environment.
- the desirability of the Company maintaining a reputation for high standards of business conduct.
- the need to act fairly between members of the Company.

This statement is intended by the Board of Directors to set out how they have approached and met their responsibilities under s172(1)(a) to (f) of the Companies Act 2006 in the year ending 30 April 2025.

Stakeholders of the Company include employees, shareholders, customers, suppliers, creditors of the business and the community in which it operates.

The Directors, both collectively and individually, consider that they have acted in good faith to promote the success of the Company for the benefit of its Stakeholders as a whole (having regard to the matters set out in s172 of the Act) in the decisions taken during the year. In particular:

**Quantum Exponential Group plc**  
**Strategic Report (continued)**  
**for the year ended 30 April 2025**

To ensure that the Board takes account of the likely consequences of their decisions in the long term, they receive regular and timely information on all the key areas of the business including financial performance, risks and opportunities, supported by Key Performance Indicators

The Company's performance and progress is reviewed regularly at Board meetings.

The Board engages in consultation with employees to ensure their views are taken into account when decisions are made which are likely to affect their interests.

The Board understands the need to foster good relationships with our investees and also our suppliers. A critical part of doing business is partnering with others and the Board believes that partnerships are built on trust and mutual advantage. The Group interact honestly and with integrity with our business partners and in accordance with applicable laws and regulations and expects them to do the same.

The Directors take environmental matters into deep consideration as part of their decision-making process and strive to be a responsible member of the wider community, minimising the Company's impact on the environment wherever possible. The Directors' intentions are to behave responsibly towards all stakeholders and treat them fairly and equally, so that they all benefit from the long-term success of the Company.

**Carbon and Energy Reporting Requirements**

The Group is not required to disclose information regarding its energy use due to its usage being below the threshold for disclosure.

**Approved by the Board on 03 October 2025**



**Steven Metcalfe**  
**Chief Executive Officer**  
**Director**

## **Quantum Exponential Group plc Directors' Report for the year ended 30 April 2025**

The Directors present their report and the audited financial statements for the Company and Group for the year ending 30 April 2025.

### **Corporate Governance**

The Board is committed to the highest standards of corporate governance

And in his capacity as independent Chairman, Ian Pearson has responsibility for ensuring that the Group has appropriate corporate governance standards in place.

The Board, will normally meet six times a year and it ensures that procedures, resources and controls are in place to ensure that good corporate governance is in place.

Due to the size and nature of the Company, the Board do not believe a nominations committee is necessary. However, the Directors will continue to assess the need for establishing a nominations committee or other committees as the Company develops, taking into account the principles of good governance.

The Company has implemented an anti-bribery and corruption policy and also implemented appropriate procedures to ensure that the Board, employees, and consultants comply with the UK Bribery Act 2010.

The Directors have established financial controls and reporting procedures, which are considered appropriate given the size of and structure of the Company. These controls will be reviewed in the light of an investment or acquisition and adjusted accordingly.

### **Principal activities**

Quantum Exponential's mission is to foster and participate in the next leading asset class, quantum technology companies, in order to deliver outsize returns to investors.

Quantum Exponential identifies investment opportunities in the quantum technology sector focussing on NATO friendly countries. These include, but are not limited to, quantum communications, quantum sensing, quantum metrology and quantum computing, including software and components.

### **Engaging and Communicating with Shareholders**

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders.

Executives of the company are available for meetings with institutional shareholders and analysts. The Company keeps individual shareholders informed of developments through the Company's own website. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting.

The Board recognises that the long-term success of the Group is reliant upon the efforts of the employees of the Group and the quality of its relationships with stakeholders. The Board has put in place a range of processes and systems to ensure that there is close Board oversight and contact with its key resources and relationships.

This includes an Advisory Board that meets regularly and includes world-renowned scientists in the quantum world and a strong team of industry advisors, entrepreneurs and tech investment professionals with excellent access to opportunities, networks and markets.

## **Quantum Exponential Group plc Directors' Report (continued) for the year ended 30 April 2025**

### **Stakeholder Responsibilities**

The Board recognises that the long-term success of the Group is reliant upon the efforts of the employees of the Group and the quality of its relationships with stakeholders. The Board has put in place a range of processes and systems to ensure that there is close Board oversight and contact with its key resources and relationships.

This includes an Advisory Board that meets regularly and includes world renowned scientists in the quantum world and a strong team of industry advisors, entrepreneurs and tech investment professionals with excellent access to opportunities, networks and markets.

We have also established cooperations with the Institute of Physics, regional Universities & Quantum Hubs and the Company is continuing to build its network of relationships.

### **Managing and mitigating risk**

Effective risk management is critical to the success of the company. The Board has carried out a robust assessment of the principal risks to achieving its strategic objectives. Risks are reviewed on a regular basis by the Board to identify any changes in risk profiles and to consider the optimal range of mitigation strategies.

The principal risks to the achievement of our strategic business objectives have been outlined in the Strategic Report, together with their potential impact and the mitigation measures in place. The Board believe these risks to be currently the most significant with the potential to impact our strategy, financial and operational performance.

### **Results and dividends**

The trading results for the year and the financial position at the end of the financial year are shown in the attached financial statements. The statements have been prepared under International Financial Reporting standards ("IFRS")

## **Quantum Exponential Group plc Directors' Report (continued) for the year ended 30 April 2025**

### **Board of Directors**

The following Directors held office during the year:

I Pearson  
S Metcalfe  
D S Nicol

### **Directors' Biographies**

#### **Ian Pearson, Non-Executive Chairman**

Ian Pearson brings extensive business and public sector insight to the Board. During a distinguished ministerial career from 2001-2010 he held a number of positions including Minister for Trade & Foreign Affairs, Minister of State for Climate Change and the Environment, Minister for Science, and Economic Secretary to the Treasury. Ian spent five years as the chairman of AIM listed OVCT2, a company which invested in a variety of renewable energy companies. He is currently a non-executive director at Thames Water, chairman of AIM listed Eqtec plc, and has previously been a member of the UK Advisory Board of PwC.

#### **Steven Metcalfe, Chief Executive Officer**

Steven Metcalfe has more than 28 years of experience in investment banking. In 2005, as Head of UK Equities at Hichens Harrison he was involved in the management buyout from Sanlam for £2m and the subsequent sale to Religare Capital Markets 3 years later for £55m. After that, he moved to Novum Securities looking after institutions, hedge funds and HNW clients. In 2016, he set up a management consultancy business advising on fund raisings, investor relations and improving performance within organisations. He has since sat on public company boards and worked on public company flotations and reverse takeovers. Steven is an associate of the Chartered Institute for Securities and Investments (ACSI).

#### **Stuart Nicol, Chief Investment Officer**

Stuart Nicol joined the Board in January 2022. He worked with the Company as a consultant prior to this date. Stuart has over 20 years' experience of investing venture capital in over 60 high growth firms. He has invested across all sectors and stages with a bias to technology investments in software, communications, healthcare and sustainability. In the past decade he has been, Head of Funds for Cornwall and Isles of Scilly Investment Fund and the first external director of Crowdcube Ltd. Prior to this as an Investment Director of Octopus Investments Stuart both led a team that invested over £110m through listed Venture Capital Trusts and initiated the Octopus renewable energy strategy. Stuart is an active mentor to entrepreneurs on behalf of the Royal Academy of Engineering & military charity heropreneurs. Stuart is a graduate of RMA Sandhurst, Loughborough University and London Business School.

**Quantum Exponential Group plc**  
**Directors' Report (continued)**  
**for the year ended 30 April 2025**

**Directors' interest in shares**

Directors' interests in the share capital of the Company, including family at 30 April 2025 were as follows:

| <b>Director</b> | <b>Number of<br/>ordinary shares<br/>held</b> | <b>% held</b> |
|-----------------|-----------------------------------------------|---------------|
| I Pearson       | <b>19,500,000</b>                             | 5.24%         |
| S Metcalfe      | <b>25,900,000</b>                             | 6.96%         |
| D S Nicol       | <b>8,000,000</b>                              | 2.15%         |

**Directors' Remuneration**

The remuneration of the Directors during the year is summarized below:

|                | <b>Fees and<br/>salaries</b> | <b>Share<br/>based<br/>payment</b> | <b>Pension</b> | <b>Total<br/>2025</b> | <b>Total<br/>2024</b> |
|----------------|------------------------------|------------------------------------|----------------|-----------------------|-----------------------|
|                | <b>£</b>                     |                                    | <b>£</b>       | <b>£</b>              | <b>£</b>              |
| Non-Executive  |                              |                                    |                |                       |                       |
| I Pearson      | 14,000                       | -                                  | -              | 14,000                | 40,000                |
| N McNair Scott | -                            | -                                  | -              | -                     | 2,000                 |
| Executive      |                              |                                    |                |                       |                       |
| S Metcalf      | 100,000                      | -                                  | 13,000         | 113,000               | 110,000               |
| D S Nicol      | -                            | -                                  | -              | -                     | 121,000               |
| S W Woods      | -                            | -                                  | -              | -                     | 252,329               |
| <b>Total</b>   | <b>114,000</b>               | <b>-</b>                           | <b>13,000</b>  | <b>127,000</b>        | <b>525,329</b>        |

**Significant shareholdings**

At 30 April 2025 the Company had the following significant voting interest of greater than 5% in its ordinary share capital:

| <b>Shareholder</b>                      | <b>Number</b> | <b>%</b> |
|-----------------------------------------|---------------|----------|
| Barnard Nominees Ltd                    | 45,336,878    | 12.19%   |
| D Williams                              | 32,475,000    | 8.73%    |
| S Williams                              | 32,275,000    | 8.68%    |
| S Metcalfe                              | 25,900,000    | 6.96%    |
| The Bank Of New York (Nominees) Limited | 26,672,522    | 7.17%    |
| I Pearson                               | 19,500,000    | 5.24%    |

## **Quantum Exponential Group plc Directors' Report (continued) for the year ended 30 April 2025**

### **Strategic report**

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, various matters previously dealt with in the Directors' Report are now included in the Strategic Report.

### **Financial risk management**

The Group's exposure to financial risk is set out in note 18 to the financial statements. The Group maintains a strong focus on working capital management.

### **Policy on payments to Suppliers**

It is the policy of the Group to agree appropriate terms and conditions for its transactions with suppliers by means of standard written terms to individually negotiated contracts. The Group seeks to ensure that payments are always made in accordance with these terms and conditions.

### **Political and Charitable Contributions**

No political or significant charitable donations were made during the year.

### **Statement of Directors' Responsibilities**

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 group financial statements in accordance with UK adopted International Accounting Standards (IFRSs) and have also elected to prepare the parent company financial statements in accordance with Financial Reporting Standard (FRS) 101 'Reduced Disclosure Framework'.

Under company law the Directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period..

In preparing the Group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

In preparing the parent company 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 the requirements of FRS 101 Reduced Disclosure Framework has been followed, subject to any material departures disclosed and explained in the financial statements; and

## **Quantum Exponential Group plc Directors' Report (continued) for the year ended 30 April 2025**

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 parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

### **Auditor**

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

- so far as they are aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company and the Group Auditors are unaware. and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company and the Group Auditors are aware of that information.

### **Website publication**

The Directors are responsible for the maintenance and integrity of the information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Auditor**

Moore Kingston Smith LLP, formerly Shipleys LLP were appointed as auditor to the Company by the Directors and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they may be re-appointed will be put at a General Meeting.

### **Corporate governance statement**

The Board is committed to effective and robust corporate governance.

### **The Board**

The full biographies of the Directors can be found on page 18. At the date of this report, the Board comprises two Executive Directors and one Non-Executive Directors, the Non-Executive Chairman.

|                 |                          |
|-----------------|--------------------------|
| Ian Pearson     | Non-Executive Chairman   |
| Steven Metcalfe | Chief Executive Officer  |
| Stuart Nicol    | Chief Investment Officer |

The Chairman and the CEO have separate and clearly defined roles. The Chairman is responsible for overseeing the Board and the CEO is responsible for implementing the stated strategy of the Company and for its operational performance.

The Chairman is committed to ensuring that the Board comprises sufficient Non-Executive Directors to establish an independent oversight which is challenging and constructive in its operation. The Board believes that the Non-Executive Directors are of sufficient experience and quality to bring an expert and objective dimension to the Board. The Company ensures that the Non-Executive Directors are enabled to call on specialist external advice where necessary.

## Quantum Exponential Group plc Directors' Report (continued) for the year ended 30 April 2025

Directors are expected to attend Board and Committee meetings and to devote enough time to the Company and its business to fulfil their duties as Directors.

### Non-Executive Directors/Board independence

The Company has one independent Non-Executive Director, Ian Pearson (Non-Executive Chairman)

The Non-Executive Chairman acquired an additional 2,000,000 shares in the latest funding round in addition to the 17,500,000 shares in the Company in the founders placing which occurred on 22 April 2021. However, due to the small size of this shareholding, the Directors do not consider that this impacts on the Chairman's independence.

### Board meetings

The Board meets on a regular basis throughout the calendar year and as required on an ad hoc basis with a mandate to consider strategy, operational and financial performance and internal controls. In advance of each meeting, the Chairman sets the agenda, with the assistance of the Company Secretary. Directors are provided with appropriate and timely information, including board papers distributed in advance of the meetings. Those papers include reports from the executive team and other operational heads.

Full minutes of each meeting are produced, including a log of actions to be taken. The Chairman then follows up on each action at the next meeting, or before if appropriate.

| Director        | Position                 | Board                   |                   | Committee |              |
|-----------------|--------------------------|-------------------------|-------------------|-----------|--------------|
|                 |                          | Max possible attendance | Meetings attended | Audit     | Remuneration |
| Ian Pearson     | Non - Executive Chairman | 6                       | 6                 | 1         | 1            |
| Steven Metcalfe | Chief Executive Officer  | 6                       | 6                 |           |              |
| Stuart Nicol    | Chief Investment Officer | 6                       | 6                 |           |              |

### Matters reserved for the Board

Matters reserved for the decision of the Board include:

- Strategy and management
- Structure and capital
- Financial reporting and controls
- Risk management and internal controls
- Bank facilities, guarantees and indemnities
- Communication with shareholders
- Board membership and other appointments
- Remuneration, employee benefits and employee issues
- Delegation of authority
- Corporate governance matters
- Policies

## **Quantum Exponential Group plc Directors' Report (continued) for the year ended 30 April 2025**

### **Committees**

The Board has in place Audit and Remuneration Committees, which comply with the stated terms of reference for each committee.

#### **The Remuneration Committee**

Ian Pearson chairs the Remuneration Committee.

Meetings are held at least once a year. The Remuneration Committee is responsible for advising on the remuneration policy for Directors and Senior Management only.

The Remuneration Committee has responsibility for determining, within agreed terms of reference, the Group's policy on the remuneration of senior executives and specific remuneration packages for Executive Directors, including pension payments and compensation rights.

The remuneration of Non-Executive Directors is a matter for the Board. No Director may be involved in any discussions as to their own remuneration. Details of the level and composition of the Directors' remuneration are disclosed in the Directors' report.

#### **The Audit Committee**

Ian Pearson chairs the Audit Committee

The Audit Committee meets at least once a year.

The Audit Committee has the primary responsibility for ensuring that the financial performance of the Group is properly measured, reported on and monitored.

The Audit Committee makes recommendations to the Board on the appointment, re-appointment and removal of the external auditor. In making the recommendation on the annual re-appointment of the external auditor, it monitors the relationship to assess independence, objectivity and cost effectiveness of the external auditor. It is responsible for ensuring that an appropriate relationship between the Group and the external auditors is maintained, including reviewing non-audit services and fees.

#### **The Nomination Committee**

Due to the size and nature of the Company, the Board does not believe a nominations committee is necessary. However, the Directors will continue to assess the need for establishing a nominations committee or other committees as the Company develops, taking into account the principles of good governance

#### **Election and re-election of the Directors**

All of the Directors will retire and apply for re-election at the Company's annual general meeting in October 2025.

#### **Support for Directors**

Each Director has access to the advice and support of the Company Secretary, who ensures compliance with the Board's procedures and advice as to applicable rules and regulations. The Company also provides professional training for the Directors where necessary (at the Company's expense).

#### **Internal control**

The Board is ultimately responsible for maintaining the Company's risk framework system of internal control and for reviewing the effectiveness of such a system. No system can be perfect, but the Board considers the Company's systems manage risks appropriately in order that the Company can achieve its business objectives.

## **Quantum Exponential Group plc Directors' Report (continued) for the year ended 30 April 2025**

### **Board evaluation**

The focus of Board activity is on the review of progress being achieved by the management team against a clearly expressed growth strategy with published KPIs which are well understood by stakeholders. The Board has established a Remuneration Committee comprising the Chairman which meets at least once in each calendar year. This committee, in the course of its work, reviews the performance of individual Directors and senior managers and the workings of the Board and its committees, in consultation with the Chief Executive Officer.

The committee is also the primary forum within which Board development is discussed.

The Chairman takes overall responsibility for evaluation of the Board and its progress against its stated strategy.

### **Corporate culture**

The Board places significant importance on the promotion of ethical values and good behaviour within the Company and takes ultimate responsibility for ensuring that these are promoted and maintained throughout the organisation and that they guide the Company's business objectives and strategy.

The Board are satisfied that for a company of this size and complexity adequate controls are in place.

### **Relations with shareholders**

The Board considers it important to maintain an open dialogue with the Company's shareholders and to keep those shareholders fully informed of the strategy, operational developments and prospects.

The Company keeps investors informed of its progress through announcements and updates as to financial and operational matters.

The executives will meet with shareholders on formal roadshows after publication of results and hold ad hoc meetings with shareholders during the course of the year.

### **Post balance sheet events**

Subsequent to year-end the Company made three additional investments and issued additional shares. Please refer to note 23 to the financial statements for details of these investments and the share issue.

### **Annual General Meeting**

The AGM will be held on 29 October 2025. The Notice of AGM, setting out the resolutions proposed, is contained in a separate document and is available on the Company's website [www.quantumexp.co.uk](http://www.quantumexp.co.uk).

**Approved by the Board on 03 October 2025**



**Steven Metcalfe**  
**Chief Executive Officer**  
**Director**

## Quantum Exponential Group plc

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUANTUM EXPONENTIAL GROUP PLC (Continued) for the year ended 30 April 2025

#### Opinion

We have audited the financial statements of Quantum Exponential Group Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 April 2025 which comprise the Consolidated Statement of Comprehensive Income, Consolidated and Company Statement of Financial Position, Consolidated and Company Statement of Cash Flows, Consolidated and Company Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

#### In our opinion:

- the financial statements give a true and fair view of the state of the Group's and the parent Company's affairs as at 30 April 2025 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 101; 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent 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.

#### Material uncertainty related to going concern

We draw attention to note 2 in the financial statements which indicates that the Company and Group has incurred a loss in the year and in the previous year of £217,744 and £1,155,210 respectively. As stated in note 2, these events or conditions along with the other matters as set forth in note 2, indicates that a material uncertainty exists that may cast significant doubt on the Company and Groups' ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

## **Quantum Exponential Group plc**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUANTUM EXPONENTIAL GROUP PLC (Continued) for the year ended 30 April 2025**

#### **Other information**

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

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the Group and Parent 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 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 directors' responsibilities statement set out in the Directors Report, 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 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.

#### **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

## Quantum Exponential Group plc

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUANTUM EXPONENTIAL GROUP PLC (Continued) for the year ended 30 April 2025

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:

- We obtained an understanding of the Group's business, controls, legal and regulatory frameworks, laws and regulations and assessed the susceptibility of the company's financial statements to material misstatement from irregularities, including fraud and instances of non-compliance with laws and regulations.
- Based on this understanding we designed our audit procedures to detecting irregularities, including fraud. Testing undertaken included making enquiries on the management; journal entry testing; review of any correspondence received from regulatory bodies; reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

An auditor conducting an audit in accordance with ISAs (UK) is responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error and in our audit procedures described above. Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

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

#### Use of the audit 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.

Signed by:  3/10/2025  
E2724CF01F934DA...  
Peter Conneely (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP  
Chartered Accountants and Statutory Auditor  
10 Orange Street  
Haymarket  
London  
WC2H 7DQ

**Quantum Exponential Group plc**  
**Consolidated Statement of Comprehensive Income**  
**For the year ended 30 April 2025**

|                                                        | Notes | Year to<br>30 April 2025<br>£ | Year to<br>30 April 2024<br>£ |
|--------------------------------------------------------|-------|-------------------------------|-------------------------------|
| Revenue                                                | 4     | 13,904                        | 82,377                        |
| <b>Gross profit</b>                                    |       | <b>13,904</b>                 | <b>82,377</b>                 |
| Other operating income                                 |       | 136,573                       | -                             |
| Operating expenses                                     |       | (387,499)                     | (1,142,844)                   |
| <b>Operating loss</b>                                  |       | <b>(237,022)</b>              | <b>(1,060,467)</b>            |
| Finance income                                         | 8     | 147                           | 11,260                        |
| Gain / (Loss) on fair value adjustments on investments | 16    | 19,131                        | (106,003)                     |
| <b>(Loss) before tax</b>                               | 5     | <b>(217,744)</b>              | <b>(1,155,210)</b>            |
| Taxation on operations                                 | 9     | -                             | -                             |
| <b>(Loss) for the year</b>                             |       | <b>(217,744)</b>              | <b>(1,155,210)</b>            |
|                                                        |       |                               |                               |
| Total - Basic EPS                                      | 10    | (0.001p)                      | (0.004p)                      |
| Total - Diluted EPS                                    | 10    | (0.001p)                      | (0.004p)                      |

The notes on pages 39 to 57 form an integral part of these financial statements.

**Quantum Exponential Group plc**  
**Consolidated Statement of Financial Position**  
**As at 30 April 2025**

Registered Number 13324860

|                                   | Notes | 2025<br>£        | 2024<br>£        |
|-----------------------------------|-------|------------------|------------------|
| <b>Assets</b>                     |       |                  |                  |
| <b>Non-current assets</b>         |       |                  |                  |
| Investments                       | 16    | 2,295,280        | 2,279,315        |
| <b>Total non-current assets</b>   |       | <b>2,295,280</b> | <b>2,279,315</b> |
| <b>Current assets</b>             |       |                  |                  |
| Cash and cash equivalents         |       | 496,401          | 344,623          |
| Other receivables                 | 11    | 138,803          | 95,033           |
| <b>Total current assets</b>       |       | <b>635,204</b>   | <b>439,656</b>   |
| <b>Total assets</b>               |       | <b>2,930,484</b> | <b>2,718,971</b> |
| <b>Current liabilities</b>        |       |                  |                  |
| Trade payables and other payables | 12    | (69,958)         | (75,701)         |
| <b>Total current liabilities</b>  |       | <b>(69,958)</b>  | <b>(75,701)</b>  |
| <b>Provision for liabilities</b>  | 13    | -                | -                |
| <b>Total liabilities</b>          |       | <b>(69,958)</b>  | <b>(75,701)</b>  |
| <b>Net assets</b>                 |       | <b>2,860,526</b> | <b>2,643,270</b> |
| <b>Equity</b>                     |       |                  |                  |
| Share capital                     | 14    | 3,718,750        | 3,283,750        |
| Share premium                     | 20    | 2,114,610        | 2,114,610        |
| Merger reserve                    | 20    | (261,810)        | (261,810)        |
| Capital contributions             | 20    | 199,732          | 199,732          |
| Share based payment reserve       | 25    | 85,662           | 85,662           |
| Other reserves                    | 20    | (41,616)         | (41,616)         |
| Retained loss                     |       | (2,954,802)      | (2,737,058)      |
| <b>Total equity</b>               |       | <b>2,860,526</b> | <b>2,643,270</b> |

Approved by the Board on 03 October 2025 and signed on its behalf by:



**Steven Metcalfe**  
Chief Executive Officer

The notes on pages 39 to 57 form an integral part of these financial statements.

**Quantum Exponential Group plc**  
**Company Statement of Financial Position**  
**As at 30 April 2025**

Registered Number 13324860

|                                        | Notes | 2025<br>£          | 2024<br>£          |
|----------------------------------------|-------|--------------------|--------------------|
| <b>Assets</b>                          |       |                    |                    |
| <b>Non-current assets</b>              |       |                    |                    |
| Investments in financial assets        | 16    | 2,295,280          | 2,279,315          |
| Investments in subsidiary undertakings | 17    | 2,462,500          | 2,467,166          |
| <b>Total non-current assets</b>        |       | <b>4,757,780</b>   | <b>4,746,481</b>   |
| <b>Current assets</b>                  |       |                    |                    |
| Cash and cash equivalents              |       | 496,401            | 339,957            |
| Other receivables                      | 11    | 138,803            | 95,033             |
| <b>Total current assets</b>            |       | <b>635,204</b>     | <b>434,990</b>     |
| <b>Total assets</b>                    |       | <b>5,392,984</b>   | <b>5,181,471</b>   |
| <b>Liabilities</b>                     |       |                    |                    |
| <b>Current liabilities</b>             |       |                    |                    |
| Trade payables and other payables      | 12    | (2,532,458)        | (2,538,201)        |
| <b>Total current liabilities</b>       |       | <b>(2,532,458)</b> | <b>(2,538,201)</b> |
| <b>Provision for liabilities</b>       | 13    | -                  | -                  |
| <b>Total Liabilities</b>               |       | <b>(2,532,458)</b> | <b>(2,538,201)</b> |
| <b>Net Assets</b>                      |       | <b>2,860,526</b>   | <b>2,643,270</b>   |
| <b>Equity</b>                          |       |                    |                    |
| Share capital                          | 14    | 3,718,750          | 3,283,750          |
| Share premium                          | 20    | 2,114,610          | 2,114,610          |
| Merger reserve                         | 20    | (261,810)          | (261,810)          |
| Capital contributions                  | 20    | 199,732            | 199,732            |
| Share based payment reserve            | 25    | 85,662             | 85,662             |
| Other reserves                         | 20    | (41,616)           | (41,616)           |
| Retained loss                          |       | (2,954,802)        | (2,737,058)        |
| <b>Total equity</b>                    |       | <b>2,860,526</b>   | <b>2,643,270</b>   |

In accordance with section 408 of the Companies Act 2006 the parent company has not presented its own Income Statement, which resulted in a loss after tax of £218k.

Approved by the Board on 03 October 2025 and signed on its behalf by:



**Steven Metcalfe,**  
Chief Executive Officer

The notes on pages 39 to 57 form an integral part of these financial statements.

**Quantum Exponential Group plc**  
**Consolidated Statement of cash flows**  
**For the year ended 30 April 2025**

|                                                               | <b>2025</b><br><b>£</b> | <b>2024</b><br><b>£</b> |
|---------------------------------------------------------------|-------------------------|-------------------------|
| <b>(Loss) before tax for the year</b>                         | <b>(217,744)</b>        | <b>(1,155,210)</b>      |
| <b>Adjustments for:</b>                                       |                         |                         |
| Interest income                                               | (147)                   | (11,260)                |
| Increase in trade and other receivables                       | (43,770)                | (43,708)                |
| Decrease in trade and other payables                          | (5,743)                 | (13,587)                |
| Share based payment                                           | -                       | 85,662                  |
| Net fair value adjustment (gain)/loss                         | (19,131)                | 106,003                 |
| <b>Cash (outflow) from operating activities</b>               | <b>(286,535)</b>        | <b>(1,032,100)</b>      |
| <b>Investing activities</b>                                   |                         |                         |
| Purchase of investments                                       | -                       | (300,000)               |
| Return of investment                                          | 3,166                   | -                       |
| <b>Net cash generated/(used) in investing activities</b>      | <b>3,166</b>            | <b>(300,000)</b>        |
| <b>Financing activities</b>                                   |                         |                         |
| Proceeds from issue of ordinary share capital                 | 435,000                 | -                       |
| Purchase of own shares via EBT                                | -                       | -                       |
| Interest income                                               | 147                     | 11,260                  |
| <b>Net inflow of cash generated from financing activities</b> | <b>435,147</b>          | <b>11,260</b>           |
| <b>Net increase in cash and cash equivalents</b>              | <b>151,778</b>          | <b>(1,320,840)</b>      |
| Cash and cash equivalents at beginning of period              | <b>344,623</b>          | <b>1,665,463</b>        |
| <b>Cash and cash equivalents at end of period</b>             | <b>496,401</b>          | <b>344,623</b>          |

The notes on pages 39 to 57 form an integral part of these financial statements.

**Quantum Exponential Group plc**  
**Company Statement of cash flows**  
**For the year ended 30 April 2025**

|                                                               | <b>2025</b><br><b>£</b> | <b>2024</b><br><b>£</b> |
|---------------------------------------------------------------|-------------------------|-------------------------|
| <b>(Loss) before tax for the year</b>                         | <b>(217,744)</b>        | <b>(1,155,210)</b>      |
| <b>Adjustments for:</b>                                       |                         |                         |
| Interest income                                               | (147)                   | (11,259)                |
| Increase in trade and other receivables                       | (43,770)                | (43,708)                |
| Increase in trade and other payables                          | (5,743)                 | (13,587)                |
| Share based payment                                           | -                       | 85,662                  |
| Net fair value adjustment (gain)/loss                         | (19,131)                | 106,003                 |
| Loss on disposal on investment                                | 4,666                   | -                       |
| <b>Cash (outflow) from operating activities</b>               | <b>(281,869)</b>        | <b>(1,032,099)</b>      |
| <b>Investing activities</b>                                   |                         |                         |
| Purchase of investments                                       | -                       | (304,668)               |
| Return of capital                                             | 3,166                   | -                       |
| <b>Net cash generated/(used) in investing activities</b>      | <b>3,166</b>            | <b>(304,668)</b>        |
| <b>Financing activities</b>                                   |                         |                         |
| Proceeds from issue of ordinary share capital                 | 435,000                 | -                       |
| Interest income                                               | 147                     | 11,260                  |
| <b>Net inflow of cash generated from financing activities</b> | <b>435,147</b>          | <b>11,260</b>           |
| <b>Net increase in cash and cash equivalents</b>              | <b>156,444</b>          | <b>(1,325,507)</b>      |
| Cash and cash equivalents at beginning of period              | <b>339,957</b>          | <b>1,665,464</b>        |
| <b>Cash and cash equivalents at end of period</b>             | <b>496,401</b>          | <b>339,957</b>          |

The notes on pages 39 to 57 form an integral part of these financial statements

**Quantum Exponential Group plc**  
**Consolidated Statement of change in equity**  
**For the year ended 30 April 2025**

|                                 | Note | Share capital<br>£ | Share premium<br>£ | Merger reserve<br>£ | Capital contribution<br>£ | Share based payment | Other reserves<br>£ | Retained profits/<br>(losses)<br>£ | Total equity<br>£ |
|---------------------------------|------|--------------------|--------------------|---------------------|---------------------------|---------------------|---------------------|------------------------------------|-------------------|
| <b>Balance At 30 April 2024</b> |      | 3,283,750          | 2,114,610          | (261,810)           | 199,732                   | 85,662              | (41,616)            | (2,737,058)                        | 2,643,270         |
| Loss for the period             |      | -                  | -                  | -                   | -                         | -                   | -                   | (217,744)                          | (217,744)         |
| Share capital issued            |      | 435,000            | -                  | -                   | -                         | -                   | -                   | -                                  | 435,000           |
| <b>At 30 April 2025</b>         |      | <b>3,718,750</b>   | <b>2,114,610</b>   | <b>(261,810)</b>    | <b>199,732</b>            | <b>85,662</b>       | <b>(41,616)</b>     | <b>(2,954,802)</b>                 | <b>2,860,526</b>  |

The notes on pages 39 to 57 form an integral part of these financial statements.

**Quantum Exponential Group plc**  
**Consolidated Statement of change in equity**  
**For the year ended 30 April 2025**

|                                     | Note | Share<br>capital<br>£ | Share<br>premium<br>£ | Merger<br>reserve<br>£ | Capital<br>contribution<br>£ | Share based<br>payment | Other<br>reserves<br>£ | Retained<br>profits/<br>(losses)<br>£ | Total equity<br>£ |
|-------------------------------------|------|-----------------------|-----------------------|------------------------|------------------------------|------------------------|------------------------|---------------------------------------|-------------------|
| <b>Balance<br/>At 30 April 2023</b> |      | 3,283,750             | 2,114,610             | (261,810)              | 199,732                      | -                      | (41,616)               | (1,581,848)                           | 3,712,818         |
| Loss for the period                 |      | -                     | -                     | -                      | -                            | -                      | -                      | (£1,155,210)                          | (1,155,210)       |
| Share based<br>payment              |      | -                     | -                     | -                      | -                            | 85,662                 | -                      | -                                     | 85,662            |
| <b>At 30 April 2024</b>             |      | 3,283,750             | 2,114,610             | (261,810)              | 199,732                      | 85,662                 | (41,616)               | (2,737,058)                           | 2,643,270         |

The notes on pages 39 to 57 form an integral part of these financial statements.

**Quantum Exponential Group plc**  
**Company Statement of changes in equity**  
**For the year ended 30 April 2025**

|                                 | Note | Share capital<br>£ | Share premium<br>£ | Merger reserve<br>£ | Capital contribution<br>£ | Share based payment | Other reserves<br>£ | Retained profits/<br>(losses)<br>£ | Total equity<br>£ |
|---------------------------------|------|--------------------|--------------------|---------------------|---------------------------|---------------------|---------------------|------------------------------------|-------------------|
| <b>Balance At 30 April 2024</b> |      | 3,283,750          | 2,114,610          | (261,810)           | 199,732                   | 85,662              | (41,616)            | (2,737,058)                        | 2,643,270         |
| Loss for the period             |      | -                  | -                  | -                   | -                         | -                   | -                   | (217,744)                          | (217,744)         |
|                                 |      | -                  |                    |                     |                           |                     |                     |                                    |                   |
| Share capital issued            |      | 435,000            | -                  | -                   | -                         | -                   | -                   | -                                  | 435,000           |
| <hr/>                           |      |                    |                    |                     |                           |                     |                     |                                    |                   |
| <b>At 30 April 2025</b>         |      | <b>3,718,750</b>   | <b>2,114,610</b>   | <b>(261,810)</b>    | <b>199,732</b>            | <b>85,662</b>       | <b>(41,616)</b>     | <b>(2,954,802)</b>                 | <b>2,860,526</b>  |

The notes on pages 39 to 57 form an integral part of these financial statements.

**Quantum Exponential Group plc**  
**Company Statement of changes in equity**  
**For the year ended 30 April 2025**

|                                     | Note | Share<br>capital<br>£ | Share<br>premium<br>£ | Merger<br>reserve<br>£ | Capital<br>contribution<br>£ | Share based<br>payment | Other<br>reserves<br>£ | Retained<br>profits/<br>(losses)<br>£ | Total equity<br>£ |
|-------------------------------------|------|-----------------------|-----------------------|------------------------|------------------------------|------------------------|------------------------|---------------------------------------|-------------------|
| <b>Balance<br/>At 30 April 2023</b> |      | 3,283,750             | 2,114,610             | (261,810)              | 199,732                      | -                      | (41,616)               | (1,581,848)                           | 3,712,818         |
| Loss for the period                 |      | -                     | -                     | -                      | -                            |                        | -                      | (1,155,210)                           | (1,155,210)       |
| Share based<br>payment              |      | -                     | -                     | -                      | -                            | 85,662                 | -                      | -                                     | 85,662            |
| <b>At 30 April 2024</b>             |      | 3,283,750             | 2,114,610             | (261,810)              | 199,732                      | 85,662                 | (41,616)               | (2,737,058)                           | 2,643,270         |

The notes on pages 39 to 57 form an integral part of these financial statements.

# Quantum Exponential Group plc

## Notes to the financial statements

### For the year ended 30 April 2025

#### 1. Corporate information

Quantum Exponential Group Plc is a public limited company, incorporated and domiciled in England and Wales under the Companies Act 2006. The address of its registered office is Fladgate LLP, 16 Great Queen Street, London, United Kingdom, WC2B 5DG. Up to 30 October 2024, the Company's ordinary shares were traded on the Aquis Stock Exchange (AQSE), a primary and secondary market for equity and debt securities. On 30 October 2024 the Company de-listed from AQUIS. The financial statements of Quantum Exponential Group plc for the year ended 30 April 2025 were authorised for issue by the Board on 31 October 2025 and the balance sheets signed on the Board's behalf on 31 October 2025.

The nature of the Group's operations and its principal activity is to assemble a portfolio of potential investments in leading quantum technology companies globally.

#### 2. Accounting Policies

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

##### **New standards, interpretations and amendments**

The following standards, amendments to standards, and interpretations became effective during the period, and have been adopted by the group, but have not had any effect on amounts reported within these financial statements.

##### ***Effective from 1 January 2024:***

- IFRS 16 Leases (Amendment to Lease Liability in a Sale and Leaseback);
- IAS 1 Presentation of Financial Statements (Amendment - Classification of Liabilities as Current or Non current);
- IAS 1 Presentation of Financial Statements (Amendment - Non current Liabilities with Covenants);  
And
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments (Disclosures for Supplier Finance Arrangements)

Further, There are a number of standards, amendments to standards, and interpretations which have been issued that are effective in future accounting periods that the Group has decided not to adopt early. The Group is currently assessing the impact of these new standards, interpretations and amendments but does not expect these to have a significant impact on the financial statements in the year of adoption.

##### ***The following amendments are effective for the period beginning 1 January 2025:***

- IAS 21 Foreign Exchange (Amendment - Lack of Exchangeability)

##### ***The following amendments are effective for the period beginning 1 January 2026:***

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures
- Annual Improvements to IFRS Accounting Standards – Amendments to IFRS 1; IFRS 7; IFRS 9; IFRS 10 and IAS 7.

# Quantum Exponential Group plc

## Notes to the financial statements

### For the year ended 30 April 2025

***The following new IFRS are effective for the period beginning 1 January 2027:***

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

## 2. Accounting Policies (continued)

### Basis of preparation

The Group's consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards and in accordance with those parts of the Companies Act 2006 that are applicable to group reporting under UK-adopted international accounting standards. The Company's individual financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). The consolidated financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit and loss.

The financial statements are presented in Pounds Sterling (£) which is the functional currency of the Company and Group.

The Company has taken advantage of the exemption available under section 408 of the Companies Act 2006 and elected not to present its own Statement of Comprehensive Income in these financial statements.

### Disclosure exemptions – Parent Company individual financial statements

In preparing its individual financial statements under FRS 101, the Company has taken advantage of the following disclosure exemptions permitted by FRS 101:

- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to (m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases, as well as the requirements of paragraph 58 of the same standard, provided that the disclosure of details of indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total the requirements in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment
  - paragraph 118(e) of IAS 38 Intangible Assets
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets

# **Quantum Exponential Group plc**

## **Notes to the financial statements**

### **For the year ended 30 April 2025**

## **2. Accounting Policies (continued)**

### **Basis of consolidation**

The Group financial statements consolidate the results of Quantum Exponential Group plc and its subsidiary undertakings for the year to 30 April 2025.

The financial statements of subsidiaries are prepared for the same reporting years using consistent accounting policies.

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial information of subsidiaries is included from the date that control commences until the date that control ceases. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial information.

### **Critical accounting estimates**

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

### **Going concern**

The Company and Group incurred a loss in the year and the previous year of £217,744 and £1,155,210 respectively.

In determining the basis for preparing the financial statements, management are required to consider whether the Group and Company can continue in operational existence for the foreseeable future, being a period of not less than twelve months from the date of the approval of the financial statements. The Directors have prepared forecasts of the Group's and Company's financial performance over the next twelve months from the date of this report.

The forecasts include assumptions regarding the opportunity funnel, growth plans, risks and mitigating actions. The Board are exploring a number of such opportunities which are available to the Group, and are confident that the required financing is available.

The Group's forecasts, assumptions and projections, taking account of sensitivities, support the conclusion that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future, a period of not less than twelve months from the date of this report. The Group and Company, therefore, continues to adopt the going concern basis in preparing the financial statements.

### **Revenue from contracts with customers**

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account the time value of money; allocates the transaction price to separate performance obligations on the basis of the relative standalone selling price of each distinct service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the service provided.

### **Other revenue**

Other revenue is recognised when it is received or when the right to receive payment is established.

# Quantum Exponential Group plc

## Notes to the financial statements

### For the year ended 30 April 2025

## 2. Accounting Policies (continued)

### Income tax

The tax expense comprises current and deferred tax. Tax currently payable, relating to corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, and that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction, or other event, that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts, and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. An investment with a maturity of three months or less is normally classified as being short term. Bank overdrafts are shown within borrowing in current liabilities.

### Trade and other receivables

Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

### Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

# Quantum Exponential Group plc

## Notes to the financial statements

### For the year ended 30 April 2025

## 2 Accounting Policies (continued)

### Investments and other financial assets

Investments and other financial assets, other than investments in subsidiaries undertakings, are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Investment in subsidiary undertakings are recorded at cost less any provision for impairment.

### Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

### Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

### Impairment of financial assets

The Group recognises a loss allowance for expected credit loss on financial assets. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of financial instrument.

# **Quantum Exponential Group plc**

## **Notes to the financial statements**

### **For the year ended 30 April 2025**

## **2. Accounting Policies (Continued)**

### **Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

### **Trade and other payables**

Trade payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

### **Provisions**

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

### **Employee benefits**

Short-term employee benefits liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

### **Issued shares**

Ordinary shares are classified as equity.

### **Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

## **3. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements.

Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below:

**Quantum Exponential Group plc**  
**Notes to the financial statements**  
**For the year ended 30 April 2025**

**3. Critical accounting judgements, estimates and assumptions (continued)**

**Investment valuation**

The Group has a number of investments in unlisted entities whereby their valuation is determined in whole or in part using valuation techniques based on assumptions that are not supported by prices from observable market transactions in the same instrument and not based on available observable data and therefore involves a degree of judgement and estimation by Directors.

**Impairment of non-financial assets other than goodwill and other indefinite life intangible assets**

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

**4. Operating segments**

For management purposes, the Group is organised into a single geographic area from which the Group operates, namely, the UK and it is this operating segment for which the Group is providing disclosure. The chief operating decision maker is the Board of Directors, which assesses the performance of the operating segments using key performances: turnover, operating profit and net asset position.

Revenue by business activity (All UK) is analysed below. No additional disclosure of results and net asset has been made since, in the opinion of the Board, there is only one operating segment.

|                                 | <b>2025</b><br><b>£</b> | <b>2024</b><br><b>£</b> |
|---------------------------------|-------------------------|-------------------------|
| Management and arrangement fees | <b>13,904</b>           | 82,377                  |
| Total revenue                   | <b>13,904</b>           | 82,377                  |

**5. (Loss) before tax for the period**

(Loss) before tax for the period has been arrived at after charging/(crediting):

|                      | <b>2025</b><br><b>£</b> | <b>2024</b><br><b>£</b> |
|----------------------|-------------------------|-------------------------|
| Exchange loss/(gain) | <b>210</b>              | (5,287)                 |
| Staff costs          | <b>126,044</b>          | 447,241                 |

**Quantum Exponential Group plc**  
**Notes to the financial statements**  
**For the year ended 30 April 2025**

**6. Auditor's Remuneration**

|                                                                                   | <b>2025</b><br><b>£</b> | <b>2024</b><br><b>£</b> |
|-----------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Audit services</b>                                                             |                         |                         |
| Fees payable to the Group's auditor for the audit of the Group's annual accounts: |                         |                         |
| Audit fee                                                                         | <b>12,000</b>           | 12,000                  |
| Other non-audit services                                                          | <b>2,000</b>            | 2,000                   |
| <b>Total fees</b>                                                                 | <b>14,000</b>           | 14,000                  |

**7. Staff costs**

The average monthly number of employees (excluding non-executive directors) was:

|                       | <b>2025</b><br><b>Number</b> | <b>2024</b><br><b>Number</b> |
|-----------------------|------------------------------|------------------------------|
| Directors (executive) | <b>1</b>                     | <b>3</b>                     |
| Other employees       | -                            | -                            |
|                       | <b>1</b>                     | <b>3</b>                     |

Their aggregate remuneration comprised:

|                              | <b>2025</b><br><b>£</b> | <b>2024</b><br><b>£</b> |
|------------------------------|-------------------------|-------------------------|
| Wages and salaries           | <b>100,000</b>          | 376,667                 |
| Social security costs        | <b>13,044</b>           | 49,574                  |
| Pension scheme contributions | <b>13,000</b>           | 21,000                  |
|                              | <b>126,044</b>          | 447,241                 |

The total Directors' emoluments (including non-executive directors' remuneration of £14,000 (2024: £42,000)) was £114,000 (2024: £418,667). The aggregate value of contributions paid to money purchase pension schemes was £13,000 in respect of one director.

The highest paid director received emoluments of £100,000 and amounts paid to money purchase pension schemes was £13,000.

**8. Finance income**

|                             | <b>2025</b><br><b>£</b> | <b>2024</b><br><b>£</b> |
|-----------------------------|-------------------------|-------------------------|
| Interest income             | <b>147</b>              | 11,260                  |
| <b>Total finance income</b> | <b>147</b>              | 11,260                  |

**Quantum Exponential Group plc**  
**Notes to the financial statements**  
**For the year ended 30 April 2025**

**9. Tax**

**Recognised in the income statement.**

|                                            | <b>2025</b><br><b>£</b> | <b>2024</b><br><b>£</b> |
|--------------------------------------------|-------------------------|-------------------------|
| Current tax credit:                        |                         |                         |
| UK corporation tax on losses in the period | -                       | -                       |
| Total current tax                          | -                       | -                       |
| Deferred tax:                              |                         |                         |
| Capital gains/(losses)                     | -                       | -                       |
| Losses                                     | -                       | -                       |
| Total deferred tax                         | -                       | -                       |
| Total tax charge in income statement       | -                       | -                       |

**Tax rate changes**

Up to 31 March 2024 the standard rate of UK corporation tax was 19%. From 1 April 2024 the standard rate of UK corporation tax increased to 25%.

**Reconciliation of tax credit**

The charge for the period can be reconciled to the profit in the income statement as follows:

|                                           | <b>2025</b><br><b>£</b> | <b>2024</b><br><b>£</b> |
|-------------------------------------------|-------------------------|-------------------------|
| (Loss) before tax                         | <b>(217,744)</b>        | (1,155,210)             |
| Tax at the UK corporation tax rate of 25% | <b>(54,436)</b>         | (288,803)               |
| Expenses not deductible                   | <b>3,668</b>            | 12,644                  |
| Fair value gains not allowable/(taxable)  | <b>(4,783)</b>          | 26,501                  |
| Increase in UK potential tax losses       | <b>55,551</b>           | 249,658                 |
| Total tax charge for the period           | -                       | -                       |

**Quantum Exponential Group plc**  
**Notes to the financial statements**  
**For the year ended 30 April 2025**

**10. (Loss) per share**

The calculation of the basic earnings per share is based on the following data:

|                                                                                                         | <b>2025</b><br>£             | <b>2024</b><br>£             |
|---------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (Loss) for the purposes of basic profits per share being net profit attributable to owners of the Group | <u>(217,744)</u>             | <u>(1,155,210)</u>           |
| <b>Number of shares</b>                                                                                 | <b>2025</b><br><b>Number</b> | <b>2024</b><br><b>Number</b> |
| Weighted average number of ordinary shares for the purposes of basic profits/(loss) per share           | <u>328,494,178</u>           | <u>311,475,000</u>           |
|                                                                                                         | <b>2025</b>                  | <b>2024</b>                  |
| Basic earnings per share (p)                                                                            | <u>(0.001)p</u>              | <u>(0.004)p</u>              |

The calculation of the diluted earnings per share is based on the following data:

|                                                                                                         | <b>2025</b><br>£             | <b>2024</b><br>£             |
|---------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| (Loss) for the purposes of basic profits per share being net profit attributable to owners of the Group | <u>(217,744)</u>             | <u>(1,155,210)</u>           |
| <b>Number of shares</b>                                                                                 | <b>2025</b><br><b>Number</b> | <b>2024</b><br><b>Number</b> |
| Weighted average number of ordinary shares for the purposes of diluted profits/(loss) per share         | <u>328,494,178</u>           | <u>316,475,000</u>           |
|                                                                                                         | <b>2025</b>                  | <b>2024</b>                  |
| Diluted earnings per share (p)                                                                          | <u>(0.001)p</u>              | <u>(0.004)p</u>              |

**11. Trade and other receivables**

**Receivable within one year:**

|                    | <b>Group</b><br><b>2025</b><br>£ | <b>Group</b><br><b>2024</b><br>£ | <b>Company</b><br><b>2025</b><br>£ | <b>Company</b><br><b>2024</b><br>£ |
|--------------------|----------------------------------|----------------------------------|------------------------------------|------------------------------------|
| Trade receivables  | -                                | 47,108                           | -                                  | 47,108                             |
| Other receivables  | 136,573                          | 25,385                           | 136,573                            | 25,385                             |
| Prepayments        | 2,000                            | 11,988                           | 2,000                              | 11,988                             |
| Current tax assets | 230                              | 10,552                           | 230                                | 10,552                             |
|                    | <u>138,803</u>                   | <u>95,033</u>                    | <u>138,803</u>                     | <u>95,033</u>                      |

The expected maturity date of other receivables is 1 to 3 months.

**Quantum Exponential Group plc**  
**Notes to the financial statements**  
**For the year ended 30 April 2025**

**12. Trade and other payables**

Payable within one year:

|                                 | <b>Group<br/>2025<br/>£</b> | <b>Group<br/>2024<br/>£</b> | <b>Company<br/>2025<br/>£</b> | <b>Company<br/>2024<br/>£</b> |
|---------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade payables                  | 28,360                      | 21,478                      | 28,360                        | 21,478                        |
| Other payables                  | 25,000                      | 2,849                       | 25,000                        | 2,849                         |
| Accruals                        | 14,100                      | 44,500                      | 14,100                        | 44,500                        |
| Deferred income                 | 2,498                       | 6,874                       | 2,498                         | 6,874                         |
| Amounts owed by group companies |                             |                             | 2,462,500                     | 2,462,500                     |
|                                 | <b>69,958</b>               | <b>75,701</b>               | <b>2,532,458</b>              | <b>2,538,201</b>              |

The contracted maturity date of trade and other payables is 1 to 3 months.

**13. Deferred tax**

|                  | <b>Group<br/>2025<br/>£</b> | <b>Company<br/>2025<br/>£</b> |
|------------------|-----------------------------|-------------------------------|
| 30 April 2024    | -                           | -                             |
| Change in period | -                           | -                             |
| 30 April 2025    | -                           | -                             |

Elements of deferred tax are as follows:

|                             | <b>Group<br/>2025<br/>£</b> | <b>Company<br/>2025<br/>£</b> |
|-----------------------------|-----------------------------|-------------------------------|
| Capital gains/(losses)      | -                           | -                             |
| Losses and other deductions | -                           | -                             |
|                             | -                           | -                             |

**Quantum Exponential Group plc**  
**Notes to the financial statements**  
**For the year ended 30 April 2025**

**14. Share capital**

£

**Authorised:**

500,000,000 Ordinary shares, of £0.01 each **5,000,000**

**Allotted, called up and fully paid:**

Balance at 30 April 2024 3,283,750  
Shares issued in year 435,000

Balance at 30 April 2025 **3,718,750**

371,875,000 (2024: 328,375,000) Ordinary shares of £0.01 each are in issue. .

On 30 April 2025, the Company issued 43,500,000 Ordinary shares of £0.01 each at par.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

**Quantum Exponential Group plc**  
**Notes to the financial statements**  
**For the year ended 30 April 2025**

**15. Warrants**

In the financial period ending 30 April 2022 the Company issued warrants to the investors in the IPO and they were issued at no cost. The Company had 58,111,666 investor warrants in circulation at an exercisable price of 7.5p per share for two years following admission. The warrants expired on the 31<sup>st</sup> October 2023.

| Date of grant | Date of expiry | Exercise price | Number of warrants |           |                   | Unexercised at year-end |
|---------------|----------------|----------------|--------------------|-----------|-------------------|-------------------------|
|               |                |                | Granted            | Exercised | Lapsed            |                         |
| 01-11-21      | 31-10-24       | 7.5p           | 58,111,666         | -         | 58,111,666        | -                       |
|               |                |                | <b>58,111,666</b>  | <b>-</b>  | <b>58,111,666</b> | <b>-</b>                |

**16. Financial assets**

**Summary of financial assets**

|                                                                                        | <b>2025</b><br><b>£</b> | <b>2024</b><br><b>£</b> |
|----------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Non-Current</b>                                                                     |                         |                         |
| <b>Investments in financial assets designated at fair value through profit or loss</b> | <b>2,295,280</b>        | 2,279,315               |
|                                                                                        | <b>2,295,280</b>        | 2,279,315               |

**Analysis of movement of non-current investments**

|                                                                  | 2025             | <b>2024</b><br><b>£</b> |
|------------------------------------------------------------------|------------------|-------------------------|
| Financial assets designated at fair value through profit or loss |                  |                         |
| Non – Current                                                    |                  |                         |
| Brought forward at 1 May                                         | <b>2,279,315</b> | 2,085,318               |
| Purchases during the year                                        | -                | 300,000                 |
| Return of capital during the year                                | <b>(3,166)</b>   | -                       |
| Net unrealised gain / (loss) in fair value                       | <b>19,131</b>    | (106,003)               |
| <b>Fair value of investments carried forward</b>                 | <b>2,295,280</b> | 2,279,315               |

**17. Investments in subsidiary undertakings**

**Subsidiary undertakings**

|                       | 2025<br><b>£</b> | <b>2024</b><br><b>£</b> |
|-----------------------|------------------|-------------------------|
| 1 May 2024            | 2,467,166        | 2,462,500               |
| Additions/(disposals) | (4,666)          | 4,666                   |
| 30 April 2025         | <b>2,462,500</b> | 2,467,166               |

During the year the Danish subsidiary, Quantum Exponential Limited, which was set up at a cost of £4,666 was closed down.

At the reporting date the Company had the following investments in subsidiary undertakings whose registered office is situated at 16 Queen Street, London, England, WC2B 5DG.

**Quantum Exponential Group plc**  
**Notes to the financial statements**  
**For the year ended 30 April 2025**

**17. Investments in subsidiary undertakings (continued)**

| <b>Undertaking</b>              | <b>Country of incorporation</b> | <b>Class of shares</b> | <b>Proportion of shares held</b> | <b>Nature of business</b>                                                        |
|---------------------------------|---------------------------------|------------------------|----------------------------------|----------------------------------------------------------------------------------|
| Quantum Exponential Limited     | England                         | Ordinary               | 100%                             | Dormant subsidiary                                                               |
| Quantum Exponential EBT Limited | England                         | Ordinary               | 100%                             | Acting as a nominee for the Quantum Exponential Group plc Employee Benefit Trust |

At 30 April 2025, The Quantum Exponential Group plc Employee Benefit Trust holds nil ordinary shares in Quantum Exponential Group plc.

**18. Financial instruments**

IFRS 9 requires the Group to classify financial instruments at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurement. The fair value hierarchy has the following levels:

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

**(a) Financial instruments classified as level 1**

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise equity investments classified as trading securities or available-for-sale

**(b) Financial instruments classified as level 2**

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- quoted market prices or dealer quotes for similar instruments.
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period, with the resulting value discounted back to present value.

## Quantum Exponential Group plc

### Notes to the financial statements

### For the year ended 30 April 2025

- other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

#### **(c) Financial instruments classified as level 3**

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) and determined by using valuation techniques, which require significant adjustment based on unobservable inputs are included in level 3.

The determination of what constitutes observable requires judgement by the Group. The Group considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

For financial instruments classified as level 3 the Group uses a combination of internal and external valuations. Where management determines an external valuation is appropriate the group engages with professional service providers. Specific valuation techniques include:

- Market approach (utilising EBITDA or Revenue multiples, industry value benchmarks and available market prices approaches);
- Net asset approach;
- Income approach (utilising Discounted Cash Flow, Replacement Cost and Net Asset approaches);
- Desktop valuations based on price of a recent transaction when transaction price/cost is considered indicative of fair value; and
- Actuarial valuations using Monte Carlo, Black Scholes and adjusted binomial models.

**Quantum Exponential Group plc**  
**Notes to the financial statements**  
**For the year ended 30 April 2025**

**18. Financial instruments (continued)**

The following table presents the Group's assets that are measured at fair value at 30 April 2025:

|                                            | <b>Level 1</b><br>£ | <b>Level 3</b><br>£ | <b>Total</b><br>£ |
|--------------------------------------------|---------------------|---------------------|-------------------|
| <b>Held at fair value</b>                  |                     |                     |                   |
| At 1 May 2024                              | 73,356              | 2,205,959           | 2,279,315         |
| <b>Additions during the year</b>           | -                   | (3,166)             | (3,166)           |
| <b>FV adjustment</b>                       | 19,131              | -                   | 19,131            |
| <b>At 30 April 2025</b>                    | 92,487              | 2,202,793           | 2,295,280         |
| <b>Net book value<br/>At 30 April 2025</b> | 92,487              | 2,202,793           | 2,295,280         |

There were no transfers between levels during the year.

**Financial Instruments**

**Financial risk management objectives**

The Group uses a limited number of financial instruments comprising mainly of cash and investments in companies. The Group has other financial instruments such as trade and other receivables and payables, that arise directly from operations.

|                              | <b>Group<br/>2025<br/>£</b> | <b>Group<br/>2024<br/>£</b> | <b>Company<br/>2025<br/>£</b> | <b>Company<br/>2024<br/>£</b> |
|------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| <b>Financial assets</b>      |                             |                             |                               |                               |
| Shares                       | 2,295,280                   | 2,279,315                   | 2,295,280                     | 2,279,315                     |
| Cash at bank                 | 496,401                     | 344,623                     | 496,401                       | 339,957                       |
| Other receivables            | 138,803                     | 83,480                      | 138,803                       | 83,480                        |
| <b>Total</b>                 | <b>2,930,484</b>            | <b>2,707,418</b>            | <b>2,930,484</b>              | <b>2,702,752</b>              |
| <b>Financial liabilities</b> |                             |                             |                               |                               |
| Other payables               | 67,461                      | 66,122                      | 2,529,960                     | 2,528,622                     |
| <b>Total</b>                 | <b>67,461</b>               | <b>66,122</b>               | <b>2,529,960</b>              | <b>2,528,622</b>              |

The Directors consider the carrying amounts of financial assets and financial liabilities recognised in the financial statements to approximate their fair value.

## **Quantum Exponential Group plc**

### **Notes to the financial statements**

### **For the year ended 30 April 2025**

#### **18. Financial instruments (continued)**

Exposure to currency, credit, liquidity and interest rate risk arise in the normal course of the Group's business. The Directors review and agree policies for managing each of these risks to minimize potential adverse effects on the Group's financial performance. Sensitivity analysis indicates none are likely to have a material impact on the profitability or net assets of the Group.

##### **Foreign currency risk**

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency.

The Group is exposed to foreign currency risk in that it holds options over shares that are denominated in US dollars. At 30 April 2025 these options were valued at \$124,000.

##### **Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company.

The maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised at the reporting date net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Generally, trade and other receivables are written off when there is no reasonable expectation of recovery.

##### **Interest rate risk**

The Group is not exposed to material interest rate risk. The Group finances its operations through cash reserves. The cash reserves held by the Group are with a major bank and have negated the need to use significant interest-bearing short-term borrowings.

##### **Liquidity risk**

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

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

##### **Fair value risk**

The aggregate net fair value and carrying amounts of all other assets and liabilities, including financial assets and financial liabilities, are disclosed in the Statement of Financial Position and the Notes.

##### **Capital risk factors**

The Group's primary source of capital is equity. The Board considers that a key operating risk is insufficient working capital to fund the planned growth of the Group. Funding is regularly assessed against forecasts and managed accordingly to minimize this risk. The Group is not subject to any externally imposed capital requirements.

##### **Market risk**

The Group may be affected by general market trends, which are unrelated to the performance of the Group itself.

Market opportunities targeted by the Group may change and this could lead to an adverse effect upon its revenue and earnings.

# Quantum Exponential Group plc

## Notes to the financial statements

### For the year ended 30 April 2025

#### 19. Capital management

The Group's objectives when managing capital are to safeguard the ability of the Group to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to provide an adequate return to shareholders.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors capital on the basis of the debt to capital ratio. Net debt is calculated as total debt (as shown in the statement of financial position) less cash and cash equivalents. Capital comprises all components of equity. The debt to capital is set out in the table below. The Group does not have a net debt position.

|                           | <b>Group<br/>2025<br/>£</b> | <b>Group<br/>2024<br/>£</b> | <b>Company<br/>2025<br/>£</b> | <b>Company<br/>2024<br/>£</b> |
|---------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Debt                      | 69,958                      | 75,701                      | 2,532,458                     | 2,538,201                     |
| Cash and cash equivalents | (496,401)                   | (344,623)                   | (496,401)                     | (339,957)                     |
| Net surplus / ( deficit ) | 426,443                     | 268,922                     | (2,036,057)                   | (2,198,244)                   |
| <b>Total equity</b>       | <b>2,860,526</b>            | <b>2,643,270</b>            | <b>2,860,526</b>              | <b>2,643,270</b>              |

#### 20. Reserves

##### Share premium

The share premium reserve represents the additional amount shareholders paid for their shares in excess of the par value less any transaction costs associated with the share issue.

##### Capital contributions

The capital contributions reserve represents the value of shares gifted to the Company.

##### Merger reserve

The merger reserve reflects the movement arising on the acquisition of the subsidiaries undertakings.

##### Other reserve

Other reserves represent investment in the Company's own shares by the Employee Benefit Trust (EBT).

##### Retained profit/(loss) reserve

The retained profit/(loss) reserve records retained earnings less accumulated losses.

##### Share based payment reserve

The share based payment reserve represents the fair value of options granted in the year.

# Quantum Exponential Group plc

## Notes to the financial statements

### For the year ended 30 April 2025

#### 21. Related party transactions

At 30 April 2025 the Company owed £2,462,500 (2024: £2,462,500) to a subsidiary undertaking. This amount is eliminated on consolidation.

Key management remuneration during the year was £41,500 (2024: £48,000)

#### 22. Director's transactions

During the year a total of £41,000 was paid to Rosie Walker Limited, a company controlled by Donald Stuart Nicol for consultancy services.

There were no other transactions with directors during the period other than those disclosed in note 7.

#### 23. Events after the balance sheet date

During September 2025 Quantum Exponential Group plc took part in an invest round in Singular Photonics Limited. Total investment was £99,999 for 59,523 shares representing 2.7% of the company.

During September 2025, Quantum Exponential Group plc entered into an advance subscription agreement with Siloton limited, an existing investment, under which we have invested an additional £100,000.

The issue of new shares in Quantum Exponential Group plc was completed on the 21<sup>st</sup> July 2025 with an additional 64,285,000 shares issued at GBP0.01 per share. The share capital following this is 436,160,000 shares of GBP0.01.

During September 2025, Quantum Exponential Group plc entered into an advance subscription agreement with Delta g Ltd, an existing investment, under which we have invested an additional £49,998.

#### 24. Ultimate controlling party

There is no single controlling party.

#### 25. Share based payments

In the prior period, options were granted to a director over 5m shares in the company at nil cost with vesting period of 12 months service from 1 July 2024 to 30 June 2025. The options were valued using a Black Scholes Model . On 19 June 2025, 5m shares were issued to the director.

In the prior period, inputs into the Black Sholes Model were as follows:

- Share price: £0.0238
- Volatility: 50%
- Risk free rate of return: 4.43%
- Expected option life: 1 year

At 30 April 2025, there were no options in issue.