BLUE STAR

Annual Report and Financial Statements

for the year ended 30 September 2024

Company Registration No. 12291603 (England and Wales)

Contents

Directors and Advisers

For the year ended 30 September 2024

Directors	Anthony Fabrizi *(Executive Chairman and Company Secretary)* Sean King *(Non-executive Director)*
Registered Office	Griffin House 135 High Street Crawley RH10 1DQ
Company Number	05174441
Nominated Adviser	Cairn Financial Advisers LLP 9th floor 107 Cheapside London EC2V 6DN
Nominated Broker	Axis Capital Markets Limited 27 Clements Lane London EC4N 7AE
Auditor	Adler Shine LLP Chartered Accountants and Statutory Auditor Aston House Cornwall Avenue London N3 1LF
Solicitors	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
Registrars	Avenir Registrars Limited 5 St John's Lane London EC1M 4BH

Chairman's Statement

For the year ended 30 September 2024

The last financial year was another very disappointing year for Blue Star Capital plc ("the Company" or "Blue Star") with the Company's Net Asset Value ("NAV") decreasing by 82% to £937,381 (2023: £5,329,347) and the Company incurring a pre-tax loss of £4,491,966 (2023: loss £6,328,408). The significant decline in NAV and loss for the year principally reflect the write down of our investment in SatoshiPay from £4,653,099 to £581,068. As we explain later in my report, the valuation of SatoshiPay is currently subject to increased uncertainty and we have therefore adopted a more prudent approach to valuation. The Company ended the year with cash of £5,828 (2023: £63,158). Post year end, the Company raised gross proceeds of £150,000 from the issue of new ordinary shares to provide additional working capital and to enable it to participate in a fund raise by SatoshiPay.

We provide the following portfolio company overviews for the year ended 30 September 2024.

Blockchain and decentralised finance

SatoshiPay

SatoshiPay's mission is to connect the world through instant payments. To achieve this ambition, SatoshiPay initially focussed on building the Pendulum Network Project ("Pendulum").

Pendulum, a smart-blockchain infrastructure technology company, aims to decentralize forex and traditional finance, by providing the missing link between fiat currency and De-Fi ecosystems through a sophisticated smart contract network. Pendulum is committed to advancing foreign exchange ("Forex") trading into the blockchain space to integrate a tranche of the US$6.6 trillion traded daily in Forex markets.

In the period under review, Pendulum achieved certain key operational milestones, most notably:

- In December 2023, an HRMP channel was opened with Moonbeam Network helping to demonstrate Pendulum's partnerships strategy. This launch helped enable additional functionalities for the PEN token and stablecoin activities within the Moonbeam ecosystem and assisted with the listing of PEN on Moonbeam's DEX Stellaswap in early January 2024.

- In March 2024, its blockchain bridge connecting the Stellar and Polkadot networks, 'Spacewalk', went live on the Pendulum network. Pendulum described Spacewalk as a trust-minimised decentralised bridge between the Polkadot and Stellar ecosystems, enabling efficient transfers of fiat-backed stablecoins and cryptocurrencies, and serves as a critical link that allows the Pendulum chain to leverage the vast array of fiat-backed stable tokens available on the Stellar blockchain, paving the way for the development of a fiat-based decentralised finance ecosystem.

Unfortunately, despite meeting these important operational targets, Pendulum has so far struggled to build meaningful industry support and the required user interest in its product offering to move forward as originally hoped.

SatoshiPay currently owns around 10.92 million PEN tokens in vesting, which have a value of approximately US$160,000 based on the closing PEN token price of US$0.0148 on 19 March 2025.

The second project incubated by SatoshiPay was Nabla.fi. Nabla is a next-generation decentralised exchange designed to optimise swap rates and consequently provide attractive FX rates on-chain. Nabla was launched on Arbitrum and Base generating yield on crypto tokens such as WTBC, WETH and USDC through trading volumes.

For successfully incubating Nabla, SatoshiPay owns 50.76 million NABLA tokens in vesting, which have a value of approximately US$155,000 based on the closing NABLA token price of US$0.00306 on 19 March 2025.

In last years' results we noted that a decision had been taken in early 2023 to mothball Dtransfer, given the need to focus resources on Pendulum and Nabla. However, with their growing experience of the De-Fi space and lessons learnt with Pendulum, the SatoshiPay team re-examined the market for international cross-border payments and decided that an opportunity now existed to launch a Dtransfer equivalent called Vortex. Since June 2024 nearly all of the Company's focus and resources have been targeted at Vortex, a project built on Pendulum.

Chairman's Statement continued
For the year ended 30 September 2024

The Vortex platform will enable users to seamlessly swap stablecoins for local fiat currencies at significantly lower costs than current market rates. This presents a substantial opportunity in a rapidly growing market, with cross-border stablecoin payments valued at US$27 billion in 2023 and projected to reach US$137 billion by 2028. This growth highlights a US$14 billion volume in the on/off-ramp market opportunity over the next four years.

Vortex's business model is built around enabling easy to complete currency conversions and bank transfers with ultra-low costs and no hidden fees. Vortex achieves this with a stablecoin-optimised decentralized exchange together with local-currency on and offramp partners. By leveraging chain abstraction, Vortex offers a fluid user experience across different blockchain ecosystems. Vortex builds on top of Nabla technology and uses Pendulum infrastructure for providing its service to users of various blockchains, e.g. Polygon.

In order to build out the value of Vortex and therefore SatoshiPay (which currently owns 100% of Vortex), SatoshiPay's management decided to raise working capital as well as applying for industry specific grants. On 25 February 2025, SatoshiPay announced that it had completed a €400,000 fundraise, through a SAFE (Simple Agreement for Future Equity) funding round marketed to existing investors in SatoshiPay. Blue Star subscribed for €75,000 in the SAFE funding round.

A SAFE funding round does not immediately issue equity or change the shareholding structure of SatoshiPay. Conversion of the SAFE funding into equity will only occur in the event of satisfying its predefined conditions, including but not limited to; a future funding round, a change of control, or an IPO, as outlined in the SAFE agreement.

The SAFE funding was completed at a valuation cap of €2.5 million, which sets the maximum price at which the SAFE funding converts, representing a significant discount compared to SatoshiPay's last equity funding round in February 2019. The true valuation of SatoshiPay at the time of the conversion will depend on the terms of any future equity funding round.

In addition to Blue Star, the other key investors that participated in the SAFE funding were Meinhard Benn, founder and Chairman of SatoshiPay and Daniel Masters, Non-Executive Director of SatoshiPay and Chairman of CoinShares Limited, both investing in a personal capacity. The SAFE fundraise, in conjunction with the grant awarded by the Web3 Foundation for approximately US$460,000 announced 18 February 2025, is expected to provide SatoshiPay with sufficient working capital ahead of a further anticipated Series A fundraising for SatoshiPay in 2025.

SatoshiPay intends to deploy the funds recently raised to assist market roll outs in Europe and South America and expand blockchain integrations, which includes deployments on networks such as Base, Ethereum, Polygon, Arbitrum, Binance Smart Chain, and Polkadot, fostering interoperability across major ecosystems.

In its most recent results to 31 December 2023, SatoshiPay achieved turnover of €3,362,443 and profits after tax of €419,912.

Blue Star currently has a 27.9% interest in SatoshiPay's share capital. This shareholding has historically been valued, in accordance with the Company's long-standing accounting policy, on the basis of the last external fund raise. This took place in 2019 and on this basis the shareholding was valued in last year's accounts at approximately £4.65 million. As mentioned above, the recent fund raise by SatoshiPay while not an equity raise in the traditional sense did put a cap on the value at which the SAFE funds could be converted of €2.5 million. While the SAFE fundraise does not directly establish a new valuation for SatoshiPay, the Board believed that the most prudent accounting approach was to use the valuation cap as a reference point for financial reporting purposes. This approach is conservative and reflects the terms on which recent capital was raised, though the true valuation of SatoshiPay will only be determined at the time of a future equity round. It was for this reason that Blue Star felt it important to participate in the round and we contributed 18.75% of the SAFE raise ensuring only modest dilution from our current percentage which remains unchanged at current shareholding of 27.9%.

Finally, as previously announced, the sales process being undertaken by Benchmark International has been postponed indefinitely until a clearer value can be established for SatoshiPay.

Chairman's Statement continued
For the year ended 30 September 2024

Esports

Details of Blue Star's two Esports investments are provided below.

Dynasty Media & Gaming

Dynasty has undergone significant changes in the last year both from a business and corporate perspective.

As a result of extensive technology development over the last 18 months, Dynasty's platform has now migrated to a single code base as well as combining the following key features, licenses, and accreditations in one single platform:

- Enterprise grade international esports tournament engine accredited and endorsed by major international games publishers including Riot, Activision and Supercell to run professional leagues and mass market grassroots esports feeder leagues.
- The only enterprise grade esports platform and gaming shop that:
    - o supports international standard professional esports tournaments for both PC and Mobile games, the world's fastest growing gaming sector;
    - o is optimised for key hyper-growth 'mobile first' markets. Dynasty optimised its mobile experience to 30MB, perfect for mobile first markets such as India, Africa, SEA and LATAM;
    - o incorporates a payment wallet, subscription engine, digital voucher and top up shop, with full security accreditation;
    - o can deliver and launch a fully branded, fully functional partner platform within 4 weeks. This has been enabled by a single code cloud-based code structure.
- Full customer relationship management campaign engine to increase monetisation and engagement.
- Unique User Generated Tournament engine that allows users to create entry fee and prize pool tournaments, sharing in platform monetisation.

With the underlying technology platform development largely completed, the business has now moved focus to content and engagement strategies. To achieve this critical pivot, Dynasty undertook two key corporate transactions; first merging with Googly in March 2024, followed by Lets Play Live Ltd ("LPL") in July 2024. In addition, Dynasty also helped launch Lightning Dragon in the Philippines where it has retained a significant role.

As previously announced, to help support Dynasty through its critical transitioning phase, Blue Star invested US$75,000 in a US$3 million fundraise undertaken by Dynasty in November 2023. The Convertible Loan Note had a two-year expiry period, was non-interest bearing and converted at a discount of 50% to Dynasty's next funding round.

Details of the Dynasty merger with Googly were announced on 13 March 2024, in which Dynasty entered into an agreement to acquire the entire assets and business of Googly for a purchase consideration of approximately US$7.6 million in an all-share acquisition that valued the combined entity at US$15 million. In addition, the Company was also informed that a large number of Convertible Loan Note holders intended to convert post the Acquisition and the Company decided to convert its US$75,000 Convertible Loan at that point.

In July 2024 Dynasty completed the all-scrip acquisition of Lets Play Live Media, an Oceania-based business specialising in curating, hosting and broadcasting virtual and live gaming events. This transaction valued LPL at 15% of the enlarged group, effectively placing a value on the combined business of US$18.3 million.

Following these transactions the enlarged group now combines LPL's long standing relationships with major global game publishers and major global consumer brands together with its event delivery and broadcast capability with Dynasty's world-leading technology platform and infrastructure to deliver a unique proposition to gamers, publishers and brands.

Chairman's Statement continued

For the year ended 30 September 2024

Recognising LPL's brand in the gaming community, the platform is in the process of rebranding as Lets Play Live, replacing the various Googly, Dynasty, Lightening Dragon and other platform brands that are presently in market. This single presentation of the business should maximise reach and appeal to brand partners and publishers.

Moving away from the development-heavy stage has allowed the business to substantially reduce costs. We understand the Company is presently exploring options for raising additional growth capital to drive aggressive expansion in existing markets in Australia, New Zealand, South East Asia and India, as well as the Middle East and North America. We expect to have further communication on this front in the coming months.

Post the conversion of the Company's Convertible Loan Notes and the acquisition of Googly and LPL, Blue Star's shareholding in the enlarged business currently represents 1.94% with a value of approximately £279,300.

Paidia

Paidia, an all-women's esports business, has seen a significant interest in its e-gaming tournament hosting software Paidia Bot, which assists in creating channels, roles and a tournament web page. Paidia Bot is currently installed on over 4,000 Discord servers, reaching over 100,000 active users. Downloads of the application have increased significantly in recent months demonstrating strong organic market demand with minimal marketing spend or campaigns executed by the company. Paidia has monthly recurring revenue of CAD$60,OOO per month, and anticipates becoming cash flow positive during the second half of 2025. Blue Star's holding is currently valued at approximately £96,425.

Other investment

Sthaler Limited

Sthaler is a Digital Identity business which enables an individual to identify themselves using the unique vein patterns within a finger. Its FinGo ID platform uses a biometric called VeinID which instantly recognises an individual through the unique pattern of veins inside each finger. FinGo Pay is approved to authenticate multiple payment types including payment cards and real-time payments (bank-to-bank). Blue Star's holding is currently valued at approximately £13,600.

Outlook

Last year was clearly another extremely disappointing for everyone connected with Blue Star. We supported our investee businesses to the extent possible and participated in follow-on investments in our two principal investments. The future of Blue Star is clearly inextricably linked to the future success of Vortex and its associated impact on the valuation of SatoshiPay. Given the early-stage nature of Vortex it is difficult to gauge with any certainty whether it will be successful. The business is focused on a very large global market and products like Vortex are likely to be successful, whether that will include Vortex is impossible to say at this stage. While this process is ongoing the Board has waived any right to remuneration in the period to at least December 2025 It has taken all actions possible to eliminate all non-essential spending and cut costs wherever possible. As a result of these measures the operating expenses of the Company were reduced by 24% last year. The Board will update shareholders as soon as it has any meaningful news.

Anthony Fabrizi
Executive Chairman

27 March 2025

Chairman's Corporate Governance Statement

For the year ended 30 September 2024

As Chairman of the Board of Directors of Blue Star Capital Plc (the Company), it is my responsibility to ensure that the Company has sound corporate governance and an effective Board and committees. The Company is an AIM listed investment company with a focus on new technologies.

The Company has adopted the principles of the Quoted Companies Alliance Corporate Governance Code (QCA Code) for small and mid-size quoted companies. The QCA Code identifies ten principles that they consider to be appropriate arrangements and asks companies to provide an explanation on how they are meeting the principles. The Board considers that the Company complies with the QCA Code so far as it is practicable having regard to the size, and complexity of the Company and its business.

These disclosures are set out on the basis of the current Company and the Board highlights where it has departed from the Code presently.

The following paragraphs set out the Company's compliance with the 10 principles of the QCA code and the information below was last updated on 25 March 2025.

1. Establish a strategy and business model which promotes long-term value for shareholders

The Company's strategy is to invest in fast growing private companies with the objective of achieving an increase in capital value. Our business model is to attract businesses through our network of contacts and to offer a pro-active and supportive approach to the management of investee companies which fosters confidence and trust.

Investing in early-stage companies presents many challenges. The Board considers that the key challenge in executing the Company's plan is identifying early-stage opportunities where it is likely that the investee will progress rapidly and the investment will therefore rise in value.

The Board's approach is intended to deliver shareholder returns through capital appreciation. Challenges to delivering strategy, long-term goals and capital appreciation are an uncertainty in relation to organisational, operational, financial and strategic risks, all of which are outlined in the Risk Management section below, as well as steps the Board takes to protect the Company by mitigating these risks and secure a long-term future for the Company.

Given the size of the Company and the historic limited cash resources, we believe the strategy and business model we have adopted is consistent with our goal of promoting long term value for shareholders and achieving realisations of the investment portfolio.

2. Seek to understand and meet shareholder needs and expectations

The Company is committed to communicating openly with its shareholders to ensure that its strategy, business model and performance are clearly understood. The principal forms of communication are the Annual Report and Accounts, full and half-year announcements, trading updates, other Regulatory News Service announcements and its website.

The Company also maintains a dialogue with shareholders through Annual General Meetings, which provides an opportunity to meet, listen and present to shareholders, and shareholders are encouraged to attend in order to express their views on the Company's business activities and performance.

The Company's website is kept updated and contains details of relevant developments and has a facility for questions to be addressed to the Company and it is the Board's commitment that all reasonable questions are answered promptly.

Anthony Fabrizi is the shareholder liaison and his contact details are on all announcements made by the Company.

Chairman's Corporate Governance Statement continued

For the year ended 30 September 2024

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Company's business is focused on making and appraising investments as a minority shareholder. As such, stakeholder and social responsibilities, in terms of impact on society, the communities within which the Company operates and the environment, apply less than that of an operating company. Therefore, the Company appraises its social responsibilities as part of its investment appraisal process.

The key resource on which the Company relies is the collective experience of the Directors. All employees within the Company are valued members of the team, and the Board seeks to implement provisions to retain and incentivise all its employees. The Company offers equal opportunities regardless of race, gender, gender identity or reassignment, age, disability, religion of sexual orientation.

In terms of its shareholders, the Company aims to provide transparent and balanced information to encourage support and confidence in the Board's approach.

The Board recognises that the long-term success of the Company is reliant upon the efforts of employees, regulators and many other stakeholders and has close ongoing relationships with a broad range of its stakeholders.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board recognises the need for an effective and well-defined risk management process and it oversees and regularly reviews the current risk management and internal control mechanisms.

The Company considers risk management to fall into two broad categories, being the investment activity of the Company and the operations of the Company.

(a) The investment risk is considered as part of the appraisal processes and by way of due diligence and ongoing monitoring.

(b) The Company uses internal appraisal and the annual audit to ensure financial risks are evaluated in detail. Board meetings are also used for the directors to raise any issues relating to business risk arising from the Company's business model and operations.

Dealings in the Company's shares are monitored and any dealings must first be approved by the Chairman.

The Audit Committee consists of Anthony Fabrizi (Chair) and Sean King. The Committee meets at least twice a year and is responsible for monitoring the quality of internal controls, ensuring the financial performance of the Company is being properly measured and reported on, meeting with the auditors and reviewing reports from the auditors relating to accounting and internal controls.

Chairman's Corporate Governance Statement continued

For the year ended 30 September 2024

The risk assessment matrix below sets out and categorises key risks, and outlines the mitigating actions which are in place. This matrix is updated as changes arise in the nature of risks or the mitigating actions implemented, and the Board reviews these on a regular basis. The Company has identified the principal risks to the Company achieving its objectives as follows:

Risk	Potential Impact	Mitigation
Loss or impairment of investments	The fall in value of investments would have a material adverse effect on our operations and financial performance. The value of investments, in particular those at an early stage of development, can be highly volatile.	This is mitigated by careful management of investments and in particular, only continuing to support those investments which demonstrate potential to achieve a positive exit and decisively determining those which do not. Portfolio and capital management techniques are fully applied according to industry standard practice.
Ability to raise further funds through issue of shares or disposal of unlisted investments	Our business model depends on our ability to raise debt and/or equity funding to finance future investments and overheads in the Company. There can be no guarantee that we will be able to raise funds, particularly in the current economic climate.	The Board has decided not to make any new investments for the foreseeable future and to focus on the existing portfolio. If there is a requirement for additional funds the Company has the ability to issue shares for cash and has always had support from shareholders previously.
Ability to identify further suitable investment opportunities	There is no guarantee that investment opportunities will be available, and the Company may incur costs in conducting due diligence into potential investment opportunities that may not result in an investment being made.	The Board has previously announced that it does not intend to make any new investments without shareholder approval.

The Board considers that an internal audit function is not considered necessary or practical due to the size of the Company and the day-to-day control exercised by the Directors. However, the Board will monitor the need for an internal audit function. The Board has established appropriate reporting and control mechanisms to ensure the effectiveness of its control systems.

5. Maintain the Board as a well-functioning, balanced team led by the Chair

The Board recognises the QCA recommendation for a balance between Executive and Non-executive Directors and the recommendation that there be at least two Independent Non-executives.

The Board currently consists of two directors, the executive Chairman and one non-executive Director. The Board intends to appoint a second Independent Non-executive director when a suitable candidate can be identified.

The Company has in place two committees, the Audit and Remuneration Committees. The Directors of the Company are committed to sound governance of the business and each devotes sufficient time to ensure this happens. The Board holds at least 6 Board meetings per year and at least two committee meetings.

Board meetings cover regular business, investments, finance and operations. The Chairman prepares the Board agenda and circulates relevant documents. The Chairman is responsible for ensuring that relevant and accurate information is supplied for all Board and committee meetings.

Chairman's Corporate Governance Statement continued

For the year ended 30 September 2024

6. Ensure that between them, the Directors have the necessary up-to-date experience, skills and capabilities

The Company believes that the Board as a whole has significant experience in the financial services industry and in investments.

The Board believes they have the requisite mix of skills and experience to successfully execute the business strategy in order to meet the Company's objectives.

Anthony Fabrizi, Executive Chairman, Chair or Audit Committee

Appointed 16 September 2022.

Anthony Fabrizi qualified as a Chartered Accountant with KPMG before working in corporate finance at HSBC Investment Bank. He later established Ghaliston Limited as a corporate finance advisory business. Ghaliston acquired Merchant Securities Limited, a private client stockbroking business and the enlarged company listed on AIM in November 2006. Anthony resigned as CEO of that company in June 2008.

Over the last ten years Anthony has advised a number of private companies as well as taking on the role of CEO of Blue Star in July 2012 until his resignation in February 2021. In the interim period, Anthony has been heavily involved in Fruitlab Media Limited a gaming business with its own token, the PIP

Sean King, Non-executive Director, Chair of Remuneration Committee

Appointed on 24 January 2019.

Sean King has over 20 years' experience in publishing and digital content, having set up Square One Group in 1994, which was one of the fastest growing independent content agencies in the UK. In 2007, Square One Group was acquired by rival Seven Publishing (backed by Guardian Media Group and Caledonia Investment Trust) with Sean King acting as CEO for the enlarged group until stepping down in April 2018.

After stepping down as CEO of SevenC3, Sean King now acts as an independent adviser to a number of businesses in media and technology and is heavily involved in the start-up sector.

Biographical details of the Directors can be found on the Company's website.

The Company's Nominated Adviser ("NOMAD") assists with AIM matters and ensures that all Directors are aware of their responsibilities. The Directors also have access to the Company's lawyers as and when required and are able to obtain advice from other external bodies when necessary.

Board composition is always a factor for contemplation in relation to succession planning. The Board will seek to take into account any Board imbalances for future nominations, with areas taken into account including Board independence and gender balance. The Company considers that at this stage of its development and given the current size of its Board, it is not necessary to establish a formal Nominations Committee. Instead, appointments to the Board are made by the Board as a whole. This position however, is reviewed on a regular basis by the Board.

7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Directors consider that the Company and Board are not yet of a sufficient size and complexity for a full Board evaluation to make commercial and practical sense. The Board acknowledges that it is non-compliant with its processes to evaluate the performance of the Board.

In view of the size of the Board, the responsibility for proposing and considering candidates for appointment to the Board as well as succession planning is retained by the Board. All Directors submit themselves for re-election at the AGM at regular intervals.

Chairman's Corporate Governance Statement continued

For the year ended 30 September 2024

8. Promote a corporate culture that is based on ethical values and behaviours

The Board believes that by acting ethically and promoting strong core values it will gain a reputation for honesty and that this will attract business and help the long-term objectives of the Company. As such the Board adopts an open approach to all investors, investment opportunities and all its advisers and service providers.

The Board further considers the activities of and persons involved with potential investee companies as part of its due diligence processes.

The Board places great importance on the responsibility of accurate financial statements and auditing standards comply with Auditing Practice Board's (APB's) and Ethical Standards for Auditors. The Board places great importance on accuracy and honesty, and seeks to ensure that this aspect of corporate life flows through all that the Company does.

A large part of the Company's activities is centred upon an open and respectful dialogue with stakeholders. The Directors consider that the Company has an open culture facilitating comprehensive dialogue and feedback. Whilst the Company has a small number of employees, the Board maintains that as the Company grows it intends to maintain and develop strong processes which promote ethical values and behaviours across the Company.

The Board complies with Rule 21 of the AIM Rules for Companies relating to dealings in the Company's securities by the Directors and other Applicable Employees. To this end, the Company has adopted a code for Directors' dealings appropriate for a company whose shares are admitted to trading on AIM and takes all reasonable steps to ensure compliance by the Board of Directors.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board is committed to, and ultimately responsible for, high standards of corporate governance and notes the departure from the Code in terms of independence on the Board. The Board reviews the Company's corporate governance arrangements regularly and expects these to evolve over time, in line with the Company's growth. The Board delegates responsibilities to Committees and individuals as it sees fit.

It is the role of the Chairman to manage the Board and advise its conduct.

The Executive Chairman is responsible for the day-to-day management of the Company's activities.

The matters reserved for the Board are:

(a) Defining the long-term strategy for the Company;

(b) Approving all major investments;

(c) Approving any changes to the Capital and debt structure of the Company;

(d) Approving the full year and half year results and reports;

(e) Approving resolutions to be put to the AGM and any general meetings of the Company;

(f) Approving changes to the Advisory team; and

(g) Approving changes to the Board structure.

The Board delegates authority to the Audit and Remuneration Committees to assist in meeting its business objectives and the Committees meet independently of Board meetings. The membership of each Committee is listed below.

Audit committee

The Audit Committee consists of Anthony Fabrizi (Chair) and Sean King. The Committee meets at least twice a year and more frequently if required. The Committee is responsible for monitoring the quality of internal controls, ensuring the financial performance of the Company is being properly measured and reported on, meeting with the auditors and reviewing reports from the auditors relating to accounting and internal controls.

Chairman's Corporate Governance Statement continued

For the year ended 30 September 2024

Remuneration committee

The Remuneration Committee consists of Sean King (Chair) and Anthony Fabrizi. The Committee reviews the performance of the Executive Directors, sets the scale and structure of their remuneration and reviews the basis of their service agreements with due regard to the interests of the shareholders. The Remuneration Committee will also make recommendations concerning the allocation of share options to Directors and employees, if appropriate. No Director is permitted to participate in discussions concerning their own remuneration. The remuneration and terms of appointment of Non-Executive Directors are set by the Board as a whole. In exercising this role, the members of the Remuneration Committee regard the recommendations put forward in the QCA Code and, where appropriate, the UK Corporate Governance Code guidelines.

10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board is committed to maintaining effective communication and having constructive dialogue with its stakeholders. All shareholders are encouraged to attend the Company's Annual General Meeting and the Board discloses the result of General Meetings by way of announcement. All AGM resolutions in the financial year were passed comfortably.

Accounts are also available to highlight any governance matters which the Board believes should be brought to the attention of shareholders and other relevant stakeholders.

Information on the Investor Relations section of the Company's website is kept updated and contains details of relevant developments, regulatory announcements, financial reports and shareholder circulars. Shareholders with a specific enquiry can contact us on the website contact page.

Anthony Fabrizi
Executive Chairman

27 March 2025

Strategic Report

For the year ended 30 September 2024

The Directors present their strategic report on the Company for the year ended 30 September 2024.

Review of Business and Analysis Using Key Performance Indicators

The full year's loss was £4,491,966 compared to a loss of £6,328,408 for the year ended 30 September 2023.

Net assets have decreased to £937,381 at 30 September 2024, changing from £5,329,347 at 30 September 2023.

The cash position at the end of the year decreased to £5,828 from £63,158 as at 30 September 2023.

During the year, there was a fair value decrease in the company's investment assets of £4,312,519 (2023: £5,762,911 loss). A full review of the company's portfolio investments is provided in the Chairman's statements.

Key Performance Indicators

The Board monitors the activities and performance of the Company on a regular basis. The indicators set out below have been used by the Board to assess performance over the year to 30 September 2024. The main KPIs for the Company are listed as follows:

	2024	2023
Valuation of investments	£970,394	£5,291,806
Cash and cash equivalents	£5,828	£63,158
Net current (liabilities)/assets	(£33,013)	£37,541
Loss before tax	£4,491,966	£6,328,408
Net asset value per share	0.02p	0.11p

Investing Policy

Assets or companies in which the Company can invest

The Company can invest in assets or companies in, inter alia, the following sectors:

- Technology;
- Gaming and esports; and
- Media

The Company's geographical range is mainly UK companies but considers opportunities globally and will actively co-invest in larger deals.

The Company can take positions in investee companies by way of equity, debt or convertible or hybrid securities.

Whether investments will be active or passive investments

The Company's investments are passive in nature but may be actively managed. The Company may be represented on, or observe, the boards of its investee companies.

Holding period for investments

The Company's investments are likely to be illiquid and consequently are to be held for the medium to long term

Spread of investments and maximum exposure limits, policy in relation to cross-holdings and investing restrictions

The Company does not have any maximum exposure limits, limits on cross-holdings or other investing restrictions. Under normal circumstances, it is the Directors' intention not to invest more than 10% of the Company's gross assets in any individual company (calculated at the time of investment). The Company has accumulated a 27.9% stake in SatoshiPay, which the Board believes represents a rare opportunity to generate significant shareholder value.

Strategic Report continued
For the year ended 30 September 2024

Policy in relation to gearing

The Directors may exercise the powers of the Company to borrow money and to give security over its assets. The Company may also be indirectly exposed to the effects of gearing to the extent that investee companies have outstanding borrowings.

Returns and distribution policy

It is anticipated that returns from the Company's investment portfolio will arise upon realisation or sale of its investee companies, rather than from dividends received. Whilst it is not possible to determine the timing of exits, the Board will seek to return capital to shareholders when appropriate.

Future developments

The Company is working closely with its largest investee business, SatoshiPay, to establish an independent valuation for the business. Once the valuation and potential options for SatoshiPay become clearer the Board will then consult with shareholders on the future direction of the Company

Promotion of the Company for the benefit of the members as a whole

The Director's believe they have acted in the way most likely to promote the success of the Company for the benefit of its members as a whole, as required by s172 of the Companies Act 2006.

The requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long term,
- Act fairly between the members of the Company,
- Maintain a reputation for high standards of business conduct,
- Consider the interests of the Company's employees,
- Foster the Company's relationships with suppliers, customers and others, and
- Consider the impact of the Company's operations on the community and the environment.

The following paragraphs summarise how the Directors fulfil their duties:

The Company is quoted on AIM and its members will be fully aware, through detailed announcements, shareholder meetings and financial communications, of the Board's broad and specific intentions and the rationale for its decisions. The Board recognises its responsibility for setting and maintaining a high standard of behaviour and business conduct. There is no special treatment for any group of shareholders and all material information is disseminated through appropriate channels and available to all through the Company's news releases and website.

When selecting investments, issues such as the impact on the community and the environment have actively been taken into consideration. The Company's approach is to use its position to promote positive change for the people with whom it interacts.

The Company is committed to being a responsible business. The Company pays its employees and creditors promptly and keeps its costs to a minimum to protect shareholders funds. There were no employees in the Company other than the two Directors in the current and prior-year and therefore effectiveness of employee policies is not relevant for the Group.

Strategic Report continued
For the year ended 30 September 2024

Principal risks and uncertainties

The Company seeks investments in late-stage venture capital and early-stage private equity opportunities, which by their very nature allow a diverse portfolio of investments within different sectors and geographic locations.

The Company's primary risk is loss or impairment of investments. This is mitigated by careful management of the investment and in particular, only continuing to support those investments which demonstrate potential to achieve a positive exit and decisively determining those which do not. Portfolio and capital management techniques are fully applied according to industry standard practice.

It may be necessary to raise additional funds in the future by a further issue of new Ordinary shares or by other means. However, the ability to fund future investments and overheads in Blue Star Capital Plc as well as the ability of investments to return suitable profit cannot be guaranteed, particularly in the current economic climate.

The value of companies similar to those in Blue Star Capital's portfolio and in particular those at an early stage of development, can be highly volatile. The price at which investments are made, and the price which the Company may realise for its investment, will be influenced by a large number of factors, some specific to the Company and its operations and some which may affect the sector.

By Order of the Board

Anthony Fabrizi
Executive Chairman

27 March 2025

Directors' Report

For the year ended 30 September 2024

The Directors present their report together with the audited financial statements for the year ended 30 September 2024.

Results and dividends

The trading results for the year ended 30 September 2024 and the Company's financial position at that date are shown in the enclosed financial statements.

The Directors do not recommend the payment of a dividend for the year (2023: £nil).

Principal activities and review of the business

The principal activity of the Company is to invest in the technology and the esports and gaming sectors. A review of the business is included within the Chairman's Statement and Strategic Report.

Directors serving during the year

Anthony Fabrizi

Sean King

Directors' interests

The Directors at the date of these financial statements who served, and their interest in the ordinary shares of the Company, are as follows:

	30 September 2024		30 September 2023	
	Number of ordinary Shares	Warrants	Number of ordinary Shares	Warrants
Anthony Fabrizi	—	170,000,000	—	170,000,000
Sean King	—	30,000,000	—	30,000,000

Following the year-end, all the above warrants granted to Directors were cancelled (refer to note 21).

Significant shareholders

As at 27 March 2025, so far as the Directors are aware, the parties (other than the interests held by Directors) who are directly or indirectly interested in 3% or more of the nominal value of the Company's share capital is as follows:

	Number of Ordinary Shares	Percentage of issued share capital
Nicolas Slater	4,330,502	13.14%
Meinhard Benn	2,750,000	8.34%
Gabi Ventures Limited	2,500,000	7.58%
Derek Lew	1,557,638	4.73%
Christopher Sebakhi	1,550,000	4.70%

Related party transactions

Related party transactions and relationships are disclosed in note 18.

Going concern

The Company has reported a loss for the year excluding fair value loss on the valuation of investments of £179,447 (2023: £565,497).

The Company had cash reserves at the year-end of £5,828 (2023: £63,158).

Directors' Report continued

For the year ended 30 September 2024

Post year-end, the Company undertook a capital reorganisation, consolidating its shares in the ratio 200:1, this allowed the Company to raise £150,000 from a placing of new ordinary shares at a price of 2p per new ordinary share (refer to note 21). In February 2025, the Company also received £15,000 from the exercise of warrants. The Company recently invested €75,000 in a fund raise by SatoshiPay and currently has cash of £30,176.

The Directors have committed to receive no cash salaries until January 2026 and taken steps to reduce ongoing costs.

Based on the above and the success of future fund raising, the Directors consider that they have sufficient resources to continue trading for at least 12 months from the date of approval of these financial statements and have therefore continued to prepare the financial statements on a going concern basis.

Energy and Carbon Reporting (SECR)

The Company is a low energy user and as such is exempt from reporting under these regulations.

The Company currently has no process for identifying and assessing climate-related risks and opportunities given they are not deemed material to the Company. The Board will keep the assessment of climate related financial disclosures under regular review.

Post balance sheet events

Post balance sheet events are disclosed in note 21.

Political Donations

There were no political donations during the current or prior year.

Provision of information to Auditor

In so far as each of the Directors are aware at the time of approval of the report:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Adler Shine LLP have expressed their willingness to continue as auditor and a resolution to re-appoint Adler Shine LLP will be proposed at the Annual General Meeting.

On behalf of the board of Directors

Anthony Fabrizi
Executive Chairman

27 March 2025

Statement of Directors' Responsibilities

For the year ended 30 September 2024

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 they are required to prepare financial statements in accordance with international accounting standards (IAS), in conformity with the requirements of the Companies Act.

The financial statements are required by law and IAS to present fairly the financial position and performance of the Company; the Companies Act 2006 provides in relation to such financial statements that references in the relevant part of the Act to financial statements give a true and fair view and references to their achieving a fair presentation.

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for the year. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock exchange for companies trading securities on the AIM market.

In preparing the Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable international accounting standards (IAS), in conformity to the Companies Act, been followed, subject to any material departures disclosed and explained in the financial statements.;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume the Company will continue in business.

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

Website publication

Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The Company is compliant with AIM Rule 26 regarding the Company's website.

Independent Auditor's Report

to the members of Blue Star Capital Plc

Opinion

We have audited the financial statements of Blue Star Capital Plc for the year ended 30 September 2024, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2024 and of its loss for the year then ended
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have 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 financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRS's Ethical Standards as applied to listed entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – valuation of investment

We draw your attention to Note 11 of the financial statements which describes the basis of the valuation of investments held. The valuation of unquoted investments is established using various valuation techniques and an assessment as to whether there is any objective evidence that these unquoted investments are impaired.

The basis of these valuations includes a number of variables within the calculations. These variables are subjective and are based on professional judgements of expectations and estimates.

While we have assessed the managements judgements and application of estimates in their calculations and consider these to be reasonable, as set out in key audit risks below, a variance in these subjective components could result in a material change in the valuation of the underlying investment.

Our opinion is not modified in respect of this matter.

Material uncertainty relating to going concern

We draw your attention to note 1 to the financial statements, which indicates that the Company is reliant on future fund raisings to continue its activities as budgeted. Should future fund raisings be unsuccessful, this will impact on the Company's plans. As stated in note 1, this condition indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in audit; and directing the efforts of the engagement team. The matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report continued
to the members of Blue Star Capital Plc

The key audit matters identified were:

Valuation of investments

The company is an investment company with a focus on technology and its application within media, gaming and esports. Its value is based on its investments. The company holds only unlisted investments having disposed of its remaining listed investments during the year.

How the matter was addressed

We considered the existence of investments as well as the valuations placed on investments at the year end and whether there were any indications of impairment.

Valuation of investments was considered by reviewing evidence provided by the Directors and filed with Companies House, including the price at which the investee companies were able to issue shares in the period.

Key Observations

As a result of our work, we agreed with the valuation changes in the Company's investments and the disposal of two investments during the year.

Going Concern

Refer to Note 1 to the financial statements for the directors' disclosures of related accounting policies, judgement and estimates. The directors have concluded they have a reasonable expectation that the company will have sufficient cash resources and cash inflows to continue its activities for not less than twelve months from the date of approval of these financial statements and have therefore prepared these financial statements on a going concern basis.

How the matter was addressed

We addressed this risk by reviewing the cashflow forecasts provided by the directors. Our work included but was not limited to, challenging the assumptions made by the directors, reviewing the level of expenses forecast.

We considered the cash position at the year end, the funds raised post year end and the need for additional funding during the forthcoming year. We also considered the Directors efforts to reduce costs and not draw a cash salary until January 2026.

Key Observations

As a result, the directors concluded, and we concurred with their assessment, that the company was reliant on raising additional funds during the forthcoming year through a placing. There is no guarantee that these placings will be successful in the current climate. The nature of the company's investments, which are all unlisted, will make it difficult to sell investments in a timely manner to obtain the necessary funds to continue its operations. However, the Directors have taken steps to reduce the amount of funds required by agreeing to not draw salaries in cash until January 2026. The directors concluded there was a material uncertainty due the risk of unsuccessful fund raising and we have amended our report accordingly.

Independent Auditor's Report continued
to the members of Blue Star Capital Plc

Our application of materiality

Materiality for the company was £9,800 (2023: £53,600) based on 1% of gross assets (same as prior year).

An overview of the scope of the audit

We tailored the scope of our audit to ensure we performed enough work to be able to give an opinion on the financial statements as a whole and paying particular attention on key audit matters identified above.

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

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 thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during the audit:

- The information given in the strategic report and 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 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Independent Auditor's Report continued

to the members of Blue Star Capital Plc

Responsibilities of directors

As explained more fully in the statement of Directors' responsibilities set out on page 18, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibility 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 misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 out procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have:

- considered the nature of the industry and sectors, control environment and business performance;
- made enquires of management about their own identification and assessment of the risk of irregularities;
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias;
- reviewed minutes of meetings
- undertaken appropriate sample based testing of bank transactions;
- identified and evaluated compliance with relevant laws and regulations and made enquiries of any instances of non-compliance;
- discussed matters among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

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

Independent Auditor's Report continued
to the members of Blue Star Capital Plc

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

Use of our report

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

Engin Zekia BSc FCA (Senior Statutory Auditor)
For and on behalf of

Adler Shine LLP, Chartered Accountants and Statutory Auditor
Aston House
Cornwall Avenue
London N3 1LF

27 March 2025

Adler Shine LLP is a limited liability partnership registered in England and Wales (with registered number OC301724).

Statement of Comprehensive Income

For the year ended 30 September 2024

	Note	2024 £	2023 £
Revenue		—	—
Loss on disposal of investments		(17,536)	(122,196)
Fair valuation movements in financial instruments designated at fair value through profit or loss	11	(4,312,519)	(5,762,911)
		(4,330,055)	(5,885,107)
Share based payments	6	—	(243,248)
Administrative expenses	3	(162,309)	(201,118)
Operating loss	4	(4,492,364)	(6,329,473)
Finance income	5	398	1,065
Loss before and after taxation and total comprehensive income for the year		(4,491,966)	(6,328,408)
Loss per ordinary share:			
Basic loss per share on loss for the year	10	(0.09p)	(0.13p)
Diluted loss per share on loss for the year	10	(0.09p)	(0.13p)

The notes on pages 28 to 43 form part of these financial statements.

Statement of Financial Position

For the year ended 30 September 2024

	Note	2024 £	2023 £
Non-current assets			
Financial assets at fair value through profit or loss	11	970,394	5,291,806
Total non-current assets		970,394	5,291,806
Current assets			
Trade and other receivables	12	3,308	6,459
Cash and cash equivalents	13	5,828	63,158
Total current assets		9,136	69,617
Total assets		979,530	5,361,423
Current liabilities			
Trade and other payables	14	42,149	32,076
Total liabilities		42,149	32,076
Net assets		937,381	5,329,347
Shareholders' equity			
Share capital	15	4,992,774	4,892,774
Share premium account		9,575,072	9,575,072
Other reserves		243,248	243,248
Retained earnings		(13,873,713)	(9,381,747)
Total shareholders' equity		937,381	5,329,347

The financial statements were approved by the Board, authorised for issue on 27 March 2025 and were signed on its behalf by:

Anthony Fabrizi
Director

Registered number: 05174441

The notes on pages 28 to 43 form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 September 2024

	Share capital £	Share premium £	Other reserves £	Retained earnings £	Total £
Year ended 30 September 2023					
At 1 October 2022	4,892,774	9,575,072	—	(3,053,339)	11,414,507
Loss for the year and total comprehensive income	—	—	—	(6,328,408)	(6,328,408)
Share based payments	—	—	243,248	—	243,248
At 30 September 2023	4,892,774	9,575,072	243,248	(9,381,747)	5,329,347
Year ended 30 September 2024					
At 1 October 2023	4,892,774	9,575,072	243,248	(9,381,747)	5,329,347
Loss for the year and total comprehensive income	—	—	—	(4,491,966)	(4,491,966)
Shares issued	100,000	—	—	—	100,000
At 30 September 2024	4,992,774	9,575,072	243,248	(13,873,713)	937,381

Share capital

Share capital represents the nominal value on the issue of the Company's equity share capital, comprising £0.001 ordinary shares.

Share premium

Share premium represents the amount subscribed for the Company's equity share capital in excess of nominal value.

Other reserves

Other reserves represent the cumulative cost of share-based payments.

Retained earnings

Retained earnings represent the cumulative net income and losses of the Company recognised through the statement of comprehensive income.

The notes on pages 28 to 43 form part of these financial statements.

Cash Flow Statement

For the year ended 30 September 2024

	Note	2024 £	2023 £
Operating activities			
Loss for the year		(4,491,966)	(6,328,408)
Adjustments:			
Finance income	5	(398)	(1,065)
Fair value losses		4,312,519	5,762,911
Loss on disposal of investments		17,536	122,196
Share based payment		—	243,248
Working capital adjustments			
Decrease in trade and other receivables		3,151	1,613
Increase/(decrease) in trade and other payables		10,073	(38,342)
Net cash used in operating activities		(149,085)	(237,847)
Investing activities			
Proceeds from sale of investments		51,660	213,365
Purchase of convertible loan note		(60,303)	—
Interest received		398	1,065
Net cash (used in)/from investing activities		(8,245)	214,430
Financing activities			
Share issue		100,000	—
Net cash generated from financing activities		100,000	—
Net decrease in cash and cash equivalents		(57,330)	(23,417)
Cash and cash equivalents at start of the year	13	63,158	86,575
Cash and cash equivalents at end of the year	13	5,828	63,158

The notes on pages 28 to 43 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 September 2024

1. Accounting policies

General information

Blue Star Capital Plc (the Company) invests principally in the media, technology and gaming sectors.

The Company is a public limited company incorporated and domiciled in England and Wales with registered number: 05174441. The address of its registered office is Griffin House, 135 High Street, Crawley RH10 1DQ.

The Company is listed on the Alternative Investment Market (AIM) market of the London Stock Exchange plc.

The financial statements are presented in Pound Sterling (£) and rounded to the nearest £1.

Summary of significant accounting policies

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

Basis of preparation

These financial statements have been prepared in accordance with UK adopted International Accounting Standards ("UK adopted IAS") and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of assets and liabilities held at fair value.

The preparation of financial statements in conformity with Uk adopted IAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant in the financial statements, are disclosed in note 2.

Going concern

The Company has reported a loss for the year excluding fair value gain on the valuation of investments and foreign exchange movements of £179,447. The Company had cash reserves at the year-end of £5,828.

Following the year end the company has raised £150,000 through the issue of 7,500,000 new ordinary shares of £0.001 at an issue price of £0.02. €75,000 was used to subscribe in a Simple Agreement for Future Equity issued by Satoshpay Limited. A further £15,000 was received on exercise of warrants.

The Directors have committed to receive no cash salaries until January 2026 and taken steps to reduce ongoing costs.

Based on the above and the success of future fund raising, the Directors consider that they have sufficient resources to continue trading for at least 12 months form the date of approval of these financial statements and have therefore continued to prepare the financial statements on a going concern basis.

Notes to the Financial Statements continued
For the year ended 30 September 2024

1. **Accounting policies** continued

New standards, amendments and interpretations adopted by the Company

The following IFRS or IFRIC interpretations that were effective for the first time for annual periods beginning on or after 1 October 2023 that the Company had to adopt.

Standards/ interpretations	Application
IAS 16	*Property, Plant and Equipment* Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use
IAS 1	*Presentation of Financial statements* Amendments regarding the disclosure of accounting policies
IAS 8	*Accounting policies, Changes in Accounting Estimates and Errors* Amendments regarding definition of accounting estimates
IAS 12	*Income Taxes* – Amendments regarding deferred tax on leases and decommissioning obligations – Amendments to provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes

Notes to the Financial Statements continued

For the year ended 30 September 2024

1. Accounting policies continued

New standards, amendments and interpretations in issue but not yet effective (in some cases not yet adopted by the UK) and not applied in these financial statements

Standards/ interpretations	Application	Effective date
IFRS S1	*General Requirements for Disclosure of Sustainability-related Financial Information* Original issue	01/01/2024
IFRS S2	*Climate-related Disclosures* Original issue	01/01/2024
IFRS 7	*Financial Instruments: Disclosures* Amendments regarding supplier finance arrangements	01/01/2024
IFRS 7	*Financial Instruments: Disclosures* – Amendments regarding the classification and measurement of financial instruments – Amendments resulting from Annual Improvements to IFRS Accounting Standards — Volume 11 (including implementation guidance)	01/01/2026
IFRS 9	*Financial Instruments* – Amendments regarding the classification and measurement of financial instruments – Amendments resulting from Annual Improvements to IFRS Accounting Standards — Volume 11	01/01/2026
IFRS 10	*Consolidated Financial Statements* Amendments resulting from Annual Improvements to IFRS Accounting Standards — Volume 11	01/01/2026
IFRS 16	*Leases* Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	01/01/2024
IFRS 18	*Presentation and Disclosures in Financial Statements* Original Issue	01/01/2027
IFRS 19	*Subsidiaries without Public Accountability: Disclosures* Original issue	01/01/2027
IAS 1	*Presentation of Financial Statements* Amendments regarding the classification of liabilities Amendments to defer effective date if January 2020 amendments Amendments regarding classification of debt with covenants	01/01/2024
IAS 7	*Statement of Cash Flows* Amendments regarding supplier finance arrangements	01/01/2024
IAS 7	*Statement of Cash Flows* Amendments resulting from Annual Improvements to IFRS Accounting Standards – Volume 11	01/01/2026

There are no IFRS's or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

Notes to the Financial Statements continued

For the year ended 30 September 2024

1. Accounting policies continued

Financial assets

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Company has not classified any of its financial assets as held to maturity or available for sale.

The Company's accounting policy for each category is as follows:

Fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets designated upon initial recognition as at fair value through profit or loss.

Financial assets designated at fair value through the profit or loss are those that have been designated by management upon initial recognition. Management designated the financial assets, comprising equity shares and warrants, at fair value through profit or loss upon initial recognition due to these assets being part of the Company's financial assets, which are managed and their performance evaluated on a fair value basis.

Financial assets at fair value through the profit or loss are recorded in the statement of financial position at fair value. Changes in fair value are recorded in "Fair valuation movements in financial assets designated at fair value through profit or loss".

Financial assets, comprising equity shares and warrants, are valued in accordance with the International Private Equity and Venture Capital ("IPEVC") guidelines.

(a) Early-stage investments: these are investments in immature companies, including seed, start-up and early-stage investments. Such investments are valued at cost less any provision considered necessary, until no longer viewed as an early stage

(b) or unless significant transactions involving an independent third-party arm's length, values the investment at a materially different value:

(c) Development stage investments: such investments are in mature companies having a maintainable trend of sustainable revenue and from which an exit, by way of floatation or trade sale, can be reasonably foreseen. An investment of this stage is periodically re-valued by reference to open market value. Valuation will usually be by one of five methods as indicated below:

  I. At cost for at least one period unless such basis is unsustainable;

  II. On a third-party basis based on the price at which a subsequent significant investment is made involving a new investor;

  III. On an earnings basis, but not until at least a period since the investment was made, by applying a discounted price/earnings ratio to the profit after tax, either before or after interest; or

  IV. On a net asset basis, again applying a discount to reflect the illiquidity of the investment.

  V. In a comparable valuation by reference to similar businesses that have objective data representing their equity value.

(d) Quoted investments: such investments are valued using the quoted market price, discounted if the shares are subject to any particular restrictions or are significant in relation to the issued share capital of a small quoted company.

At each balance sheet date, a review of impairment in value is undertaken by reference to funding, investment or offers in progress after the balance sheet date and provisions is made accordingly where the impairment in value is recognised.

Notes to the Financial Statements continued

For the year ended 30 September 2024

1. Accounting policies continued

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Financial liabilities

The Company classifies its financial liabilities in the category of financial liabilities measured at amortised cost. The Company does not have any financial liabilities at fair value through profit or loss.

Financial liabilities measured at amortised cost

Financial liabilities measured at amortised cost include:

Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

Finance income

Finance income relates to interest income arising on cash and cash equivalents held on deposit and interest accrued on loans receivable. Finance income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Operating loss

Operating loss is stated after crediting all items of operating income and charging all items of operating expense.

Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the balance sheet differs from its tax base.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Notes to the Financial Statements continued

For the year ended 30 September 2024

1. Accounting policies continued

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company 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 end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of the cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Present obligations under onerous leases are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Share-based payments

All services received in exchange for the grant of any share-based remuneration are measured at their fair values. These are indirectly determined by reference to the fair value of the share options/warrants awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Share based payments are ultimately recognised as an expense in the Statement of Comprehensive Income with a corresponding credit to other reserves in equity, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options/warrants expected to vest. Non-market vesting conditions are included in assumptions about the number of options/warrants that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options/warrants expected to vest differs from previous estimates. No adjustment is made to the expense or share issue cost recognised in prior periods if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium.

Where share options are cancelled, this is treated as an acceleration of the vesting period of the options. The amount that otherwise would have been recognised for services received over the remainder of the vesting period is recognised immediately within the Statement of Comprehensive Income.

Notes to the Financial Statements continued

For the year ended 30 September 2024

2. Critical accounting estimates and judgements

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

Fair value of financial instruments

The Company holds investments that have been designated at fair value through profit or loss on initial recognition. The Company determines the fair value of these financial instruments that are not quoted, using valuation techniques, contained in the IPEVC guidelines. These techniques are significantly affected by certain key assumptions. Other valuation methodologies such as discounted cash flow analysis assess estimates of future cash flows and it is important to recognise that in that regard, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately.

In certain circumstances, where fair value cannot be readily established, the Company is required to make judgements over carrying value impairment, and evaluate the size of any impairment required.

The methods and assumptions applied, and the valuation techniques used, are disclosed in note 11.

Share based payment

All services received in exchange for the grant of any share-based remuneration are measured at their fair values. These are indirectly determined by reference to the fair value of the share options/warrants awarded. Their value is appraised at the grant date. and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Share based payments are ultimately recognised as an expense in the Statement of Comprehensive Income with a corresponding credit to other reserves in equity, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options/warrants expected to vest. Non-market vesting conditions are included in assumptions about the number of options/warrants that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options/warrants expected to vest differs from previous estimates. No adjustment is made to the expense or share issue cost recognised in prior periods if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium.

Where share options are cancelled, this is treated as an acceleration of the vesting period of the options. The amount that otherwise would have been recognised for services received over the remainder of the vesting period is recognised immediately within the Statement of Comprehensive Income

3. Nature of expenses

	2024 £	2023 £
Directors fees	20,500	100,067
Legal and professional fees	135,983	94,598
Other expenses	5,826	6,453
	162,309	201,118

Notes to the Financial Statements continued

For the year ended 30 September 2024

4. Operating loss

	2024 £	2023 £
This is stated after charging:		
Auditor's remuneration – statutory audit fees	15,000	19,000

5. Finance income

	2024 £	2023 £
Interest received on short term deposits	398	1,065
	398	1,065

6. Share based payments

Share warrants

	2024		2023	
	Weighted average exercise price (p)	Number	Weighted average exercise price (p)	Number
Outstanding at the beginning of the year	0.37	250,000,000	—	—
Granted during the year	0.1	100,000,000	0.37	250,000,000
Outstanding at the end of the year	0.37	350,000,000	0.37	250,000,000

The contracted average remaining life of warrants at 30 September 2024 was 1.6 years (2023: 2.3 years).

At 30 September 2024, the Company had the following warrants in issue:

Date of grant	27 January 2023	27 January 2023	17 January 2024
Number outstanding	200,000,000	50,000,000	100,000,000
Contractual life	3 years	3 years	3 years
Exercise price (pence)	0.35p	0.45p	0.45p

The fair value of warrants is determined using the Black-Scholes valuation model. The charge to the profit and loss for the year ended 30 September 2024 was £Nil (2023: £243,248).

The assumptions used in the calculation of fair value of the warrants was as follows:

Date of grant	27 January 2023	27 January 2023
Share price at date of grant	0.235p	0.235p
Exercise price	0.35p	0.45p
Expected life (years)	2.18	2.93
Volatility	94.98%	94.98%
Risk free interest rate	3.34%	3.29%

Following the year-end, 200,000,000 warrants outstanding at year-end were cancelled and the Directors were awarded 2,500,000 warrants over ordinary shares in lieu of Director cash salaries for the period from 1 October 2024 to 31 December 2025 (refer to note 21).

Notes to the Financial Statements continued

For the year ended 30 September 2024

7. Staff costs, including Directors

	2024 £	2023 £
Wages and salaries	—	66,000
Social security costs	—	4,067
Share based payment	—	243,248
	—	313,315

During the year the Company had an average of 2 employees who were management (2023: 2). The employees are Directors and key management personnel of the Company.

8. Directors' and key management personnel

Directors' remuneration for the year ended 30 September 2024 is as follows:

	Salary £	Fees £	Share based payments £	Total 2024 £
A Fabrizi	—	16,000	—	16,000
S King	—	4,500	—	4,500
	—	20,500	—	20,500

The Directors have waived their right to the balance of remuneration for the year.

Directors' remuneration for the year ended 30 September 2023 which is as follows:

	Salary £	Fees £	Share based payments £	Total 2023 £
A Fabrizi	36,000	12,000	165,145	213,145
B Rowbotham	30,000	—	48,649	78,649
S King	—	18,000	29,454	47,454
	66,000	30,000	243,248	339,248

9. Taxation

The tax assessed on loss before tax for the year differs to the applicable rate of corporation tax in the UK for small companies of 25% (2023: 25%). The differences are explained below:

	2024 £	2023 £
Loss before tax	(4,491,966)	(6,328,408)
Loss before tax multiplied by effective rate of corporation tax of 25% (2022:25%)	(1,122,991)	(1,582,102)
Effect of:		
Loss on disposal of investments	4,384	30,549
Fair value movements on investments	1,078,072	1,440,728
Share based payments	—	60,802
Losses carried forward	40,535	50,023
Tax charge in the income statement	—	—

Notes to the Financial Statements continued

For the year ended 30 September 2024

9. Taxation continued

The Company has incurred tax losses for the year and a corporation tax expense is not anticipated. The amount of the unutilised tax losses has not been recognised in the financial statements as the recovery of this benefit is dependent on future profitability, the timing of which cannot be reasonably foreseen. The unrecognised and revised deferred tax asset at 30 September 2024 is £1,381,632 (2023: £1,341,055).

10. Earnings per ordinary share

The earnings and number of shares used in the calculation of loss/earnings per ordinary share are set out below:

	2024	2023
Basic:		
Loss for the financial period	(4,491,966)	(6,328,408)
Weighted average number of shares	5,063,264,799	4,992,772,996
Loss per share (pence)	(0.09)	(0.13)
Fully Diluted:		
Loss for the financial period	(4,491,966)	(6,328,408)
Weighted average number of shares	5,063,264,799	4,992,772,996
Loss per share (pence)	(0.09)	(0.13)

There is no difference between the diluted loss per share and the basic loss per share presented due to the loss position of the Company. Share options and warrants could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share as they are anti-dilutive for the year presented.

11. Investments

	2024 £	2023 £
At start of year	5,291,806	11,390,278
Additions	60,303	—
Disposals	(69,196)	(335,561)
Net fair value loss for the year	(4,312,519)	(5,762,911)
At end of year	970,394	5,291,806

During the year the Company disposed of its shareholding in Guild Esports plc together with its shareholding in East Side Group. This reduction resulted in a loss on disposal of £17,536 (2023: £122,196).

Investments

	2024 £	2023 £
Quoted investments	—	69,196
Unquoted investments	970,394	5,222,610
	970,394	5,291,806

Notes to the Financial Statements continued

For the year ended 30 September 2024

11. Investments continued

The country of incorporation for all investments held at 30 September 2023 are listed below:

	£	Country of Incorporation
Dynasty Gaming & Media Pte Limited	279,300	Singapore
SatoshiPay Limited	581,069	United Kingdom
Sthaler Limited	13,600	United Kingdom
Paidia Esports Inc	96,425	Canada
	970,394	

The methods used to value the unquoted investments are described below.

Fair value

The fair value of unquoted investments is established using valuation techniques. These include the use of quoted market prices, recent arm's length transactions, the Black-Scholes option pricing model and discounted cash flow analysis. Where a fair value cannot be estimated reliably the investment is reported at the carrying value at the previous reporting date in accordance with International Private Equity and Venture Capital ("IPEVC") guidelines.

The Company assesses at each balance sheet date whether there is any objective evidence that the unquoted investments are impaired. The unquoted investments are deemed to be impaired, if and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future fair value of the investments that can be reliably measured.

12. Trade and other receivables

	2024 £	2023 £
Prepayments	2,908	3,044
Other receivables	400	3,415
	3,308	6,459

The Directors consider that the carrying value of trade and other receivables approximates to the fair value.

13. Cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	5,828	63,158
	5,828	63,158

Cash and cash equivalents comprise cash at bank and other short-term highly liquid investments with an original maturity of three months or less. The Directors consider that the carrying value of cash and cash equivalents approximates to their fair value.

14. Trade and other payables

	2024 £	2023 £
Trade payables	6,200	3,750
Accruals	35,949	28,326
	42,149	32,076

All trade and other payables fall due for payment within one year. The Directors consider that the carrying value of trade and other payables approximates to their fair value.

Notes to the Financial Statements continued

For the year ended 30 September 2024

15. Share capital

	Issued and fully paid			
	2024 Number	2024 £	2023 Number	2023 £
At 1 October	4,992,772,996	4,892,774	4,992,772,996	4,892,774
Shares issued in the year	100,000,000	100,000	—	—
At 30 September	5,092,772,996	4,992,774	4,992,772,996	4,892,774

During the year ended 30 September 2024 the following shares were issued:

	Number	£	Issue price
17 January 2024	100,000,000	100,000	0.1p

During the year ended 30 September 2023 there were no shares issued.

16. Financial risk management

Interest rate risk

The Company's exposure to changes in interest rates relate primarily to cash and cash equivalents. Cash and cash equivalents are held either on current or on short term deposits at floating rates of interest determined by the relevant bank's prevailing base rate. The Company seeks to obtain a favourable interest rate on its cash balances through the use of bank treasury deposits. Any reasonable change in interest rate would not have a material impact on finance income that the Company could receive in the course of a year, based on the current level of cash and cash equivalents either held in current accounts or short-term deposits.

Market risk

The Company's market risk is attributable to the financial instruments that are held at fair value through profit and loss. The potential that future changes in market conditions may make an instrument less valuable, due to fluctuations in security prices, as well as interest and foreign exchange rates. Market risk is directly impacted by the volatility and liquidity in the markets in which the related underlying assets are traded.

Sensitivity analysis

The following table looks at the impact on net profit or loss based on a given movement in the fair value of all the investments.

	2024 £	2023 £
10% increase or decrease in fair value	97,039	529,181
20% increase or decrease in fair value	194,079	1,058,361
30% increase or decrease in fair value	291,118	1,587,542

Borrowing facilities

The operations to date have been financed through the placing of shares and investor loans. It is the Board's policy to keep borrowing to a minimum, where possible.

Notes to the Financial Statements continued

For the year ended 30 September 2024

16. Financial risk management continued

Liquidity risks

The Company seeks to manage liquidity risk by ensuring sufficient liquid assets are available to meet foreseeable needs and to invest liquid funds safely and profitably. All cash balances are immediately accessible and the Company holds no trades payable that mature in greater than 3 months, hence a contractual maturity analysis of financial liabilities has not been presented. Since these financial liabilities all mature within 3 months, the Directors believe that their carrying value reasonably equates to fair value.

Foreign currency risk management

The Company undertakes certain transactions denominated in currencies other than pound sterling, hence exposures to exchange rate fluctuations arise. The fair values of the Company's investments that have foreign currency exposure at 30 September 2024 are shown below:

	2024		
	EUR £	SGD £	CAD £
Fair value of investments	581,069	279,300	96,425

	2023		
	EUR £	SGD £	CAD £
Fair value of investments	4,653,099	450,001	123,635

The Company accounts for movements in fair value of financial assets in the comprehensive income. The following table illustrates the sensitivity of the equity in regard to the company's financial assets and the exchange rates for £/Euro, £/ Singapore Dollar and £/Canadian Dollar.

It assumes the following changes in exchanges rates:

– £/EUR +/- 20% (2021: +/- 20%)

– £/SGD +/- 20% (2021: +/- 20%)

– £/CAD +/- 20% (2021: +/- 20%)

The sensitivity analysis is based on the Company's foreign currency financial instruments held at each balance sheet date.

If £ Sterling had weakened against the currencies shown, this would have had the following effect:

	2024		
	EUR £	SGD £	CAD £
Increase in fair value of investments	116,214	55,860	19,285

	2023		
	EUR £	SGD £	CAD £
Increase in fair value of investments	930,620	90,000	24,727

Notes to the Financial Statements continued

For the year ended 30 September 2024

16. Financial risk management continued

If £ Sterling had strengthened against the currencies shows, this would have had the following effect:

	2024		
	EUR £	SGD £	CAD £
Reduction in fair value of investments	(96,845)	(46,550)	(16,071)

	2023		
	EUR £	SGD £	CAD £
Reduction in fair value of investments	(775,517)	(75,000)	(20,606)

The Company's functional and presentational currency is the pound sterling as it is the currency of its main trading environment.

Credit risk

The Company's credit risk is attributable to cash and cash equivalents and trade and other receivables.

Cash is deposited with reputable financial institutions with a high credit rating. The maximum credit risk relating to cash and cash equivalents and trade and other receivables is equal to their carrying value of £6,228 (2023: £66,573)

Capital Disclosure

As in previous years, the Company defines capital as issued capital, reserves and retained earnings as disclosed in statement of changes in equity. The Company manages its capital to ensure that the Company will be able to continue to pursue strategic investments and continue as a going concern. The Company does not have any externally imposed financial requirements.

17. Financial instruments

Set out below is an overview of financial instruments held by the company:

	Note	2024 £	2023 £
Financial assets at fair value through profit and loss			
Investments	11	970,394	5,291,806
Total		**970,394**	**5,354,964**
Financial assets at amortised cost			
Cash and cash equivalents	13	5,828	63,158
Trade and other receivables	12	—	—
Total		**5,828**	**63,158**
Financial liabilities at amortised cost			
Trade and other payables	14	42,149	32,076
Total		**42,149**	**32,076**

Notes to the Financial Statements continued

For the year ended 30 September 2024

17. Financial instruments continued

The fair value measurement of financial assets carried at fair value through profit and loss is set out in the table below:

		Fair value measurement		
	Note	Level 1 £	Level 2 £	Level 3 £
At 30 September 2024				
Investments	11	—	—	970,394
Total financial assets		**—**	**—**	**970,394**
At 30 September 2023				
Investments	11	69,196	—	5,222,610
Total financial assets		**69,196**	**—**	**5,222,610**

18. Related party transactions

Sean King was paid his directors fees of £4,500 (2023: £18,000) through Three S Ventures Limited. At the year-end an amount of £1,500 (2023: £3,000) was included within Trade and other payables.

19. Operating lease commitments

At the balance sheet date, the Company had no outstanding commitments under operating leases.

20. Ultimate Controlling Party

The Company considers that there is no ultimate controlling party.

21. Post Balance Sheet Events

On 6 January 2025, the following Capital Reorganisation was approved:

- Every 200 Existing Ordinary Shares of £0.001 each in the issued share capital of the Company will be consolidated into 1 Consolidated Share of £0.20 each.
- Subsequently, each Consolidated Share will be subdivided into 1 New Ordinary Share of £0.001 and 199 Deferred Shares of £0.001 each.

Prior to the above Capital Reorganisation the following was approved to take effect:

- The issue of 5 New Ordinary shares for rounding.
- Issuing a further 491,511 New Ordinary Shares of £0.001 per ordinary share as a corrective share issuance related to a legacy discrepancy of the total voting rights in the Company.

Notes to the Financial Statements continued

For the year ended 30 September 2024

21. Post Balance Sheet Events continued

The following was also took place after the shareholder approval on 6 January 2025:

- The Company raised £150,000 via a subscription for 7,500,000 New Ordinary Shares of £0.001 each at an Issue Price of £0.02 per New Ordinary Share.
- All existing 200,000,000 warrants granted to Directors were cancelled.
- The Directors were awarded 2,500,000 warrants over ordinary shares in lieu of Director cash salaries for the period from 1 October 2024 to 31 December 2025.

	Number of warrants cancelled	Number of new warrants granted	New warrant exercise price
Anthony Fabrizi	170,0000,000	2,000,000	£0.02
Sean King	30,000,000	500,000	£0.02

- In addition to the above warrants, 750,000 warrants over ordinary shares in the Company at an exercise price of £0.02p granted to an adviser in lieu of retainer fees.
- The warrants granted to shareholders following the capital raise in January 2024 was amended on the basis as set out in the table below:

	Before 6 January 2025	After 6 January 2025	Nominal value
Exercise price	0.1p	20p	£0.001
Exercise ratio*	1:1	200:1	—

* Denotes the number of warrants following the Capital Reorganisation required to be exercised in order to grant one new ordinary share

On 25 January 2025, the Company announced that it had subscribed for €75,000 in Satoshipay Limited via a Simple Agreement for Future Equity (SAFE Note).

The Company also raised £15,000 on 25 February 2025 through an exercise of warrants.

On 27 March 2025 the Company issued 100,000 new ordinary shares at 7p per share in part settlement of an outstanding invoice due to an advisor.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Blue Star Capital Plc (the "Company") will be held at the offices of Cairn Financial Advisers LLP, 80 Cheapside, London EC2V 6EE on Wednesday 25 April 2025 at 10.00 a.m. for the following purposes:

Ordinary Resolutions

1 To receive and adopt the accounts, together with the directors' and auditors' reports, for the period ended 30 September 2024.

2 To re-elect Anthony Fabrizi as a director of the Company who being eligible offers himself for re-election.

3 To re-elect Sean King as a director of the Company who being eligible offers himself for re-election.

4 To re-appoint Adler Shine LLP as auditors of the Company until the conclusion of the next annual general meeting and to authorise the directors to fix their remuneration.

Special Business

To consider and, if thought fit, pass the following resolutions of which Resolution 5 will be proposed as an ordinary resolution and Resolution 6 will be proposed as a special resolution.

Ordinary Resolution

5 That, the directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "**Act**") to exercise all or any part of the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares of the Company up to an aggregate nominal amount of £16,900 such authority (unless previously revoked or varied) to expire at the conclusion of the annual general meeting of the Company to be held in 2026, save that the Company may before such expiry make offers or agreements which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such o'ers or agreements as if the authority conferred hereby had not expired.

Special Resolution

6 That, subject to the passing of Resolution 5, the directors be and are hereby granted power pursuant to section 570(1) of the Act to allot equity securities (as defined in section 560(1) of the Act) for cash pursuant to the authority conferred on them by Resolution 5 above as if section 561 of the Act did not apply to such allotment, provided that such power be limited to:

(i) the allotment of equity securities which are offered to all the holders of equity securities of the Company (at a date specified by the directors) where the equity securities respectively attributable to the interests of such holders are as nearly practicable in proportion to the respective number of equity securities held by them, but subject to such exclusions and other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements and any legal or practical problems under any laws or requirements of any regulatory body or stock exchange in any territory or otherwise; and

Notice of Annual General Meeting continued

(ii) the allotment (otherwise than pursuant to subparagraph (i) above) of equity securities up to an aggregate nominal amount of £16,900, and provided that this power shall expire on the conclusion of the next annual general meeting of the Company to be held in 2026, save that the Company may make an offer or enter into an agreement before the expiry of that date which would or might require equity securities to be allotted after that date and the directors may allot equity securities in pursuance of such an o'er as if the power conferred hereby had not expired.

BY ORDER OF THE BOARD

Anthony Fabrizi
Company Secretary

Registered Office:
Griffin House
135 High Street
Crawley
West Sussex
RH10 1DQ

Dated 27 March 2025

Notice of Annual General Meeting continued

Notes:

1 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those members registered on the Company's register of members at close of business on 23 April 2025 or, in the event that the meeting is adjourned, in the register of members 48 hours before the time of the adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at the time. Changes to entries in the register of members after close of business on 23 April 2025 or, in the event that the meeting is adjourned, after 48 hours before the time of any adjourned meeting shall be disregarded in determining the rights of any person to attend or vote at a meeting.

2. A member is entitled to appoint one or more persons as proxies to exercise all of any or all of his rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation the meeting provided that each proxy is appointed to exercise rights attached to a different share or shares held by him. To appoint more than one proxy you may photocopy the proxy form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Failure to specify the number of shares each proxy appointment relates to or specifying a number of shares in excess of those held by the member may result in the proxy appointment being invalid. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. Appointment of a proxy does not preclude a member from attending the meeting and voting in person.

3. A form of proxy is enclosed. To be valid, it must be completed, signed and sent to the offices of the Company's registrars being Avenir Registrars, 5 St John's Lane, Farringdon, London EC1M 4BH so as to arrive no later than 10.00 a.m. on 23 April 2025 or, in the event that the meeting is adjourned, by no later than 48 hours before the time of any adjourned meeting. Alternatively, you may appoint a proxy online via the Holder Portal located at https://holder.avenir-registrars.co.uk/ and following the login instructions (new users should follow the 'reset your password' link).

4. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (available from https://www.euroclear.com/site/public/EUI).

   CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message ("a CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & international Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Avenir Registrars (ID: RA20) by no later than 10.00 a.m. on 23 April 2025. No such message received through the CREST network after this time will be accepted. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Avenir Registrars is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change in instructions to proxies appointed through CREST should be communicated to the appointee through other means.

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CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s),to procure that his CREST sponsor or voting service provider(s)take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

5. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

   Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Avenir Registrars by email on contactus@avenir-registrars.co.uk or via telephone on 020 7692 5500. If you are outside the United Kingdom, please call +44 20 7692 5500. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00am – 5.00pm, Monday to Friday excluding public holidays in England and Wales.

   If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

6. In order to revoke a proxy instruction, you will need to inform the Company using the following method:

   By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Avenir Registrars, 5 St John's Lane, Farringdon, London EC1M 4BH.

   In the case of a member which is a company, the revocation notice must be executed under its common seal or the hand of its duly authorised agent or officer.

   In the case of an individual, the proxy must be signed by the appointor or his attorney, duly authorised in writing. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

For your notes

bluestarcapital.co.uk