

Blockchain Access (Ireland) Limited
Annual Report and Consolidated Financial Statements
for the financial year ended 31 December 2022

Blockchain Access (Ireland) Limited

CONTENTS

	Page
Directors and Other Information	3
Directors' Report	4 - 5
Directors' Responsibilities Statement	6
Independent Auditor's Report	7 - 9
Consolidated Income Statement	10
Consolidated Statement of Comprehensive Income	11
Consolidated Balance Sheet	12
Company Balance Sheet	13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	15
Consolidated Statement of Cash Flows	16
Notes to the Financial Statements	17 - 26
Supplementary Information on Trading Statement	28 - 29

Blockchain Access (Ireland) Limited DIRECTORS AND OTHER INFORMATION

Directors	Timothy Lubans Fiona De Lacy Murphy (Resigned 30 January 2023) Adam Schlisman (Appointed 1 November 2022, Resigned 17 October 2024) Eoin Whelan (Appointed 30 January 2023) Mr Minchung Kgil (Resigned 1 November 2022)
Company Secretary	Bradwell Limited
Company Number	679938
Business Address	10 Earlsfort Terrace Dublin 2
Auditors	Dains Ireland Chartered Accountants and Statutory Audit Firm 38 Main Street Swords Co. Dublin

Blockchain Access (Ireland) Limited

DIRECTORS' REPORT

for the financial year ended 31 December 2022

The Directors present their report and the audited financial statements for the financial year ended 31 December 2022.

Principal Activity and Review of the Business

The principal activities of the company are the holding of intangible assets and investments.

There has been no significant change in these activities during the financial year ended 31 December 2022.

The company's functional currency is US Dollars.

Results and Dividends

The loss for the financial year after providing for depreciation and taxation amounted to \$60,432,475 (2021 - \$(28,861,786)).

The directors do not recommend payment of a dividend.

At the end of the financial year, the group has assets of \$142,018,923 (2021 - \$179,207,247) and liabilities of \$45,950,905 (2021 - \$22,013,538). The net assets of the group have decreased by \$61,125,691.

Directors and Secretary

The directors who served throughout the financial year, except as noted, were as follows:

Timothy Lubans

Fiona De Lacy Murphy (Resigned 30 January 2023)

Adam Schlisman (Appointed 1 November 2022, Resigned 17 October 2024)

Eoin Whelan (Appointed 30 January 2023)

Mr Minchung Kgil (Resigned 1 November 2022)

The secretary who served throughout the financial year was Bradwell Limited.

The directors and company secretary had no direct beneficial interest in the shares of the company at the beginning or end of the financial year.

There were no changes in shareholdings between 31 December 2022 and the date of signing the financial statements.

Future Developments

The company plans to continue its present activities and current trading levels. Employees are kept as fully informed as practicable about developments within the business.

Post Balance Sheet Events

The Crypto currency market has fluctuated since year end. While this is significant, it is considered to be temporary and is not regarded as an adjusting event at 31 December 2022 carrying values of the intellectual property.

There have been no other significant events affecting the group since the financial year-end which would require disclosure in the financial statements.

Auditors

Dains Ireland is the trading name of McInerney Saunders Audit Limited.

The auditors, Dains Ireland, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Statement on Relevant Audit Information

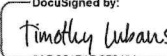
In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

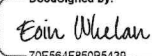
Blockchain Access (Ireland) Limited
DIRECTORS' REPORT
for the financial year ended 31 December 2022

Accounting Records

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at 10 Earlsfort Terrace, Dublin 2.

Signed on behalf of the board

DocuSigned by:

9A8C31F4D72431...
Timothy Lubans
Director
Date: December 23, 2025

DocuSigned by:

70E564F950B5430...
Eoin Whelan
Director
Date: December 23, 2025

Blockchain Access (Ireland) Limited

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2022

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

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

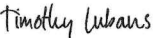
The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be readily and properly audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditor

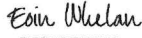
Each persons who are directors at the date of approval of this report confirms that:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the board

DocuSigned by:

DAB331F4D072631
Timothy Lubans
Director

Date: December 23, 2025

DocuSigned by:

70E504F250B5430
Eoin Whelan
Director

Date: December 23, 2025

INDEPENDENT AUDITOR'S REPORT

to the Shareholders of Blockchain Access (Ireland) Limited

Report on the audit of the financial statements

Opinion

We have audited the group and parent company financial statements of Blockchain Access (Ireland) Limited and its subsidiaries ('the group') for the financial year ended 31 December 2022 which comprise the Group Income Statement, the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and the related notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the group and parent company as at 31 December 2022 and of the group's loss for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosures made in note 5 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a significant loss during the financial year. This condition along other matters explained in note 5 to the financial statements indicate the existence of a material uncertainty that casts significant doubt as to whether the company can continue as a going concern without the support of other group undertakings and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not contain the adjustments that would result if the company was unable to continue as a going concern.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

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

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

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

INDEPENDENT AUDITOR'S REPORT to the Shareholders of Blockchain Access (Ireland) Limited

Matters on which we are required to report by exception

Based on the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and 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.

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

Auditor's responsibilities for the audit of the financial statements

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

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group and the parent company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the group and the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT to the Shareholders of Blockchain Access (Ireland) Limited

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the group's shareholders, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the group's shareholders 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 any responsibility to anyone other than the group and the group's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.



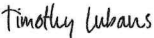
Donagh Waters
for and on behalf of
DAINS IRELAND
Chartered Accountants and Statutory Audit Firm
38 Main Street
Swords
Co. Dublin

Date: 22/12/2025

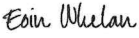
Blockchain Access (Ireland) Limited
CONSOLIDATED INCOME STATEMENT
for the financial year ended 31 December 2022

	Notes	2022 \$	2021 \$
Revenue	6	22,475,806	2,006,607
Cost of sales		-	(139,494)
Gross profit		22,475,806	1,867,113
Administrative expenses		(82,942,217)	(30,690,390)
Group operating loss	7	(60,466,411)	(28,823,277)
Other gains and losses	8	806,496	-
Interest receivable and similar income	9	46,602	-
Interest payable and similar expenses	10	-	(15,977)
Loss before taxation		(59,613,313)	(28,839,254)
Tax on loss	12	(819,162)	(22,532)
Loss for the financial year		(60,432,475)	(28,861,786)

Approved by the board on 22nd December 2025 and signed on its behalf by:

DocuSigned by:


Timothy Lubans
Director

DocuSigned by:


Eoin Whelan
Director

Blockchain Access (Ireland) Limited

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the financial year ended 31 December 2022

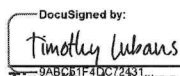
	2022 \$	2021 \$
Loss after taxation	(60,432,475)	(28,861,786)
Foreign exchange movement on net investment	(1,150,281)	-
Total comprehensive income for the financial year	<u>(61,585,756)</u>	<u>(28,861,786)</u>

Blockchain Access (Ireland) Limited CONSOLIDATED BALANCE SHEET

as at 31 December 2022

	Notes	2022 \$	2021 \$
Fixed Assets			
Intangible assets	14	32,633,915	95,382,203
Tangible assets	15	634,186	108,376
Fixed Assets		33,268,101	95,490,579
Current Assets			
Stocks	17	-	40,397
Debtors	18	108,417,143	83,212,903
Cash and cash equivalents		333,679	463,368
		108,750,822	83,716,668
Creditors: amounts falling due within one year	20	(45,950,905)	(22,013,538)
Net Current Assets		62,799,917	61,703,130
Total Assets less Current Liabilities		96,068,018	157,193,709
Capital and Reserves			
Called up share capital presented as equity	22	113	113
Share premium account	23	186,041,000	186,041,000
Revaluation reserve	23	337,556	-
Other reserves	23	133,891	14,382
Retained earnings		(90,444,542)	(28,861,786)
Equity attributable to owners of the company		96,068,018	157,193,709

Approved by the board on 22nd December 2025 and signed on its behalf by:

DocuSigned by:

 Timothy Lubans
 Director

DocuSigned by:

 Eoin Whelan
 Director

Blockchain Access (Ireland) Limited COMPANY BALANCE SHEET

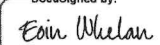
as at 31 December 2022

	Notes	2022 \$	2021 \$
Fixed Assets			
Intangible assets	14	28,749,034	93,373,157
Investments	16	2,960,284	2,125,076
		<u>31,709,318</u>	<u>95,498,233</u>
Current Assets			
Debtors	18	107,997,538	83,419,772
Creditors: Amounts falling due within one year	20	(53,881,032)	(20,223,480)
Net Current Assets		<u>54,116,506</u>	<u>63,196,292</u>
Total Assets less Current Liabilities		<u>85,825,824</u>	<u>158,694,525</u>
Capital and Reserves			
Called up share capital presented as equity	22	113	113
Share premium account	23	186,041,000	186,041,000
Revaluation reserve	23	337,556	-
Other reserves	23	14,382	14,382
Retained earnings	23	(100,567,227)	(27,360,970)
Shareholders' Funds		<u>85,825,824</u>	<u>158,694,525</u>

Approved by the board on Date: 22nd December 2025 and signed on its behalf by:

DocuSigned by:

 Timothy Lubans
 Director

DocuSigned by:

 Eoin Whelan
 Director

Blockchain Access (Ireland) Limited
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
as at 31 December 2022

	Called up share capital \$	Share premium account \$	Revaluation reserve \$	Retained earnings \$	Capital contribution reserve \$	Total \$
At 20 October 2020	-	-	-	-	-	-
Loss for the financial period	-	-	-	(28,861,786)	-	(28,861,786)
Net proceeds of equity ordinary share issue	113	186,041,000	-	-	-	186,041,113
Capital contribution received	-	-	-	-	14,382	14,382
At 31 December 2021	113	186,041,000	-	(28,861,786)	14,382	157,193,709
Loss for the financial year	-	-	-	(60,432,475)	-	(60,432,475)
Other comprehensive income	-	-	-	(1,150,281)	-	(1,150,281)
Total comprehensive income	-	-	-	(61,582,756)	-	(61,582,756)
Capital contribution received	-	-	-	-	119,509	119,509
Other movements in equity attributable to owners	-	-	337,556	-	-	337,556
At 31 December 2022	113	186,041,000	337,556	(90,444,542)	133,891	96,068,018

Blockchain Access (Ireland) Limited
COMPANY STATEMENT OF CHANGES IN EQUITY

as at 31 December 2022

	Called up share capital \$	Share premium account \$	Revaluation reserve \$	Retained earnings \$	Capital contribution reserve \$	Total \$
At 20 October 2020	-	-	-	-	-	-
Loss for the financial period	-	-	-	(27,360,970)	-	(27,360,970)
Net proceeds of equity ordinary share issue	113	186,041,000	-	-	-	186,041,113
Capital contribution received	-	-	-	-	14,382	14,382
At 31 December 2021	113	186,041,000	-	(27,369,070)	14,382	158,686,425
Loss for the financial year	-	-	-	(73,198,156)	-	(73,198,156)
Other movements in equity attributable to owners	-	-	337,556	-	-	337,556
At 31 December 2022	113	186,041,000	337,556	(100,567,227)	14,382	85,825,824

Blockchain Access (Ireland) Limited
CONSOLIDATED STATEMENT OF CASH FLOWS
for the financial year ended 31 December 2022

	Notes	2022 \$	2021 \$
Cash flows from operating activities			
Loss for the financial year		(60,432,475)	(28,861,786)
Adjustments for:			
Fair value gains and losses		(806,496)	-
Interest receivable and similar income		(46,602)	-
Interest payable and similar expenses		-	15,977
Tax on loss on ordinary activities		819,162	22,532
Depreciation and impairments		63,568,685	10,804,038
Amortisation of intangibles		456,456	223,227
Profit/loss on disposal of tangible assets		57,319	-
Foreign exchange differences		(1,150,281)	-
		<u>2,465,768</u>	<u>(17,796,012)</u>
Movements in working capital:			
Movement in stocks		40,397	(40,397)
Movement in debtors		(700,864)	(657,279)
Movement in creditors		544,725	2,430,819
		<u>2,350,026</u>	<u>(16,062,869)</u>
Cash generated from/(used in) operations		2,350,026	(16,062,869)
Interest paid		-	(15,977)
Tax paid		(611,467)	-
		<u>1,738,559</u>	<u>(16,078,846)</u>
Cash flows from investing activities			
Interest received		46,602	-
Payments to acquire intangible assets		(10,240,851)	(103,289,273)
Payments to acquire tangible assets		(1,054,488)	(110,244)
Receipts from sales of intangible assets		10,289,789	(3,118,327)
Receipts from sales of tangible assets		289,620	-
		<u>(669,328)</u>	<u>(106,517,844)</u>
Net cash used in investment activities		(669,328)	(106,517,844)
Cash flows from financing activities			
Issue of equity share capital		-	186,041,113
Advances to subsidiaries/group companies		(24,503,376)	(82,555,624)
Advances from subsidiaries/group companies		23,184,947	19,560,187
Capital contribution received		119,509	14,382
		<u>(1,198,920)</u>	<u>123,060,058</u>
Net cash (used in)/generated from financing activities		(1,198,920)	123,060,058
		<u>(129,689)</u>	<u>463,368</u>
Net (decrease)/increase in cash and cash equivalents		(129,689)	463,368
Cash and cash equivalents at beginning of financial year		463,368	-
		<u>333,679</u>	<u>463,368</u>
Cash and cash equivalents at end of financial year	19	<u>333,679</u>	<u>463,368</u>

Blockchain Access (Ireland) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

1. General Information

Blockchain Access (Ireland) Limited is a company limited by shares incorporated and registered in Ireland. The registered number of the company is 679938. The registered office of the company is 10 Earlsfort Terrace, Dublin 2, Ireland. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in US Dollar which is also the functional currency of the company.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

Statement of compliance

The financial statements of the company for the financial year ended 31 December 2022 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The company qualifies as a medium company as defined by section 280G of the Companies Act 2014 in respect of the financial year.

Revenue

Revenue comprises the invoice value of services supplied by the company, exclusive of trade discounts and value added tax.

Intangible assets

Intellectual property

Intellectual property are valued at cost less accumulated amortisation. The company carries out periodical valuations of its intangible assets and where necessary makes provision for impairments in valuation.

Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful life.

1. Domain Name - 10 years
2. Trademark - 10 years
3. Developed Technology - 10 years

Digital assets

Digital assets, including cryptocurrencies are classified as intangible assets. The company has elected to apply the revaluation model for subsequent measurement. Digital assets are therefore carried at fair value, determined by reference to prices quoted on an active market at the reporting date.

Goodwill

Purchased goodwill arising on the acquisition of a business represents the excess of the acquisition cost over the fair value of the identifiable net assets including other intangible fixed assets when they were acquired. Purchased goodwill is capitalised in the Balance Sheet and amortised on a straight line basis over its economic useful life of 0 years, which is estimated to be the period during which benefits are expected to arise. On disposal of a business any goodwill not yet amortised is included in determining the profit or loss on sale of the business.

Goodwill is reviewed for impairment at the end of the first full financial year following acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Blockchain Access (Ireland) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

Tangible assets and depreciation

Tangible assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible assets, less their estimated residual value, over their expected useful lives as follows:

Plant and machinery	-	20% Straight line
Fixtures, fittings and equipment	-	20% Straight line

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks are valued at the lower of cost and net realisable value. Stocks are determined on a first-in first-out basis. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Employee benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The company also operates a defined benefit pension scheme for its employees providing benefits based on final pensionable pay. The assets of this scheme are also held separately from those of the company, being invested with pension fund managers.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Balance Sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Income Statement.

Basis of consolidation

The consolidated financial statements include the financial statements of the holding company and all its subsidiary companies made up to 31 December 2022.

Ordinary share capital

The ordinary share capital of the company is presented as equity.

Blockchain Access (Ireland) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

3. Significant accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

4. Period of financial statements

The comparative figures relate to the 14 month period ended 31 December 2021.

5. Going concern

The company is still in a start up phase and has incurred significant losses during this, its second period of operations. However the company has significant net assets on its balance sheet at the year end, and is being supported financially by other group undertakings.

Having considered the overall financial position, the directors are confident that the company will have adequate financial resources available to continue in existence for the foreseeable future. On this basis they believe that it is appropriate that the financial statements are prepared on a going concern basis.

6. Revenue

The revenue for the financial year is analysed as follows:

	2022	2021
	\$	\$
Republic of Ireland	7,640,223	1,578,275
Rest of the World	14,835,583	428,332
	<u>22,475,806</u>	<u>2,006,607</u>

Revenue attributable to geographical markets outside the Republic of Ireland amounted to 66% for the financial year.

7. Operating loss

	2022	2021
	\$	\$
Operating loss is stated after charging/(crediting):		
Amortisation of intangible assets	3,800,099	10,802,170
Depreciation of tangible assets	181,739	1,868
Amortisation of goodwill	456,456	223,227
Loss/(profit) on disposal of tangible assets	57,319	-
Impairment of intangible assets	59,586,847	-
Profit on foreign currencies	(4,538,991)	(177,637)
	<u> </u>	<u> </u>

8. Other Gains and Losses

	2022	2021
	\$	\$
Fair value gains and losses are as follows:		
Digital assets	<u>806,496</u>	<u>-</u>

continued

Blockchain Access (Ireland) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

9. Interest receivable and similar income	2022	2021
	\$	\$
Other interest	<u>46,602</u>	<u>-</u>
10. Interest payable and similar expenses	2022	2021
	\$	\$
On bank loans and overdrafts	-	14,447
Interest on overdue tax	-	1,530
	<u>-</u>	<u>15,977</u>
11. Employees and remuneration		
Number of employees		
The average number of persons employed (including executive directors) during the financial year was as follows:		
	2022	2021
	Number	Number
Administration & Commercial	<u>99</u>	<u>89</u>
	<u>99</u>	<u>89</u>
The staff costs comprise:		
	2022	2021
	\$	\$
Wages and salaries	9,234,623	588,578
Social welfare costs	468,650	132,519
	<u>9,703,273</u>	<u>721,097</u>

continued

Blockchain Access (Ireland) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

12. Tax on loss	2022	2021
	\$	\$
(a) Analysis of charge in the financial year		
Current tax:		
Corporation tax at 12.50% (2021 - 12.50%)	182,364	8,101
Overseas tax	636,798	14,431
Total current tax	<u>819,162</u>	<u>22,532</u>
(b) Factors affecting tax charge for the financial year		
The tax assessed for the financial year differs from the standard rate of corporation tax in the Republic of Ireland 12.50% (2021 - 12.50%). The differences are explained below:		
	2022	2021
	\$	\$
Loss taxable at 12.50%	<u>(59,613,313)</u>	<u>(28,839,254)</u>
Loss before tax		
multiplied by the standard rate of corporation tax		
in the Republic of Ireland at 12.50% (2021 - 12.50%)	(7,451,664)	(3,604,907)
Effects of:		
Expenses not deductible for tax purposes	8,458,956	2,299,040
Capital allowances for period in excess of depreciation	(188,130)	1,328,399
Total tax charge for the financial year (Note 12 (a))	<u>819,162</u>	<u>22,532</u>

13. Loss attributable to members of the parent company

In accordance with section 304 of the Companies Act 2014 a separate Income Statement for the company has not been presented in these financial statements. The loss dealt with in the financial statements of the parent company was \$(73,015,793) (2021, \$(27,369,071)).

Blockchain Access (Ireland) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

14. Intangible assets
Group

	Intellectual property \$	Digital assets \$	Goodwill \$	Total \$
Cost				
At 1 January 2022	101,057,000	3,118,327	2,232,273	106,407,600
Additions	-	7,908,560	2,332,291	10,240,851
Disposals	-	(10,289,789)	-	(10,289,789)
At 31 December 2022	<u>101,057,000</u>	<u>737,098</u>	<u>4,564,564</u>	<u>106,358,662</u>
Provision for diminution in value				
At 1 January 2022	10,802,170	-	223,227	11,025,397
Amortisation	3,800,099	-	456,456	4,256,555
Revaluation gain impairment	59,586,847	(1,144,052)	-	(1,144,052)
At 31 December 2022	<u>74,189,116</u>	<u>(1,144,052)</u>	<u>679,683</u>	<u>73,724,747</u>
Net book value				
At 31 December 2022	<u>26,867,884</u>	<u>1,881,150</u>	<u>3,884,881</u>	<u>32,633,915</u>
At 31 December 2021	<u>90,254,830</u>	<u>3,118,327</u>	<u>2,009,046</u>	<u>95,382,203</u>

Company

	Intellectual property \$	Digital assets \$	Total \$
Cost			
At 1 January 2022	101,057,000	3,118,327	104,175,327
Additions	-	7,908,560	7,908,560
Disposals	-	(10,289,789)	(10,289,789)
At 31 December 2022	<u>101,057,000</u>	<u>737,098</u>	<u>101,794,098</u>
Provision for diminution in value			
At 1 January 2022	10,802,170	-	10,802,170
Charge for financial year	3,800,099	-	62,242,894
Revaluation gain impairment	59,586,847	(1,144,052)	(1,144,052)
At 31 December 2022	<u>74,189,116</u>	<u>(1,144,052)</u>	<u>73,045,064</u>
Net book value			
At 31 December 2022	<u>26,867,884</u>	<u>1,881,150</u>	<u>28,749,034</u>
At 31 December 2021	<u>90,254,830</u>	<u>3,118,327</u>	<u>93,373,157</u>

continued

Blockchain Access (Ireland) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

15. Tangible assets			
Group			
	Plant and machinery	Fixtures, fittings and equipment	Total
	\$	\$	\$
Cost			
At 1 January 2022	-	110,244	110,244
Additions	914,245	140,243	1,054,488
Disposals	(399,377)	(7,243)	(406,620)
At 31 December 2022	<u>514,868</u>	<u>243,244</u>	<u>758,112</u>
Depreciation			
At 1 January 2022	-	1,868	1,868
Charge for the financial year	173,065	8,674	181,739
On disposals	(59,350)	(331)	(59,681)
At 31 December 2022	<u>113,715</u>	<u>10,211</u>	<u>123,926</u>
Net book value			
At 31 December 2022	<u><u>401,153</u></u>	<u><u>233,033</u></u>	<u><u>634,186</u></u>
At 31 December 2021	<u><u>-</u></u>	<u><u>108,376</u></u>	<u><u>108,376</u></u>
16. Investments			
Company			
		Subsidiary undertakings shares	Total
		\$	\$
Investments			
Cost or Valuation			
At 1 January 2022		2,125,076	2,125,076
Additions		10,153,796	10,153,796
Impairment		(9,318,588)	(9,318,588)
At 31 December 2022		<u>2,960,284</u>	<u>2,960,284</u>
Net book value			
At 31 December 2022		<u><u>2,960,284</u></u>	<u><u>2,960,284</u></u>
At 31 December 2021		<u><u>2,125,076</u></u>	<u><u>2,125,076</u></u>
17. Stocks		2022	2021
		\$	\$
Group			
Finished goods and goods for resale		<u><u>-</u></u>	<u><u>40,397</u></u>

continued

Blockchain Access (Ireland) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

18. Debtors	2022	2021
	\$	\$
Group		
Trade debtors	1,150	19,851
Amounts owed by group undertakings	107,059,000	82,555,624
Other debtors	414,455	239,070
Taxation (Note 21)	787,776	172,493
Prepayments	154,762	225,865
	<u>108,417,143</u>	<u>83,212,903</u>
	2022	2021
	\$	\$
Company		
Trade debtors	-	1,112
Amounts owed by group undertakings	107,620,966	83,187,919
Other debtors	113	113
Taxation (Note 21)	319,084	13,814
Prepayments	57,375	216,814
	<u>107,997,538</u>	<u>83,419,772</u>
19. Cash and cash equivalents	2022	2021
	\$	\$
Cash and bank balances	333,679	446,810
Cash equivalents	-	16,558
	<u>333,679</u>	<u>463,368</u>
20. Creditors	2022	2021
Amounts falling due within one year	\$	\$
Group		
Trade creditors	1,754,277	1,363,948
Amounts owed to group undertakings	42,745,134	19,560,187
Taxation (Note 21)	920,443	235,690
Other creditors	247,498	34,720
Accruals	282,534	818,993
Deferred Income	1,019	-
	<u>45,950,905</u>	<u>22,013,538</u>
	2022	2021
Amounts falling due within one year	\$	\$
Company		
Trade creditors	1,316,312	906,488
Amounts owed to group undertakings	52,261,446	18,717,588
Taxation social welfare (Note 21)	190,465	14,276
Accruals	112,809	593,229
	<u>53,881,032</u>	<u>20,231,581</u>

continued

Blockchain Access (Ireland) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

21.	Taxation		2022	2021
			\$	\$
	Group			
	Debtors:			
	VAT		<u>787,776</u>	<u>172,493</u>
	Creditors:			
	Corporation tax		230,227	22,532
	PAYE		350,895	204,929
	Withholding tax		<u>339,321</u>	<u>8,229</u>
			<u>920,443</u>	<u>235,690</u>
			2022	2021
			\$	\$
	Company			
	Debtors:			
	VAT		<u>319,084</u>	<u>13,814</u>
	Creditors:			
	Corporation tax		190,465	8,101
	PAYE		-	6,175
			<u>190,465</u>	<u>14,276</u>
22.	Share capital		2022	2021
			\$	\$
	Description	Number of shares	Value of units	
	Allotted, called up and fully paid			
	Ordinary Shares	113	\$1.00 each	<u>113</u>
				<u>113</u>
23.	Reserves			
	Share Premium Reserve			
	The amount carried forward is the premium that arose from the issue of shares in 2021.			
24.	Capital commitments			
	Group			
	The group had no material capital commitments at the financial year-ended 31 December 2022.			
	Company			
	The company had no material capital commitments at the financial year-ended 31 December 2022.			
25.	Related party transactions			
	The company has availed of the exemption under FRS 102 Section 1A in relation to the disclosure of transactions with group undertakings.			

Blockchain Access (Ireland) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

26. Post-Balance Sheet Events

The Crypto currency market has fluctuated since year end. While this is significant, it is considered to be temporary and is not regarded as an adjusting event at 31 December 2022 carrying values of the intellectual property.

There have been no other significant events affecting the group since the financial year-end which would require disclosure in the financial statements.

27. Changes in Equity

Other Comprehensive Income	2022 \$	2021 \$
Retained earnings foreign exchange difference on net investments	<u>(1,150,281)</u>	<u>-</u>

28 Reconciliation of Net Cash Flow to Movement in Net Debt

	Opening balance	Foreign Exchange Movement	Closing balance
	\$	\$	\$
Exchange differences	-	(1,150,281)	(1,150,281)
Total liabilities from financing activities	<u>-</u>	<u>(1,150,281)</u>	<u>(1,150,281)</u>
Total Cash and cash equivalents (Note 19)			<u>333,679</u>
Total net debt			<u>(816,602)</u>

29. Comparatives

Comparatives have been regrouped where necessary in order to be consistent with current year classifications.

30. Parent and ultimate parent company

The company regards Blockchain.com Global Inc. as its parent company.

The company's ultimate parent undertaking is Blockchain.com Group Holdings Inc.

Blockchain.com Group Holdings Inc. is regarded as both the controlling party and the ultimate controlling party. Blockchain.com Group Holdings Inc. is registered in the Cayman Islands.

31. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on ~~22nd December 2025~~.