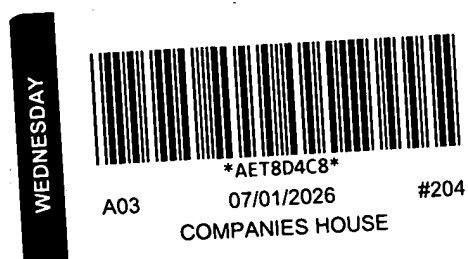


Company Number 13288812 (England and Wales)

ELECTRIC GUITAR PLC

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025



ELECTRIC GUITAR PLC

COMPANY INFORMATION

Directors	Richard Horwood Grahame Cook Sarfraz Munshi
Secretary	Richard Horwood
Company number	13288812
Registered office	One Bartholomew Close London EC1A 7BL
Auditor	Johnsons Chartered Accountants 1-2 Craven Road London W5 2UA
Bankers	Santander UK PLC 2 Triton Square Regent's Place London NW1 3AN
Nominated Advisor & Joint Broker	Allenby Capital Limited 5 St Helen's Place London EC3A 6AB
Joint Broker	AlbR Capital Limited 3rd Floor, 80 Cheapside London EC2V 6EE

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ELECTRIC GUITAR PLC

SUMMARY

YEAR ENDED 31 MARCH 2025

- In the year ended 31 March 2025, Electric Guitar PLC (LSE: ELEG) ('Company' or 'Electric Guitar') actively pursued its original mission to become the provider of choice of first-party data solutions for the marketing and advertising industry.
- In May 2024 the Company acquired 3radical Limited ('3radical') in an all-share reverse takeover ('RTO') valued at £1.3 million, transferred its listing to AIM, and raised £2.2 million before expenses. Electric Guitar had agreed to acquire 3radical in July 2023.
- In August 2024, the Company acquired 3radical's sales & marketing service provider Mymyne Limited ('Mymyne') in an all-share acquisition.
- In November 2024, trading in the Company's shares was suspended pending clarification of the Company's financial position following a sudden downturn in 3radical's trading projections and a lack of sufficient alternative funding, and 3radical was placed into administration.
- In December 2024, after unsuccessfully seeking buyers for its business, 3radical was placed into Creditors Voluntary Liquidation ('CVL'), and the Company then automatically became an AIM Rule 15 cash shell and reverted to being a "special purpose acquisition company" ("SPAC") while exploring refinancing options.
- On 27 March 2025, the shareholders and creditors of the Company approved a Company Voluntary Arrangement ('CVA'), involving a debt for equity swap and the subdivision of the nominal value of Company's Ordinary Shares from 0.5p per Ordinary Share to 0.01p per Ordinary Share to facilitate a £300,000 equity refinancing of the Company as a cash shell. This eliminated the Company's liabilities and provided sufficient working capital for the Company's shares to be restored to trading on AIM.
- As at 31 March 2025, the Company had £240,000 in net cash on its balance sheet and £50,000 in other assets, having written off all its investment in its previous acquisitions.

Post balance sheet events

- In April 2025, following approval of the CVA, three of the Company's directors resigned from the Board, leaving Grahame Cook (who was appointed Chair) and Richard Horwood (formerly COO) continuing as non-executive directors, alongside Sarfraz Munshi who was appointed as a third non-executive director.
- The Company also completed a share subscription for £300,000 at 0.034p per new Ordinary Share on 2 April 2025, of which £285,000 had been received by the year end pending the issue of the subscription shares.

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- Current liabilities of £1.4 million included in the Consolidated and Company Statement of Financial Position at 31 March 2025 were subsequently derecognised in April 2025 following proposals for the Company's CVA becoming unconditional. These liabilities therefore no longer existed after April 2025.
- In June 2025, the Company raised a further £775,000 before expenses at 0.08p per new Ordinary Share to fund the anticipated costs of executing a further acquisition.
- In July 2025, the Company announced an agreement in principle to acquire the U.S. energy company Dunbar Energy Inc. ('Dunbar'), through a new all-share RTO. The proposed transaction is subject to, inter alia, approval by the Company's shareholders and to re-admission of the Company's Ordinary Shares to trading on AIM.
- In October 2025, the Company completed its CVA, issuing 236,782,175 new Ordinary Shares to its pre-CVA creditors. At the same time, it automatically converted the balance of its convertible loan notes through the issue of a further 306,665,817 new Ordinary Shares, leaving the Company essentially debt-free.

ELECTRIC GUITAR PLC

CHAIR'S STATEMENT AND OPERATIONAL REPORT For the year ended 31 March 2025

I present the Company's Annual Report and Audited Financial Statements for the year ended 31 March 2025.

It has been a year of contrasting fortunes for the Company. It started with the Company as a cash shell and its shares already long-suspended on the Standard Segment of the FCA Official List and Main Market of the London Stock Exchange, following the announcement in July 2023 of its agreement in principle to acquire marketing technology company 3radical.

That 9-month suspension reflected very difficult stock market conditions, and in particular the falling out of favour of SPAC vehicles, at that time, which made raising significant funding difficult.

The Company's mission had been well conceived and, on its acquisition, 3radical offered a promising base from which to grow. A trailblazer in digital consumer engagement solutions and based in the UK, 3radical had an operation in Singapore and customers across the UK, US and Asia-Pacific, making it an attractive platform on which to build, and fitting our strategy of capitalising on structural disruption in the marketing industry.

After acquiring 3radical, the management team immediately enhanced its sales and marketing activities, brought in additional experienced management, and bore down on non-revenue-generating overheads. But the combined effect of the lack of investment in 3radical during the long delay leading up to its acquisition, and a continuing tough macroeconomic environment coupled with a volatile political landscape, and the Company's share price falling substantially after the RTO which inhibited further fundraisings and acquisitions as part of the Company's core 'buy-and-build' strategy, together made fulfilment of its mission extremely challenging.

Despite this backdrop, the Company succeeded in the all-share acquisition of Mymyne in August 2024. Mymyne already had a contract to provide sales and marketing services to 3radical, and its acquisition delivered substantial cost-savings and synergies as well as potentially valuable IP. The Company also established several new collaborations for additional products, technologies and access to new markets. But other more substantial acquisitions were frustrated by a falling share price and challenging equity markets.

With the prospect of further UK stock market capital raisings becoming increasingly remote, the Board engaged in private placing fundraising discussions which were initially very encouraging, only for the lead prospective investor to withdraw following a collapse of the Company's share price.

The termination of funding discussions and a downgrading by 3radical's management of its revenue projections following the UK Government's 30 October 2024 Budget that damaged business confidence, left the Board with no option but to have 3radical placed into administration, and to request the suspension of the Company's shares from trading pending clarification of its financial position. After 3radical's administrator had unsuccessfully

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marketed the 3radical business as a going concern, it was placed into a CVL on 24 December 2024, and the Company then automatically became an AIM Rule 15 cash shell.

The Board was determined to preserve as much value as it could for the Company's shareholders, while also addressing the rights and concerns of its creditors. Emergency short term convertible loans totalling £55,000 were secured to enable the Company to prepare a restructuring.

Led from this point by Richard Horwood as COO, with advice from CVA specialist Antony Batty & Co, the Board was able to put forward a CVA proposal to all the Company's shareholders and creditors. This was approved on 27 March 2025. At this point the Board was able to raise an additional £300,000 in equity capital to ensure the Company's continued survival.

Post balance sheet events

The CVA and the fundraising enabled the Company's Ordinary Shares to be restored to trading on AIM as a cash shell on 2 April 2025, with the CVA having eliminated approximately £1.4 million in liabilities, leaving the Company substantially debt free and able to seek a new RTO. On the same date, the Company's share subscription for £300,000 also completed.

From this point we focused not only on seeking and reviewing RTO candidates, but also on raising sufficient additional resources to be able to cover the anticipated costs of such an RTO. With the support of our most longstanding and supportive shareholder, Sanderson Capital Partners Ltd as well as significant new investors, on 18 June 2025 we succeeded in raising a further £775,000 in new equity, sufficient to cover all our likely RTO and monthly running costs.

Trading in the Company's shares was then, as expected, suspended on 25 June 2025 due to its being a cash shell that had not completed the acquisition of a trading business within six months of it becoming an AIM Rule 15 cash shell.

On 18 July 2025 we announced our agreement in principle, subject (inter alia) to due diligence and approval by the Company's shareholders, to acquire U.S. energy and datacentre company Dunbar through an all-share RTO.

With datacentre demand surging and supportive U.S. energy policies, Dunbar is focused on the acquisition, development and monetisation of natural gas and coal mine methane assets for on-site electricity generation and the deployment of mobile compute facilities. Its initial asset portfolio comprises a mix of operated and non-operated interests in producing oil and gas wells, providing a foundation for revenue generation through the planned deployment of mobile compute facilities and modular datacentres, computing power sales, electricity offtake, and verified environmental credits. Dunbar also maintains an active acquisition pipeline targeting additional stranded gas and emissions abatement opportunities across multiple U.S. basins.

ELECTRIC GUITAR PLC

To execute this strategy, Dunbar has brought together a seasoned team with decades of experience in coal mining and oil and gas, strengthened by leading IT and datacentre professionals.

On 13 October 2025, the CVA Supervisor completed the administration of the CVA, and the Company issued the fixed pool of 236,782,175 new Ordinary Shares to its former creditors, representing 8.6 per cent. of the enlarged equity, as approved by its creditors and members in full satisfaction of its pre-CVA liabilities. The outstanding balance of the emergency convertible loans was at the same time automatically converted into 306,665,817 new Ordinary Shares, fully eliminating the rest of the Company's pre-CVA debts.

Conclusion

Despite the difficult and disappointing year, I am pleased to be able to report that the Company has not only been restored to financial health but has also now been set on a very exciting future path.

DocuSigned by:

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.....
Grahame Cook
Chair
24 November 2025

ELECTRIC GUITAR PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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

Fair review of the business

A review of the Company's business activities during the year ended 31 March 2025 is set out in the Chair's Statement and Operational Report on pages 6 to 8.

The Company and its subsidiaries (the "**Group**") incurred a net loss of £4,882,757 in the year ended 31 March 2025 (2024: £1,362,163). At 31 March 2025, the Company held cash at bank totalling £240,430 (2024: £137).

The acquisition of 3radical and Mymyne has had a major impact on the Company's results for the year. An increase in operational costs following these acquisitions as well as the costs of making these investments which we have impaired in full, have resulted in an increase in the loss for the year from £1.36 million in the year ended 31 March 2024 to £4.88 million in the year to 31 March 2025.

These losses include an impairment charge of £2.3 million in respect of goodwill arising from our acquisitions of 3radical and Mymyne, the associated costs of acquisition and admission to AIM of £0.8 million and other operational costs of £1.1 million.

In addition to the losses incurred by the Company, the operations of 3radical and Mymyne incurred a loss of £0.7 million in the period after acquisition.

Whilst the impairment expense was a non-cash cost, reflecting the all-share considerations for the acquisitions of 3radical and Mymyne, the operational activities still consumed £1.6 million of cash during the year. However, we have been able to raise fresh equity through a combination of subscription, placing and the conversion of certain liabilities to new Ordinary Shares. The Company's cash resources stood at approximately £240,000 at the year-end.

Post balance sheet events

Restoration of trading in the Company's Ordinary Shares on AIM took place on 2 April 2025, when 875,000,000 new Ordinary Shares issued at 0.034 pence per Ordinary Share in respect of the £300,000 equity fundraising were admitted to trading on AIM to complete the share subscription; and a further 68,147,959 new Ordinary Shares were issued on conversion of £10,000 of the total convertible loans of £55,000 at 0.01467 pence per new Ordinary Share.

On 18 June 2025, the Company issued a further 968,750,000 new Ordinary Shares, comprising a further equity fundraising of £775,000 before expenses at 0.08 pence per new Ordinary Share, strengthening its cash position and enabling the Company to cover its anticipated expenses of a new RTO, before its shares were automatically suspended again from trading on 25 June 2025, being six months after the Company was reclassified as an AIM Rule 15 cash shell, pending completion of a new RTO.

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On 18 July 2025, the Company announced an agreement in principle to acquire U.S. energy company Dunbar Energy Inc. in an all-share RTO, subject (inter alia) to due diligence and approval by the Company's shareholders.

On 13 October 2025, pursuant to the CVA approved on 27 March 2025, 236,782,175 new Ordinary Shares ('**CVA Creditor Shares**') were allotted on final completion of the CVA to the pre-CVA creditors of the Company in full satisfaction of their debts, along with 306,665,817 new Ordinary Shares in conversion of the remaining £45,000 emergency convertible loans.

Principal risks and uncertainties

The principal risks currently faced by the Company relate to:

The Company's relationship with the directors and conflicts of interest

The Company is dependent on the directors to identify potential acquisition opportunities and to execute acquisitions. The directors, who are all currently non-executive, allocate a portion of their time to other businesses which may lead to the potential for conflicts of interest in their determination as to how much time to assign to the Company's affairs.

Reliance on external advisors

The directors expect to rely on external advisors to help identify and assess potential acquisitions and there is a risk that suitable advisors cannot be placed under contract or that such advisors that are contracted fail to perform as required.

Failure to complete an acquisition or fund a target's operations

There is the risk of acquisitions not ultimately being completed because due diligence enquiries reveal them to be inappropriate transactions not in the interests of shareholders.

There is no guarantee that the Company will be able to obtain any additional financing needed either to complete an acquisition or to implement its plans post-acquisition or, if available, to obtain such financing on terms attractive to the Company. In that event, the Company may be compelled to restructure or abandon an acquisition or proceed with an acquisition on less favourable terms, which may reduce the Company's return on the investment. This could have a material adverse effect on the continued development or growth of the Company and the acquired business.

Reliance on income from the acquired activities

Following an acquisition, the Company may be dependent on the income generated by the acquired business or from the subsequent divestment of the acquired business to meet the Company's expenses. If the acquired business is unable to provide sufficient funds to the Company, the Company may be unable to pay its expenses or make distributions and dividends on the Ordinary Shares.

Restrictions in offering Ordinary Shares as consideration for an acquisition or requirements to provide alternative consideration

In certain jurisdictions, there may be legal, regulatory, or practical restrictions on the Company using its Ordinary Shares as consideration for an acquisition or which may mean

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that the Company is required to provide alternative forms of consideration. Such restrictions may limit the Company's acquisition opportunities or make a certain acquisition more costly, which may have an adverse effect on the results of operations of the Company.

Key performance indicators (KPIs)

The Board has established a Remuneration Committee comprising the non-executive directors, whose remit includes setting KPIs for the senior executives and for directors. The Remuneration Committee consults on appropriate KPIs in light of the rapidly evolving development of the Company and its businesses.

Gender analysis

A split of the Company's employees and directors by gender and average number during the year is shown below:

Directors	Male	Female
	4	1
Employees (excluding directors)	Male	Female
	-	1

Statement by the directors in accordance with section 172(1) of the Companies Act

The directors 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 first main decision made by the directors during the period was to use the net proceeds raised on the IPO in January 2022 in evaluating numerous acquisition opportunities and ultimately in the transferring of the Company's listing to the AIM market of the London Stock Exchange and issuing shares to acquire 3radical and the associated fundraising.

In March 2024 (in anticipation of its admission to AIM on the acquisition of 3radical), the Company adopted a number of policies and procedures as set out in its Financial Reporting Procedures Board Memorandum. This includes *inter alios* audit, remuneration and

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nominations committees of the Board; and policies including anti-bribery, market abuse, financial controls, risk measurement, and share dealing.

In August 2024, the Company acquired Mymyne; and in October 2024 converted all of its then outstanding convertible loans into Ordinary Shares.

The next main decision was the suspension of the Company's shares from trading pending clarification of the Company's financial position in November 2024 and the placing of 3radical into administration; followed in December 2024 by the placing of 3radical into a CVL, and accepting emergency convertible loan funding to enable the Company to seek a CVA.

This was followed in March 2025 by the approval of the CVA by the Company's creditors and members, coupled with a subdivision of the Company's £0.005 Ordinary Shares into £0.0001 Ordinary Shares and £0.0049 Deferred Shares, and an equity fundraising to enable the re-admission of the Company's shares to trading on AIM pending the acquisition of a new trading business.

In June 2025, the Company raised additional equity capital to cover its anticipated costs of another RTO, before its shares were again automatically suspended from trading under AIM Rules after 6 months as a cash shell without having completed such an RTO.

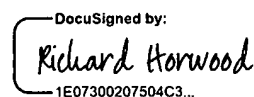
In July 2025, the Company announced it had entered into an agreement in principle for the all-share acquisition of Dunbar Energy Inc.

In October 2025, the administration of Company's CVA was completed with the issue of 236,782,175 new Ordinary Shares to its pre-CVA creditors, and its remaining convertible loan was satisfied by the issue of 306,665,817 new Ordinary Shares.

The directors have throughout sought to protect the interests of the Company's shareholders, employees, suppliers and other stakeholders in the context of difficult stock market and economic conditions, particularly while its Group was trading through its 3radical subsidiary.

Otherwise, the Company only has professional advisors and a limited number of suppliers, staff and others who require consideration by the directors, and there are no activities that could impact the community or environment. The directors acknowledge that the Company will seek to maintain a reputation for high standards of business conduct in its dealings with individual stakeholders.

On behalf of the Board

DocuSigned by:

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Richard Horwood
Director
24 November 2025

ELECTRIC GUITAR PLC

DIRECTORS REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

The corporate governance statement set out on pages 26 to 32 forms part of this report.

Principal Activities

The Company was established in March 2021 as a Special Purpose Acquisition Company to seek acquisition targets in the digital media sector. In January 2022, its Ordinary Shares were admitted to the Standard Segment of the Official List and to trading on the Main Market of the London Stock Exchange.

In May 2024, the Company cancelled the listing of its Ordinary Shares on the Standard Segment of the Official List and had its Ordinary Shares admitted to trading on AIM, a market operated by the London Stock Exchange.

At the same time, it acquired marketing technology business 3radical Limited (**'3radical'**) through an all-share reverse takeover (**'RTO'**) by issuing 61,184,843 Ordinary Shares at £0.021 per share valuing 3radical at £1,284,882; and issued a further 104,785,670 Ordinary Shares at £0.021 per share raising £2,200,499 before expenses, through a combination of subscription, placing, and the conversion of certain liabilities to new Ordinary Shares.

As a result, the Company's principal activity changed to the provision of first-party data solutions for the digital marketing and advertising industry as well as identifying potential companies, businesses, or assets for acquisition.

In August 2024, the Company acquired sales & marketing company Mymyne Limited (**'Mymyne'**) through an all-share acquisition by issuing 9,834,521 Ordinary Shares at £0.0073 per share on completion, plus deferred consideration of up to a maximum of 11,191,665 Ordinary Shares after a year subject to conditions, valuing Mymyne at a maximum of £153,491 at the closing mid-market price of the Company's Ordinary Shares on 8 August 2024. At the same time, the Company issued a further 9,589,042 Ordinary Shares at £0.0073 per share in satisfaction of £70,000 in fees to professional advisers.

In October 2024, the Company issued 13,888,889 Ordinary Shares on conversion of a £125,000 loan at £0.009 per share.

The Company's Ordinary Shares were suspended from trading on AIM on 26 November 2024. On 28 November 2024 3radical, its operating subsidiary, was placed into administration pending a sale of the business. After the unsuccessful marketing of 3radical's business as a going concern and the Company's announcement of 24 December 2024 regarding the CVL of 3radical, the Company was reclassified as a cash shell pursuant to Rule 15 of the AIM Rules, and its principal activity reverted to identifying potential companies, businesses, or assets for acquisition.

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On 27 March 2025, the Company agreed to issue 875,000,000 Ordinary Shares at £0.00034 per share in a £300,000 fundraising before expenses and 68,147,959 Ordinary Shares at £0.0001467 per share as conversion of a £10,000 convertible loan, combined with a CVA which eliminated all the Company's pre-CVA debts in a 'debt for equity swap' (other than £45,000 remaining of the convertible loan that was converted into 306,665,817 Ordinary Shares at £0.0001467 per share when the CVA Creditor Shares were issued on 13 October 2025), and enabled the Company to continue operating. At the same time, the nominal value of the Company's Ordinary Shares was reduced from £0.005 per share to £0.0001 per share, with the balance of its nominal share capital reclassified as Deferred Shares of £0.0049 per share.

Results and dividends

The results for the year are set out on page 44. See the Strategic Report for commentary on the results.

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

Going Concern

The financial statements have been prepared on a going concern basis. The Board has assessed the Company's financial position as at 31 March 2025 and the factors which may impact the Company's ability to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements. See note 2.4 for key matters assessed by the directors in considering the ability of the Company to continue as a going concern for the year to 30 November 2026.

As described in Note 19 to the Financial Statements, proposals for the CVA which were conditional upon, inter alia, the approval by Shareholders of certain Resolutions, were duly passed at a General Meeting held on 27 March 2025. The CVA approval was followed on 18 June 2025 by a further fundraising of £0.8 million before expenses to cover the Company's anticipated costs of its next RTO.

Subsequent to the year-end, on 13 October 2025, the CVA Supervisor completed the administration of the CVA, and the Company issued the fixed pool of 236,782,175 new Ordinary Shares to its former creditors, representing 8.6 per cent. of the enlarged equity as approved by its creditors and members, and 306,665,817 new Ordinary Shares in conversion of the remaining £45,000 convertible loan in full satisfaction of its pre-CVA liabilities.

Management and the directors have considered each of these matters and what the Group (Electric Guitar PLC as enlarged by the RTO of Dunbar) is expected to look like following the completion of the anticipated RTO, which includes the Group's working capital requirements over the period to 30 November 2026.

The directors have also assessed the Company's ability to continue as a standalone entity in the event no acquisition is pursued and completed in the period to 30 November 2026. Cashflow projections have also been prepared on this basis which support the directors' view

ELECTRIC GUITAR PLC

that the Company has sufficient facilities to meet its obligations for the period to 30 November 2026 and pay its debts as they fall due. There is, however, no guarantee the directors would be successful in raising additional financing for its future growth and working capital should this be required. This matter indicates that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern at the time of approval of the financial statements.

The financial statements do not include adjustments should the going concern basis be inappropriate. Nonetheless, in view of the successful track record of raising financing in the last year from both equity and debt sources and other available funding options, the directors are confident they would be successful in raising any necessary financing within the next 12 months from the date of approval of the financial statements.

For these reasons, the directors continue to adopt the going concern basis in preparing the financial statements.

Directors

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

John Hutchinson	(Resigned 1 April 2025)
John Regan	(Resigned 1 April 2025)
Sarfraz Munshi	(Resigned 3 May 2024 and reappointed on 1 April 2025)
Richard Horwood	
Grahame Cook	(Appointed 3 May 2024)
Caroline Worboys	(Appointed 3 May 2024 and resigned 1 April 2025)
David Eldridge	(Appointed 3 May 2024 and resigned 17 June 2024)

The directors held indemnity policies in respect of their services as directors during the year in the form of Directors and Officers insurance.

Directors' biographies

GRAHAME COOK – Non-executive Chair

Grahame is an experienced public company chair and non executive director, with over 20 years' experience of chairing AIM and Stock Exchange listed companies as well as heading audit and risk committees. Grahame's background is in investment banking, with 20 years' experience of M&A, equity capital markets and corporate advisory. He was a Managing Director at UBS, a member of UBS's global investment banking management committee and joint CEO of Panmure. Grahame has chaired and been on the board of a number of technology and technology rich companies. He was the Chair of EPI-V, a private equity investment firm which specialised in investing in oil and gas service companies. Grahame currently serves as Chair of Advanced Medical Solutions Group plc and as a non executive director of Molten Ventures plc, a FTSE 250 company. Grahame has a double first class honours degree from Oxford University and is a Chartered Accountant.

ELECTRIC GUITAR PLC

RICHARD HORWOOD – Non-executive Director and Company Secretary

Richard has been an innovator in media and technology businesses for some 30 years, after careers in investment banking and law. Having started out as a solicitor in private practice, Richard joined Hill Samuel Bank's corporate finance department before becoming head of M&A at securities house Smith New Court, now part of Bank of America. He has since held senior executive, non-executive and ownership roles in media, technology, real estate, recruitment and leisure companies; invested in businesses ranging from frozen food delivery to GP practices; and led non-profit and charitable organisations. Richard has an LLB (Hons) degree in law from Bristol University and passed the Solicitors Finals at the College of Law, Guildford.

SARFRAZ MUNSHI – Non-executive Director

Sarfraz Munshi has over 10 years of experience in the financial industry and holds a diploma in investment advice. His expertise includes managing and advising family offices, hedge funds and clients in global markets, transacting over £1bn of assets in both private and public transactions across a variety of sectors including, but not limited to, biotech, natural resources and technology. He is currently a non-executive director of Catenai Plc, an AIM listed AI technology company. Sarfraz is supporting Catenai through its transformation into an AI focussed technology company with a Treasury Function in Bitcoin (BTC) and Bittensor (TAO), the first to be approved on AIM. Sarfraz has a BSc with Honours in Economics in the First Class from the University of Nottingham.

Directors' interests

The directors' interests in the ordinary shares of the Company as at 31 March 2025 were as stated below:

Director	Number of shares	Holding %
John Regan	9,020,380	3.51%
John Hutchinson	5,587,280	2.17%
Richard Horwood	4,662,660	1.81%
Sarfraz Munshi	-	-
Grahame Cook	-	-
Caroline Worboys	-	-

Remuneration committee

The Company has established a Remuneration Committee, comprising at least three non-executive directors, at least two of which must be independent. Members of the Committee are appointed by the Board in consultation with the Committee Chair, currently Sarfraz Munshi. It is responsible for determining and agreeing with the Board the framework for the remuneration of the directors and other designated senior executives and, within the terms of the agreed framework, determining the total individual remuneration packages of such persons including, where appropriate, bonuses, incentive payments and share options or

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other share awards. No director is involved in any decision as to his or her own remuneration. The Remuneration Committee meets at least twice a year and otherwise as required.

Nominations committee

The Company has established a Nominations Committee, comprising at least three non-executive directors, at least two of which must be independent. Members of the Committee are appointed by the Board in consultation with the Committee Chair, currently Grahame Cook. It meets at least twice a year and otherwise as required to review the structure, size and composition of the Board, and to identify and nominate, for the approval of the Board, candidates to fill vacancies on the Board as and when they arise.

Audit committee and internal financial control

The Company has established an Audit Committee, comprising at least three non-executive directors, at least two of which must be independent. Members of the Committee are appointed by the Board in consultation with the Committee Chair, currently Richard Horwood. It meets at least three times a year: prior to the publication of the interim financial statements; at the planning stage of the annual year-end audit; and prior to the publication of the annual report which includes the audited financial statements; and otherwise as required.

The Committee is responsible for monitoring the integrity of the Company's financial statements, reviewing significant financial reporting issues, reviewing the effectiveness of the Company's internal control and risk management systems, monitoring the need for, and if necessary the effectiveness of, the internal audit function, and overseeing the relationship with the external auditors including advising on their appointment, agreeing the scope of the audit and reviewing the audit findings.

Financial controls have been established to provide safeguards against unauthorised use or disposition of the assets, to maintain proper accounting records and to provide reliable financial information for internal use. Key financial controls include:

- the maintenance of proper records;
- a schedule of matters reserved for the approval of the Board;
- evaluation, approval procedures and risk assessment for acquisitions; and
- close involvement of the directors in the day-to-day operational matters of the Company.

Shareholder communications

The Company uses its corporate website (<https://www.electricguitarplc.com>) to ensure that the latest announcements, press releases and published financial information are available to all shareholders and other interested parties.

The Annual General Meeting ("AGM") is used to communicate with both institutional shareholders and private investors, and all shareholders are encouraged to participate.

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Separate resolutions are proposed on each issue so that they can be given proper consideration, and there is a resolution to approve the Annual Report and Accounts.

The Company counts all proxy votes and will indicate the level of proxies lodged on each resolution after it has been dealt with by a show of hands.

Directors' Remuneration Report

Directors' remuneration

During the year ended 31 March 2025, the Directors' emoluments were as follows:

Director	Salary or fees	Share-based payment benefits	Pension contributions	Total for 2025	Total for 2024
John Regan	85,200	14,431	-	99,631	37,328
John Hutchinson	125,184	3,763	-	128,947	36,000
Sarfraz Munshi	-	-	-	-	36,000
Richard Horwood	98,864	12,614	-	111,478	37,328
Grahame Cook	33,000	1,566	-	34,566	-
Caroline Warboys	33,000	1,566	-	34,566	-
David Eldridge	4,700	2,088	-	6,788	-
Totals	379,948	36,028	-	415,976	146,656

During the year ended 31 March 2024, John Hutchinson was entitled to an additional amount of £19,935 in relation to backpay earned in the year ended 31 March 2023.

Remuneration policies

The remuneration policy of the Company in effect for the year ended 31 March 2025 was: From 1 April 2024 to 2 May 2024:

- John Regan was entitled to a salary of £36,000 per annum until such time as the Company completed its first acquisition, at which point he was entitled to a bonus of £50,000. However, he waived that bonus to help the Company conserve cash. He was also entitled to pension contributions by the Company of £1,328 during the year.
- John Hutchinson was entitled to a salary of £36,000 per annum until such time as the Company completed its first acquisition, at which point he was entitled to a bonus of £51,750.
- Sarfraz Munshi was entitled to a director's fee of £36,000 per annum.
- Richard Horwood was entitled to a salary of £36,000 per annum until such time as the Company completed its first acquisition, at which point he was entitled to a bonus of

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£16,664. He was also entitled to pension contributions by the Company of £1,328 during the year.

With effect from 3 May 2024 (the date on which the Company completed its first acquisition) the remuneration policy was changed as follows:

- John Regan and Richard Horwood were each entitled to a salary of £72,000 per annum plus £14,400 per annum in lieu of benefits; plus a loyalty bonus of £78,000 each, payable on each anniversary of the Company's first acquisition (provided the Company's cashflow reasonably permits) less the amount (if any) by which their base salary of £72,000 per annum may have been increased by the Remuneration Committee in the first year following the first acquisition. Notwithstanding this contracted remuneration, each of them agreed to defer £26,400 per annum of their respective salaries for 18 months from the date of the first acquisition, subject to the deferred amounts being paid plus a 100% uplift.
- John Hutchinson was entitled to a director's fee of £36,000 per annum. Notwithstanding this contracted remuneration, he agreed to defer £18,000 per annum for 18 months from the date of the first acquisition, subject to the deferred amount being paid plus a 100% uplift.
- Grahame Cook and Caroline Worboys were each entitled to a director's fee of £36,000 per annum.

In the event, none of the directors drew any fees or salaries after October 2024, and have instead claimed for unpaid salaries, fees and other entitlements in the CVA that was approved on 27 March 2025.

With effect from 1 April 2025 (following (i) the CVA of the Company on 27 March 2025, (ii) the resignations of John Hutchinson, John Regan and Caroline Worboys from the Board and the re-appointment of Sarfraz Munshi to the Board on 1 April 2025; and (iii) the termination of John Regan's and Richard Horwood's executive contracts as CEO and COO respectively with effect from 31 March 2025), the remuneration policy was changed as follows:

- Grahame Cook, Richard Horwood and Sarfraz Munshi were each entitled to a non-executive director's fee of £36,000 per annum, of which £500 per month was payable and the balance accrued pending the Company completing a new RTO, subject to additional fees being payable for work in addition to that normally expected of a non-executive director.
- In the event, to conserve the Company's cash, the directors accrued all their fees for April.
- From 1 May 2025, the Remuneration Committee assessed that Richard Horwood – who also serves as Company Secretary – was providing substantially more service to the Company than normally expected of a non-executive director, and accordingly amended his remuneration to £3,000 payable for the month of May, and £5,000 per month from 1 June 2025 (of which £4,000 per month would be payable and the balance accrued pending a new RTO).

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The Remuneration Committee will continue to reassess an appropriate level of directors' remuneration, and the remuneration policy may be further amended so as to attract, retain and motivate directors and senior management of a high calibre, with a view to encouraging commitment to the development of the Company and for long term enhancement of shareholder value.

The Board believes that share ownership by directors and senior managers strengthens the link between their personal interests. Accordingly, a Long Term Incentive Plan was adopted by the Company in General Meeting on 1 May 2024. This replaced warrants that had previously been issued to some of the directors and which have been surrendered. However, following the CVA of the Company on 27 March 2025, all value in this Plan was lost.

Directors also receive reimbursement for expenses incurred whilst performing services for the Company.

Directors' contracts

The two executive directors (John Regan and Richard Horwood) had entered into service agreements with the Company and were employed until those contracts were terminated by the Company on 31 March 2025. On 1 April 2025, Richard Horwood entered into a non-executive director's agreement with the Company, alongside Grahame Cook and Sarfraz Munshi.

In the event of termination or loss of office, the directors are entitled only to payment of their basic fees or salary and (where applicable) salary in lieu of benefits and in respect of their notice period. In the event of termination or loss of office in the case of a material breach of contract, the directors are not entitled to any further payment.

Bonus and incentive plans

Warrant Instrument for A-Series Warrants

On 24 December 2021, the Company entered into a warrant instrument, pursuant to which the Company created A-Series warrants over Ordinary Shares of the Company.

Warrants were issued over an aggregate of 5,786,278 new Ordinary Shares at an exercise price per Ordinary Share equal to 150 per cent of the placing price of 3p.

At Admission onto the Standard List, a total of 3,599,064 A-Series Warrants (the "Allocated A-Series Warrants") were granted to the directors (subject to the vesting provisions described below) in the following numbers:

- John Regan	1,539,150
- John Hutchinson	1,029,957

These warrants were surrendered and replaced by options under the Long Term Incentive Plan adopted by the Company in General Meeting on 1 May 2024 as described below.

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Discretionary awards of Unallocated A-Series Warrants have been made and were vested on issue as follows:

• January 2023, John Regan	307,830
• January 2023, John Hutchinson	205,991
• January 2023, Sarfraz Munshi,	205,991
• May 2023, Richard Horwood	205,991

These warrants were also surrendered and replaced by options under the Long Term Incentive Plan adopted by the Company in General Meeting on 1 May 2024, as described below.

Warrant Instrument for B-Series Warrants granted to Axis Capital and Alexander David Securities Limited

On 24 December 2021, the Company entered into a Warrant Instrument, pursuant to which the Company granted 578,628 B-Series Warrants to Axis Capital and 578,628 B-Series Warrants to Alexander David Securities Limited. The B-Series Warrants, over in aggregate 1,157,256 new Ordinary Shares, are exercisable for three years from completion of the first Acquisition at a price per Ordinary Share equal to 150 per cent of the placing price of 3p.

Following the CVA of the Company on 27 March 2025, all the above warrants became worthless.

Electric Guitar 2024 Employee Incentive Plan

As more fully described in Note 14 to the Financial Statements, in May 2024 the Company granted Share Options over a total of 24,422,015 new Ordinary Shares to certain directors and employees pursuant to the Electric Guitar plc 2024 Employee Incentive Plan. These awards comprised Enterprise Management Incentive Options and Unapproved Share Options exercisable at the Issue Price of 2.1 pence.

All of these options vest over 3 years and have an exercise price of 2.1p. The exercise period for these options is 10 years from AIM Admission.

The Electric Guitar plc 2024 Consultant Incentive Plan (Consultant Plan) options

On admission to AIM, the Company also granted Share Options over a total of 9,628,268 new Ordinary Shares pursuant to the Consultant Plan. All of these options vest over 3 years and have an exercise price of 2.1p.

The exercise period for these options was 10 years from AIM Admission.

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Options issued under these schemes to Directors were as set out below.

Director	Number of EMI Options	Number of Unapproved Share Options	Number of Options issued under The Consultant Incentive Plan	Totals
John Regan	11,904,713	1,126,789	-	13,031,502
John Hutchinson	-	-	4,033,864	4,033,864
Sarfraz Munshi	-	-	-	-
Richard Horwood	11,390,513	-	-	11,390,513
Grahame Cook	-	-	1,678,750	1,678,750
Caroline Warboys	-	-	1,678,750	1,678,750
David Eldridge	-	-	2,236,904	2,236,904
Totals	23,295,226	1,126,789	9,628,268	34,050,283

CLN warrants granted to Grahame Cook

On 10 March 2025, the Company entered into a Convertible Loan with Grahame Cook, pursuant to which the Company granted him 34,073,980 Warrants, exercisable for three years from 1 April 2025, at a price per Ordinary Share of 0.01467p.

Warrants granted to Richard Horwood and Sarfraz Munshi

On 6 May 2025, the Company entered into the following Warrant Instruments with Richard Horwood and Sarfraz Munshi:

	Richard Horwood	Sarfraz Munshi	
Warrant Terms	Number	Number	Total number
Exercise price 0.1p for a term of 12 months from the date of admission of the CVA Creditor Shares (13 October 2025)	25,000,000	25,000,000	50,000,000
Exercise price 0.15p for a term of 18 months from the date of admission of the CVA Creditor Shares (13 October 2025)	25,000,000	25,000,000	50,000,000

Other matters

The Company had no pension plans for any of the directors during the year and did not pay contributions in relation to their remuneration, save for contributions towards John Regan's and Richard Horwood's SIPPs up to the end of October 2024 in lieu of an equal amount of their gross salary entitlement plus the minimum employer statutory contributions, and did not pay out any excess retirement benefits to any directors.

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Supplier payment policy

Prior to the Company's trading subsidiary becoming insolvent in November 2024, and following the CVA of the Company on 27 March 2025, the Company's policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU) and:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the Company's contractual and other legal obligations.

Following the insolvency of the Company's trading subsidiary in November 2024, the Company was unable to pay any of its suppliers (other than 'critical creditors' for the purpose of pursuing its CVA) as from that point until the CVA was approved and its associated fundraising was achieved, it no longer had any reasonable prospect of being able to pay all its creditors when due. The CVA (involving a debt for equity swap) was overwhelmingly approved on 27 March 2025 by the Company's creditors and members, with none objecting.

Substantial Shareholdings

At 13 October 2025 the Company had been informed of the following substantial interests over 3% of the issued share capital of the Company.

Holding Percentage

Shareholder name	No. of shares	Holding %
Sanderson Capital Partners Ltd	676,120,775	24.59%
Mayford 1TN Ltd	537,500,000	19.55%
John Story	312,500,000	11.36%
Grahame Cook	98,811,608	3.59%

Disclosure and Transparency Rules

Details of the Company's share capital and warrants are given in Notes 13 and 14 and in this report above. Save for directors', some substantial shareholders' and insiders' dealing restrictions from time to time, there are no restrictions on transfer or limitations on the holding of the Ordinary Shares. None of the shares carries any special rights with regard to the control of the Company. There are no known arrangements under which the financial rights are held by a person other than the holder and no known agreements or restrictions on share transfers and voting rights.

As far as the Company is aware there are no persons with significant direct or indirect holdings other than the directors and other significant shareholders as shown in this report above. The provisions covering the appointment and replacement of directors are contained in the Company's articles, any changes to which require shareholder approval. There are no significant agreements to which the Company is party that take effect, alter or terminate upon a change of control following a takeover bid and no agreements for compensation for loss of office or employment that become effective as a result of such a bid.

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Auditor

In accordance with section 485 of the Companies Act 2006, a resolution proposing that Johnsons Chartered Accountants be re-appointed will be put at the Annual General Meeting.

Energy and carbon report

As the Company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

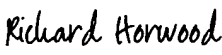
Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the board

DocuSigned by:

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Richard Horwood
Director
24 November 2025

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DIRECTORS RESPONSIBILITY STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK adopted International Financial Reporting Standards (UK adopted IFRS). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

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

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

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

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CORPORATE GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

Governance Report

The Board is committed to the principles of good corporate governance and believes that an effective corporate governance framework is essential to underpin the success of the business. The Board is committed to achieving the highest standards of integrity, ethics, professionalism and business practice throughout its operations.

The Company has therefore adopted the Quoted Companies Alliance (QCA) Corporate Governance Code 2023 (the "QCA Code") in line with the AIM Rules for Companies which require all AIM-quoted companies to adopt a recognised corporate governance code and to explain how the company complies with and where it departs from the chosen code. The QCA Code and associated guidance are available on the Quoted Companies Alliance website <https://www.theqca.com/shop/guides/>.

The Company has adopted UK MAR-compliant policies regarding directors' dealings.

Compliance with the QCA Code

Principle 1: Establish a purpose, strategy and business model which promotes long-term value for shareholders

The Board is responsible to shareholders for setting the Group's strategy by maintaining the policy and decision-making process around which the strategy is implemented; ensuring that necessary financial and human resources are in place to meet strategic aims; monitoring performance against key financial and non-financial indicators; providing leadership whilst maintaining the controls for managing risk; overseeing the system of risk management; and setting values and standards in corporate governance matters.

The Company's strategy is to invest in and/or acquire companies which show significant potential for growth, cash-generation, and a profitable exit in the medium term. The Board employs strict capital discipline and a robust filtering process when reviewing acquisition opportunities. It has entered into an agreement in principle to acquire Dunbar Energy Inc, a U.S. energy and datacentre company.

The Directors believe that the Company's model and growth strategy helps to promote long-term value for shareholders. An update on the Company's strategy is included above.

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Principle 2: Promote a corporate culture that is based on ethical values and behaviours

The Company is committed to ensuring that it operates according to the highest ethical standards and the Board has primary responsibility for achieving this. The directors believe that the main determinant of whether a business behaves ethically and with integrity is the quality of its people, and the Board takes great care to ensure that all individuals employed by the Group demonstrate the required high levels of integrity. The Group has also adopted formal policies addressing, inter alia, bribery and corruption, the use of social media and a code for dealing in the Company's shares.

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Company and that this will impact performance. The culture is set by the Board and is considered and discussed at Board meetings, and the Board is aware that the tone and culture it sets impacts all aspects of the Company and the way that employees behave. The Board promotes a culture of integrity, honesty, non-discrimination, trust and respect, and all employees of the Company are expected to operate in an ethical manner in all of their internal and external dealings.

The Company strives to be a good corporate citizen and respects the laws of the countries in which it operates. Each year the Company's annual report and accounts will, as appropriate in the context of the evolving nature of its business and stage of its development, address its people, its values, diversity, employee welfare and involvement, employment, training, career development and promotion of disabled persons, health and safety, ethical and social policies, human rights, product development, impact on the environment, greenhouse gas emission and slavery and human trafficking.

Principle 3: Seek to understand and meet shareholder needs and expectations

The Board endeavours to engage in clear and consistent dialogue with both existing and potential shareholders to understand their needs and expectations, and to ensure that the Company's strategy, business model and progress are clearly understood. The Board also maintains regular contact with its advisers in order to ensure that the Board develops an understanding of the views of the investor community about the Company.

The Board communicates with its shareholders through:

- the Company's annual report and accounts;
- the Company's interim and full-year results announcements;
- trading updates (where required or appropriate);
- presentations to shareholders from time to time;
- the Company's annual general meetings; and
- the investor relations section of the Company's website.

Unpublished price sensitive information is disclosed in as timely a manner as possible and within regulatory requirements for disclosure via a Regulatory Information Service.

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The Board views the Company's annual general meeting ('AGM') as an important forum for communication between the Company and its shareholders and encourages shareholders to express their views on the Company's business activities and performance. The chairs of the Board and all committees, together with all other directors, routinely attend the AGM and are available to answer questions raised by shareholders. The Board engages with shareholders who do not vote in favour of resolutions at the AGM to understand their motivation.

At other times the Chair is the primary contact for shareholders. Regular meetings are held between the senior management of the Company and institutional investors and analysts to ensure that the Company's strategy, financials and business developments are communicated effectively.

Principle 4: Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success

The Board recognises the importance of corporate social responsibility, and takes account of the interests and feedback from all the Company's stakeholders, including its investors, customers, suppliers, partners and employees when operating the Group's business.

The Board believes that fostering an environment in which employees act in an ethical and socially responsible fashion will be critical to its long term success. The Company will ensure continued engagement with its employees, clients, suppliers, shareholders and the wider public via:

- having processes in place designed to ensure regular dialogue between employees and senior management; and
- technological means, using the functionality of social media platforms and software to gain insights and feedback from its clients, suppliers, partners and the public.

Principle 5: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The principal risks facing the Company are set out above. The Company recognises that risk is inherent in all of its business activities and is an important part of the Board's formulation of strategy. The overall objective of the Board is to set policies that reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. The Board is assisted in this matter by the Audit Committee.

The Board routinely monitors risks that could materially and adversely affect the Company's ability to achieve its strategic goals, financial condition and results of operations. The effectiveness and adequacy of mitigating controls are assessed and if additional controls are required, these will be identified and responsibilities assigned.

A review of these risks is carried out on an annual basis and each year the Company's annual report and accounts contains a section setting out what the Board considers to be the main risks faced by the Company.

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The Company maintains commercial insurance at a level it believes is appropriate against certain risks commonly insured in the industry in which the Company operates.

Principle 6: Establish and maintain the Board as a well-functioning, balanced team led by the Chair

The Board currently comprises three directors, all of whom are non-executive directors.

The biographies of the directors are set out above. The Board is satisfied that it has a suitable balance between independence and knowledge of the Company to enable it to discharge its duties and responsibilities effectively.

Each member of the Board is committed to spending sufficient time to enable them to carry out their duties. During a normal financial year at least six formal Board meetings take place. The Board is responsible for the management of the Company's business (including formulating, reviewing and approving the Company's strategy, financial activities and operating performance), for which purpose the directors may exercise all the powers of the Company. The directors may delegate such powers to any person or committee as they think fit and those powers may be sub-delegated with the authority of the directors. The directors may revoke any delegation of powers.

The Board has established Audit, Remuneration and Nominations Committees with formally delegated duties and responsibilities. Each committee is currently comprised entirely of non-executive directors. However, following its proposed RTO of Dunbar and in view of the small initial size of the Group, the Board proposes not thereafter to have a Nominations Committee, but instead to have nominations determined by the full Board.

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its directors, and changes to these commitments and interests must be reported to and, where appropriate, agreed with the rest of the Board.

Principle 7: Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills and capabilities

The Chair leads the Board and is responsible for its governance structures, performance and effectiveness. The Board retains ultimate accountability for good governance and is responsible for monitoring the activities of the executive team which is expected to be appointed on completion of the anticipated RTO.

The Board meets at least six times a year and more frequently as required, and supplements its meetings with frequent telephone and online discussions. In accordance with the Company's Articles, the presence of at least two directors will be required to form a quorum. An agenda and supporting documentation, including management accounts, are circulated at least five days in advance of each meeting.

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The Board is collectively responsible for the long-term success of the Company and provides leadership to the Company within a framework of effective controls, checks and balances. The senior management team, which is expected to be led by the Chief Executive after completion of the anticipated RTO, is responsible for the day to day running of the business, with key decisions (including those considered to directly relate to implementation of the Company's strategy) being reserved for the Board.

The Board has established an Audit Committee, a Remuneration Committee and a Nominations Committee. Relevant matters are considered by each committee and recommendations are taken to the full Board. Each committee meets at least twice per year and otherwise as required. The role of each committee established by the Board is summarised above.

The Board reviews the Company's governance framework on an annual basis to ensure it remains effective and appropriate for the business going forward.

The directors come from a range of backgrounds and have a wide variety of experience and traits which means that the Board is satisfied that it is well balanced and has the skills and other attributes appropriate for the size and stage of development of the Company necessary to deliver the Company's strategy. The biographies of the directors which are set out above describe the relevant skills and experience of each of the directors.

The Nominations Committee is responsible for continuing to evaluate the balance of skills, knowledge and experience and the size, structure and composition of the Board and its committees, retirements and appointments of additional and replacement directors and committee members and making appropriate recommendations to the Board on such matters.

The Company's Articles of Association provide that the minimum number of directors shall be two, with no maximum. At every AGM, the number nearest to one third of the directors must retire from office, and shall include those (i) appointed by the Board since the last AGM, (ii) who did not retire at either of the previous two AGMs, and (iii) who, other than executives, have held office with the Company for nine years or more. Any retiring director is eligible for re-appointment.

The Company Secretary provides directors with updates on key developments relating to the Company and legal, HR and governance matters (including advice from the Company's brokers, lawyers and advisers).

The Board has not yet adopted any formal policy on its own diversity but it is committed to fair and equal opportunity subject to ensuring appointees are appropriately qualified and experienced for their roles.

The Company retains the services of independent advisers including financial, legal, and investor relations advisers that are available to the Board and who provide support and guidance to the Board and complement the Company's internal expertise. The directors receive relevant training, and have access to such specialist advice, to ensure they are able to

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conduct themselves in accordance with evolving regulations and best practice, and to fulfil their roles satisfactorily.

Principle 8: Evaluate Board performance based on clear and relevant objectives seeking continuous improvement

The Company's process for evaluating the performance of the Board, its committees and individual directors, is primarily undertaken by the Nominations Committee. The Nominations Committee regularly reviews the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and makes recommendations and reviews the results of any Board performance evaluation process that relates to the composition of the Board.

The Nominations Committee also makes recommendations to the Board concerning plans for succession for both executive and non-executive directors and any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company (subject to the provisions of the law and their service contract).

Principle 9: Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture

The Company's policy is to provide remuneration packages which will attract and retain individuals with the ability and experience required to manage the Company and support the delivery and attainment of the Company's purpose, business model, strategy, and culture.

The Remuneration Committee takes into account Company and individual performance, AIM benchmarks, market value and sector conditions in determining remuneration. This includes benchmarking against the Company's key performance indicators. The Company intends to maintain a policy of paying fair salaries compared with peer companies on AIM.

The Company has two main elements of a remuneration strategy: base salary or fees and share options or warrants. As part of these arrangements the Company has created a management incentive plan. Base salaries and fees are reviewed annually or when an individual changes position or responsibility. No director can take part in discussions or vote on matters pertaining to their individual performance or remuneration. The Board will seek to publish its remuneration report as part of the Annual Report which will then be put to an advisory vote at the Company's Annual General Meeting.

The Company will look to follow the Investment Association guidelines on share options by limiting potential dilution to within 15 per cent of the existing share capital at any given time. Ahead of any potential significant amendments to existing share schemes or long-term incentive plans, it will consult initially with its largest shareholders (being those holding three per cent or more of the voting rights in the Company).

A share option scheme has been put in place with the aim of aligning the interests of the directors and employees with that of shareholders over the longer term. Options granted

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under the share option scheme are intended to have both share price performance and time criteria to vesting.

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders

The Board recognises that it is accountable to shareholders for the performance and activities of the Company and to this end is committed to maintaining good communication and having constructive dialogue with its shareholders.

The Board communicates with shareholders in a number of ways, including via:

- the Company's annual report and accounts;
- the Company's interim and full-year results announcements;
- RNS announcements; and
- the Company's AGM.

The Board considers the Company's AGM to be an important forum for communication between the Company and its shareholders and encourages shareholders to express their views on the Company's business activities and performance.

A range of corporate information, including annual reports, notices of general meetings and other regulatory announcements, is available to shareholders, investors and the public in general through the Company's website <https://www.electricguitarplc.com> which is updated on a regular basis.

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INDEPENDENT AUDITOR'S REPORT

to the Members of Electric Guitar PLC

Qualified Opinion

We have audited the financial statements of Electric Guitar PLC ("the Company") and its subsidiaries ("the Group") for the year ended 31 March 2025 which comprise the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated and company statement of cash flows and related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Financial Reporting Standards ("UK adopted IFRS").

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section, the financial statements:

- give a true and fair view of the state of the Group's and Company's affairs as at 31 March 2025, and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK adopted IFRS; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Qualified Opinion

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

Relevant amounts reported in the financial statements for 3radical Limited and its subsidiaries ("3radical") include a loss from discontinued operations of £2,977,027, net cash used in discontinued operations of £22,172, assets classified as held for sale of £30,943 and liabilities classified as held for sale of £533,183. As disclosed in notes 2.1, 2.3 and 7 of the financial statements, during the year, 3radical Limited and its subsidiaries, being wholly owned subsidiaries of the Company were placed into administration and voluntary liquidation. As a result, certain personnel responsible for financial and accounting matters were not available to discuss the financial affairs of 3radical and subsequent to entering liquidation, the accounting records were not adequate to permit the application of appropriate audit procedures. Accordingly, it was not possible to obtain the information necessary to complete audit procedures on 3radical relating to its performance and cash flows for the period ended 31 March 2025 and its financial position at 31 March 2025.

ELECTRIC GUITAR PLC

INDEPENDENT AUDITOR'S REPORT

to the Members of Electric Guitar PLC

Had we been able to complete our audit procures on 3radical, matters might have come to our attention indicating that adjustments might be necessary to the consolidated financial statements.

Material uncertainty relating to going concern

We draw your attention to note 2.4 of the financial statements which indicates the directors' consideration over going concern. The directors have assessed the ability of the Group and Company to continue as going concerns based on two separate scenarios; being (1) the proposed RTO transaction of Dunbar Energy Inc. ("Dunbar") is completed and (2) the proposed RTO transaction of Dunbar does not proceed to completion and no other acquisition is completed in the period to 30 November 2026.

The proposed terms of the Dunbar acquisition include a condition requiring Dunbar to have raised sufficient working capital for the enlarged Group for 18 months. There is however no guarantee that the proposed transaction will be completed in accordance with the proposed terms or that the Group, as enlarged by the RTO of Dunbar, will perform in accordance with any projections prepared for the period following completion.

Management has prepared detailed cashflow forecasts for the Company on a standalone basis (should the anticipated RTO not proceed to completion) and the management of Dunbar is preparing similar forecasts for the enlarged Group for the 18-month period following completion of the proposed RTO of Dunbar. Before entering into binding contracts to acquire Dunbar, the directors and the Company's nomad will review and approve Dunbar's forecasts, following thorough testing of them by the Company's RTO reporting accountants.

As part of its assessment of the forecasts, certain sensitivity analyses will be run on the forecast model for the enlarged Group. In the event the enlarged Group's actual sales for the period ending 12 months after completion of the proposed RTO would be lower than forecast and certain controllable costs were to be deferred, the tests will be required to show that the Group should still have the ability to operate and pay its debts as and when they fall due for the same period as above, but this cannot be guaranteed.

In the event that the proposed RTO does not proceed, and there are no other acquisitions made in the year to 30 November 2026, the Company would continue to be a cash shell. The standalone forecasts prepared by the Company show that the Company has sufficient facilities to meet its obligations for the period to 30 November 2026 and pay its debts as they fall due.

Notwithstanding this, the Company may need to raise further financing, in particular in the event there are delays in completing the Dunbar transaction and additional acquisition costs are incurred. There is no guarantee the directors would be successful in raising additional financing for its future growth and working capital should this be required.

ELECTRIC GUITAR PLC**INDEPENDENT AUDITOR'S REPORT**

to the Members of Electric Guitar PLC

As stated in note 2.4, these events or conditions, along with other matters set forth in note 2.4, indicate that a material uncertainty exists that may cast significant doubt on the ability of the Group and Company to continue as going concerns. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group's and Company's ability to adopt the going concern basis of accounting included:

Key audit matter description	How the matter was addressed in our audit
Going Concern The directors have prepared cash flow forecasts for the group based on two scenarios being: (1) the proposed RTO transaction of Dunbar is completed and (2) the proposed RTO transaction of Dunbar does not proceed to completion and no other acquisition is completed in the period to 30 November 2026. The Company may require additional financing over and above current available cash balances to have sufficient financing to continue on a going concern basis for at least the next twelve months period from the date of this report. Significant auditor attention was focussed in this area because of the existence of events or conditions which may give rise to going concern issues such as the ability of the Group to raise additional financing to fund its operations. The loss after tax for the year was approximately £5m and the Group had a deficiency in equity of approximately £2.1m at 31 March 2025.	The procedures performed on going concern included: • We confirmed our understanding of management's going concern assessment process and engaged with management early to ensure all key factors were considered in their assessment. • We obtained and reviewed management's going concern assessment and the cash flow forecasts for the Group for a period of at least 12 months from the date of approval of the financial statements. • We assessed the appropriateness of key assumptions made by management in preparing cash flow forecasts for a period of at least twelve months from the date of approving the financial statements, • We reviewed the Group's year-to-date results and cash flows from operating activities in FY 2025/26 and corroborated these to latest management accounts • We assessed the results of the Group's and Company's stress testing on the cash flow forecasts and available cash balances.

ELECTRIC GUITAR PLC

	• We obtained supporting evidence for the recent successful finance raisings subsequent to the year-end. We assessed the level of further financing required to support the group continuing as a going concern for the period to 30 November 2026. • We discussed and assessed financing options available to the directors in raising sufficient financing should this be required by the Company to fund future growth and working capital for the Group. • We assessed the appropriateness of the disclosures in the financial statements. We have concluded that a material uncertainty exists in relation to going concern (see Note 2.4). The directors' use of the going concern basis of accounting in the preparation of the financial statements is consistent with the requirements of UK adopted IFRS and applicable law.
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Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements.

We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have presented a risk of material misstatement. The scope of our audit was influenced by the level of materiality we determined.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account an understanding of their activities, the accounting processes and controls, and the industry in which the Group and Company operates. Our planned audit testing was directed accordingly and was focused on areas where we assessed there to be the highest risk of material misstatement.

ELECTRIC GUITAR PLC

INDEPENDENT AUDITOR'S REPORT

to the Members of Electric Guitar PLC

During the audit we reassessed and re-evaluated audit risks and tailored our approach accordingly. The audit testing included substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls and the management of specific risks.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control that we identified during the audit. All components in the group were assessed for testing and subject to audit procedures testing by the group auditor. No component auditors were engaged in the audit.

Key Audit Matters

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

Going Concern was a Key Audit Matter throughout the audit. The key audit matter description and procedures performed are disclosed above. Other than Going Concern, there were no other Key Audit Matters identified.

Our application of materiality

Our definition of materiality considers the value of error or omission on the financial statements that, individually or in aggregate, would change or influence the economic decision of a reasonably knowledgeable user of those financial statements. Misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of the identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Materiality is used in planning the scope of our work, executing that work and evaluating the results.

ELECTRIC GUITAR PLC**INDEPENDENT AUDITOR'S REPORT**

to the Members of Electric Guitar PLC

Overall materiality	The Group- £60,000 The Parent Company- £45,000 (2024: £26,000)
Basis for determining overall materiality for the Group and the Parent	We determined Group materiality based on 3% of Net liabilities We determined materiality for the Parent based on 3% of Net liabilities (2024: 2.5% of Net assets). We consider the primary users of the financial statements to be the shareholders, target entities for acquisition, HMRC and the UK regulators. During FY25, the Company was at an advanced stage of acquiring a business. As a special purpose acquisition company ("SPAC"), we concluded that the key area of focus for users of the financial statements would be the net worth (net assets) of the the Company's business. We have assessed that net assets/liabilities is the most appropriate basis for calculating materiality, as the entity's main objective is to make acquisitions.
Performance materiality	We set performance materiality based on 75% of overall group materiality for the Group, which amounted to £45,000. For the Parent we set Performance Materiality based on 75% of overall materiality £29,000 (2024: £18,000). For areas assessed as higher risk, we applied a specific materiality of 65% of overall materiality for Group and Parent. Performance materiality is the application of materiality at the individual account or balance level, set at an amount to reduce, to an appropriately low level, the probability that the aggregate of the uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. In determining performance materiality, we considered several factors including our understanding of the control environment of the Company and our experience of errors in the prior year's audit.

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Error reporting threshold	We agreed to report to the Board of Directors any corrected or uncorrected adjustments exceeding £3,000 for the Group and £2,000 for the Parent (2024: £780), along with any differences below these thresholds that we considered reportable on qualitative grounds.
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Other information

The other information comprises the information in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained during the audit, we have not identified material misstatements in the Chair's Statement and Operational Report the Strategic Report, the Directors Report and the Corporate Governance Statement.

ELECTRIC GUITAR PLC

INDEPENDENT AUDITOR'S REPORT

to the Members of Electric Guitar PLC

As noted above, during the year 3radical Limited and its subsidiaries were placed into administration and voluntary liquidation. As a result, certain personnel responsible for financial and accounting matters were not available to discuss the financial affairs of 3radical and subsequent to entering into liquidation, the accounting records were not adequate to permit the application of appropriate audit procedures. Accordingly, it was not possible to obtain the information necessary to complete audit procedures on 3radical relating to its performance and cash flows for the period ended 31 March 2025 and its financial position at 31 March 2025.

With the exception of 3radical, we have nothing to report in relation to the Companies Act 2006 whether:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us,
- we have received all the information and exceptions we require for our audit.

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

- the financial statements are not in agreement with the accounting records and returns;
- or
- certain disclosures of directors' remuneration specified by law are not made.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 25, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

ELECTRIC GUITAR PLC

INDEPENDENT AUDITOR'S REPORT

to the Members of Electric Guitar PLC

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting material misstatement due to a fraud is higher than the risk of not detecting one resulting from error, as fraud may involve collusion, deliberate concealment by, for example, forgery or intentional misrepresentations.

Identifying and assessing potential risks arising from irregularities, including fraud

The extent of the procedures undertaken to identify and assess the risk of material misstatement in respect of irregularities, including fraud, included the following:

- We considered the nature of the industry and sector, the control environment, business performance including remuneration policies and the Group's own risk assessment that irregularities might occur as a result of fraud or error. From our sector experience and through discussions with the directors, we obtained an understanding of the legal and regulatory framework applicable to the Group and Company focusing on laws and regulations that could reasonably be expected to have a direct material effect on the financial statements, such as provisions of the Companies Act 2006, UK tax legislation or those that had a fundamental effect on the operations of the Company including the AIM rules.
- We enquired of the directors and management concerning the Group's and Company's policies and procedures relating to:
 - o Identifying, evaluating, and complying with the laws and regulations and whether they were aware of any instances of non-compliance;
 - o Detecting and responding on the risks of fraud and whether they had any knowledge of actual or suspected fraud; and
 - o The internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations.
- We assessed the susceptibility of the Group's and Company's financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This included utilising the spectrum of inherent risk and an evaluation of the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries to reduce costs, creating fictitious transactions to hide losses or to improve financial performance, and management bias in accounting estimates.

ELECTRIC GUITAR PLC

INDEPENDENT AUDITOR'S REPORT

to the Members of Electric Guitar PLC

Audit response to risks identified

In respect of the above procedures:

- we corroborated the results of our enquiries through review of the minutes of the Board of Directors and inspection of legal and regulatory correspondence.
- we performed audit procedures in connection with the risks identified including:
 - reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations expected to have a direct impact on the financial statements.
 - testing journal entries, including those processed late for financial statements preparation, those posted by infrequent or unexpected users, those posted to unusual account combinations.
 - evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
 - enquiry of management around actual and potential litigation and claims.
 - testing material transactions with related parties and key individuals and assessing their completeness.
 - challenging the assumptions and judgments made by management in relation to significant accounting estimates; and
 - obtaining confirmations from third parties to confirm existence of certain balances.
- we communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indication of fraud or noncompliance with laws and regulations throughout the audit.

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

ELECTRIC GUITAR PLC

INDEPENDENT AUDITOR'S REPORT

to the Members of Electric Guitar 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.

Other requirements

We audited the financial statements for the Company for the year ended 31 March 2023 and 31 March 2024. We were re-appointed by the directors on 31 July 2025 to audit the financial statements for the year ended 31 March 2025. We did not provide any non-audit services which are prohibited by the FRC's Ethical Standard to the Group and Company, and we remain independent of the Company in conducting our audit.

Our opinion is consistent with the additional report to the Board of Directors.

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.

DocuSigned by:

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Edmund Cartwright, FCCA MAAT (Senior Statutory Auditor)
for and on behalf of Johnsons Chartered Accountants, Statutory Auditor
London, United Kingdom

Date: 24 November 2025

ELECTRIC GUITAR PLC**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

for the year ended 31 March 2025

		Year ended 31 March 2025	Year ended 31 March 2024
Continuing operations:	Note	£	(As restated) £
Administrative expenses			
- Acquisition costs	4	(786,490)	(875,677)
- Other costs	4	(1,087,210)	(447,547)
Operating loss		(1,873,700)	(1,323,224)
Finance costs	6	(24,390)	(46,294)
Finance income- interest received		5,279	7,355
Loss before income tax	9	(1,892,811)	(1,362,163)
Income tax	10	-	-
Loss for the year from continuing operations		(1,892,811)	(1,362,163)
Loss from discontinued operations, net of income tax	7	(2,989,946)	-
Loss for the year		(4,882,757)	(1,362,163)
Other comprehensive income:			
Items that may be reclassified to profit or loss			
Loss on translation of foreign operations		(56,416)	-
Loss and other comprehensive income for the year		(4,939,173)	(1,362,163)
Basic and diluted loss per share (pence)	8	(0.83)	(2.35)
Discontinued operations			
Basic and diluted loss per share (pence)	8	(1.31)	-
Total loss per share		(2.14)	(2.35)

*: The Group's consolidated statement of comprehensive income has been restated in the comparative period as described in Note 2.2.

The accompanying notes form part of these financial statements.

ELECTRIC GUITAR PLC**CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION**

for the year ended 31 March 2025

	Note	Group 2025 £	Company 2025 £	Group and Company 2024 £ (As restated)
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment		2,515	2,515	5,529
CURRENT ASSETS				
Receivables and prepayments	11	9,377	9,377	75,745
Assets classified as held for sale	20	32,078	-	-
Cash and cash equivalents	12	240,430	240,430	137
		281,885	249,807	75,882
TOTAL ASSETS		284,400	252,322	81,411
SHAREHOLDERS' EQUITY				
Share capital	13	1,285,728	1,285,728	289,314
Share premium	13	3,704,387	3,704,387	948,629
Foreign currency translation reserve	15	(56,416)	-	-
Share-based payment reserve	15	63,980	63,980	-
Accumulated losses	15	(7,027,997)	(6,575,763)	(2,145,240)
TOTAL EQUITY- (deficiency)		(2,030,318)	(1,521,668)	(907,297)
CURRENT LIABILITIES				
Financial liabilities				
Borrowings	16	55,000	55,000	191,270
Trade and other payables	17	1,404,824	1,433,990	797,438
Liabilities classified as held for sale	20	569,894	-	-
Shares to be issued	17	285,000	285,000	-
TOTAL LIABILITIES		2,314,718	1,773,990	988,708
TOTAL EQUITY AND LIABILITIES		284,400	252,322	81,411

*: The Company's statement of financial position has been restated in the comparative period as described in Note 2.2. The Company made a loss of £4,430,523 for the year (2024 – loss of £1,362,163 as restated). The financial statements were approved by the Board of Directors and authorised for issue on 24 November 2025 and were signed on its behalf by:

DocuSigned by:

Richard Horwood

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Richard Horwood, Director

The accompanying notes form part of these financial statements.

ELECTRIC GUITAR PLC**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

for the year ended 31 March 2025

	Share capital	Share premium	Retained losses	Share- based payment reserve	Foreign currency trans- lation reserve	Totals
	£	£	£	£	£	£
At 1 April 2023	289,314	948,629	(783,077)	-	-	454,886
Changes in equity						
Loss for the year as previously stated	-	-	(1,367,797)	-	-	(1,367,797)
Prior year adjustment (Note 2.2)	-	-	5,634	-	-	5,634
Comprehensive loss for the year as restated	-	-	(1,362,163)	-	-	(1,362,163)
At 31 March 2024 (as restated)	289,314	948,629	(2,145,240)	-	-	(907,297)
At 1 April 2024 (as restated)	289,314	948,629	(2,145,240)	-	-	(907,297)
Change in equity						
Loss for the year	-	-	(4,882,757)	-	-	(4,882,757)
Other comprehensive income	-	-	-	-	(56,416)	(56,416)
Loss and other comprehensive income for the year	-	-	(4,882,757)	-	(56,416)	(4,939,173)
Transactions with owners:						
New shares issued during the year	996,414	2,755,758	-	-	-	3,752,172
Share based payment expense	-	-	-	63,980	-	63,980
	996,414	2,755,758	-	63,980	-	3,816,152
At 31 March 2025	1,285,728	3,704,387	(7,027,997)	63,980	(56,416)	(2,030,318)

The accompanying notes form part of these financial statements.

ELECTRIC GUITAR PLC**COMPANY STATEMENT OF CHANGES IN EQUITY**

for the year ended 31 March 2025

	Share capital £	Share premium £	Retained losses £	Share- based payment reserve £	Totals £
At 1 April 2023	289,314	948,629	(783,077)	-	454,886
<i>Changes in equity</i>					
Loss for the year as previously stated	-	-	(1,367,797)	-	(1,367,797)
Prior year adjustment (Note 2.2)	-	-	5,634	-	5,634
Loss for the year as restated	-	-	(1,362,163)	-	(1,362,163)
At 31 March 2024 (as restated)	289,314	948,629	(2,145,240)	-	(907,297)
At 1 April 2024 (as restated)	289,314	948,629	(2,145,240)	-	(907,297)
<i>Change in equity</i>					
Loss for the year	-	-	(4,430,523)	-	(4,430,523)
<i>Transactions with owners:</i>					
New shares issued during the year	996,414	2,755,758	-	-	3,752,172
Share based payment expense	-	-	-	63,980	63,980
	996,414	2,755,758	-	63,980	3,816,152
At 31 March 2025	1,285,728	3,704,387	(6,575,763)	63,980	(1,521,668)

The accompanying notes form part of these financial statements.

ELECTRIC GUITAR PLC**CONSOLIDATED AND COMPANY STATEMENT OF CASH FLOWS**

for the year ended 31 March 2025

	Group Year ended 31 March 2025 £	Company Year ended 31 March 2025 £	Group and Company Year ended 31 March 2024 £
Cash flow from operating activities			
Loss for the year	(4,882,757)	(4,430,523)	(1,367,797)
Adjustments for:			
Finance income	(5,533)	(5,533)	(7,355)
Interest paid	10,296	10,296	-
Depreciation charges	1,245	1,094	257
Loss on disposal of plant and equipment	1,920	1,920	-
Impairment of goodwill	2,268,891	-	-
Impairment of investments	-	1,192,582	-
Impairment of amounts due from subsidiaries	-	1,356,674	-
Share-based payment expense	63,980	63,980	-
Foreign exchange adjustments	(56,414)	-	-
(Increase)/decrease in other receivables	111,756	66,367	(46,212)
Increase in trade and other payables	913,948	1,046,050	676,112
Net cash used in operating activities	(1,572,668)	(697,093)	(744,995)
Cash flow from investing activities			
Finance income	5,533	5,533	7,355
Purchase of tangible fixed assets	(765)	-	(5,786)
Amounts advanced to subsidiaries	-	(895,587)	-
Net cash from / (used in) investing activities	4,768	(890,054)	1,569
Cash flow from financing activities			
Proceeds from issue of shares	1,322,736	1,322,736	-
Net proceeds from shares to be issued	285,000	285,000	-
Net proceeds from borrowings	230,000	230,000	251,928
Repayment of borrowings	(54,337)	-	-
Interest paid	(10,296)	(10,296)	-
Net cash from financing activities	1,773,103	1,827,440	251,928
Net increase/(decrease) in cash and cash equivalents	205,203	240,293	(491,498)

ELECTRIC GUITAR PLC

CONSOLIDATED AND COMPANY STATEMENT OF CASH FLOWS for the year ended 31 March 2025 (continued)

	Group Year ended 31 March 2025 £	Company Year ended 31 March 2025 £	Group and Company Year ended 31 March 2024 £
Cash and cash equivalents at the beginning of the year	137	137	491,635
Cash acquired on acquisition of subsidiaries	53,589	-	-
Cash reclassified as assets held for sale	(18,499)	-	-
Cash and cash equivalents at the end of the year	240,430	240,430	137

The accompanying notes form part of these financial statements.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

1. General information

Electric Guitar Plc is a public limited company, registered in England and Wales. The Company's registered office is One Bartholomew Close, London, EC1A 7BL. The Company's principal activities and the nature of its operations are disclosed in the director's report.

In May 2024, the Company cancelled the listing of its Ordinary shares on the Standard Segment of the Official List and its Ordinary shares were admitted to trading on AIM, a market operated by the London Stock Exchange. Further to the Company's announcement of 24 December 2024 regarding the liquidation of 3radical, the Company's operating subsidiary, the Company was reclassified as a cash shell pursuant to Rule 15 of the AIM Rules. Restoration of trading in its Ordinary Shares on AIM took place on 2 April 2025, and was suspended again on 25 June 2025 as it had not acquired a new trading company within 6 months of its becoming a cash shell.

The functional and presentational currency is Great British Pounds Sterling (£) and the financial statements have been rounded off to nearest £.

2. Accounting policies

2.1 Basis of preparation

The financial statements have been prepared under historical cost convention, in accordance with UK adopted International Financial Reporting Standards (UK adopted IFRS) and the Companies Act 2006.

These consolidated financial statements for the Company and its subsidiaries ('the **Group**') have been prepared under the historical cost convention and in accordance with the recognition and measurement requirements of UK adopted International Financial Reporting Standards (UK adopted IFRS). The consolidated financial statements have been prepared on a basis other than going concern. During the year, 3radical Limited, the Company's main subsidiary was put into liquidation. The directors have restructured the operations and debt of the remaining group entities through a CVA which was approved on 27 March 2025. Assets are held at their estimated net realisable value. Liabilities are stated at their expected settlement amount.

Comparatives disclosed in these financial statements, which related to the Company only, were prepared under the historical cost convention and in accordance with the recognition and measurement requirements of UK adopted International Financial Reporting Standards ('IFRS'), applying a going concern basis of preparation. The comparatives relate to the Company only and are therefore not entirely comparable.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

2. Accounting policies (continued)

2.1 Basis of preparation (continued)

The Company has taken the exemption under s408 Companies Act 2006 and has therefore not published its own statement of comprehensive income for the year ended 31 March 2025. The Company made a loss of £4,430,523 for the year (2024 – loss of £1,362,163).

The following accounting principles have been applied:

2.2 Prior period error

In the preparation of the Company's audited financial statements for the year ended 31 March 2024, the statement of financial position overstated borrowings by £60,658 and understated other payables by £55,024.

The net impact on results for the year ended 31 March 2024 was to reduce the loss for the year by £5,634 and accumulated losses by the same amount.

The Company's statement of comprehensive income incorrectly allocated facility fees on borrowings to operating costs rather than finance costs and overstated losses by £5,634.

The Company has corrected these errors in these financial statements by restating the comparatives disclosed in the statement of comprehensive income and statement of financial position as at 31 March 2024.

2.3 3 radical Limited - liquidation basis of accounting

As 3radical has been placed into administration and a CVL, the financial position and results relating to this company and its subsidiary entities at 31 March 2025 have been accounted for on a basis other than going concern in the consolidated financial statements for the year ended 31 March 2025. Accordingly, all assets and liabilities relating to these companies have been classified as current, and assets have been written down to their estimated realisable value at 31 March 2025.

2.4 Going concern

The financial statements have been prepared on a going concern basis. The Board has assessed the Company's financial position as at 31 March 2025 and the factors which may impact the Company's ability to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

2. Accounting policies (continued)

2.4 Going concern (continued)

As at 31 March 2025, the Group had a deficiency in total equity of £2.1 million. The Group also generated a loss for the year ended 31 March 2025 of £4.9 million and a net cash outflow from operating activities of £1.6 million. The deficiency in equity of £2.1 million at 31 March 2025 included current liabilities of £1.4 million which have subsequently been derecognised in April 2025 following proposals for the Company's CVA becoming unconditional. These liabilities therefore no longer existed after April 2025.

As at 31 March 2025, liabilities include approximately £533k classified as held for sale for the 3radical Group. These entities are in liquidation and the Company has no obligation to settle these amounts.

In assessing the ability of the Company to continue as a going concern and pay its debts as and when they fall due, the directors have taken into consideration the following matters:

- As described in Note 19 to the Financial Statements, proposals for the Company's CVA, which were conditional upon, inter alia, the approval by Shareholders of the Resolutions, were duly passed at a General Meeting held on 27 March 2025.
- On 2 April 2025, the Company announced the following pursuant to the CVA Proposals outlined in Note 19 below:
 - Completion of a fundraise by way of Subscription for 875,000,000 new Ordinary Shares in the Company at 0.034p per share for a total of £300,000; and
 - A total of 68,147,959 shares were issued pursuant to the automatic conversion of £10,000 of CLNs in accordance with, inter alia, completion of the Subscription.
- The CVA approval was followed on 18 June 2025 by a further fundraising of £0.8 million before expenses to cover the Company's anticipated costs of its next RTO. On 13 October 2025, the CVA was completed with 236,782,175 new Ordinary Shares issued in satisfaction of all the CVA debts, and the outstanding £45,000 of CLNs were converted into 306,665,817 new Ordinary Shares, leaving the Company completely free of all its pre-CVA debts.

Management and the directors have considered each of these matters and what the enlarged Group (Electric Guitar PLC as potentially enlarged by the RTO of Dunbar) is expected to look like following the completion of the anticipated RTO, which will only be completed on the basis that the transaction includes sufficient working capital for the enlarged Group's requirements for at least 12 months after completion of the RTO.

The directors have also assessed the Company's ability to continue as a standalone entity in the event no acquisition is pursued and completed in the period to 30 November 2026.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

2. Accounting policies (continued)

2.4 Going concern (continued)

Cashflow projections have also been prepared on this basis which support the directors' view that the Company has sufficient facilities to meet its obligations for the period to 30 November 2026 and pay its debts as they fall due. There is, however, no guarantee the directors would be successful in raising additional financing for its future growth and working capital should this be required. This matter indicates that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern at the time of approval of the financial statements.

The key matters assessed by the directors in considering the ability of the Company to continue as a going concern for the period to 30 November 2026 are summarised below.

- The directors have assessed the ability of the Company to continue as a going concern both as a standalone entity (should the anticipated RTO not complete) and in the anticipated scenario where the RTO of Dunbar concludes. The proposed terms of the Dunbar acquisition include a condition requiring Dunbar to have raised sufficient working capital for the enlarged Group for 18 months. There is however no guarantee that the proposed transaction will be completed in accordance with the proposed terms or that the Group, as enlarged by the RTO of Dunbar, will perform in accordance with any projections prepared for the period following completion.
- Management has prepared detailed cashflow forecasts for the Company on a standalone basis (should the anticipated RTO not proceed to completion) and the management of Dunbar is preparing similar forecasts for the enlarged Group for the 18-month period following completion of the proposed RTO of Dunbar. Before entering into binding contracts to acquire Dunbar, the directors and the Company's nomad will review and approve Dunbar's forecasts, following thorough testing of them by the Company's RTO reporting accountants.
- As part of its assessment of the forecasts, certain sensitivity analyses will be run on the forecast model for the enlarged Group. In the event the enlarged Group's actual sales for the period ending 12 months after completion of the proposed RTO would be lower than forecast and certain controllable costs were to be deferred, the tests will be required to show that the Group should still have the ability to operate and pay its debts as and when they fall due for the same period as above, but this cannot be guaranteed.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

2. Accounting policies (continued)

2.4 Going concern (continued)

- In the event that the proposed RTO does not proceed, and there are no other acquisitions made in the year to 30 November 2026, the Company would continue to be a cash shell. As noted above, the standalone forecasts prepared by the Company show that the Company has sufficient facilities to meet its obligations for the period to 30 November 2026 and pay its debts as they fall due. There is, however, no guarantee the directors would be successful in raising additional financing for its future growth and working capital should this be required.

The financial statements do not include adjustments should the going concern basis be inappropriate. Nonetheless, in view of the successful track record of raising financing in the last year from both equity and debt sources and other available funding options, the directors are confident they would be successful in raising any necessary financing within the next 12 months from the date of approval of the financial statements.

For these reasons, the directors continue to adopt the going concern basis in preparing the financial statements.

2.5 Basis of consolidation

The financial statements of the Group consolidate the results of the Company and its subsidiary entities. A subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its influence over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The consolidated financial statements present the results of the Company and its subsidiaries (the Group) as if they formed a single entity. Intercompany transactions and balances, including unrealised gains/losses between group companies are therefore eliminated in full.

Where the Group ceases to control a subsidiary, the subsidiary is deconsolidated from the date which control ceases. The net assets of the subsidiary are included in a disposal calculation along with any consideration received from the disposal, with any gain or loss recognised in the Statement of Profit and Loss.

The consolidated financial statements incorporate the results of Electric Guitar plc and its subsidiaries as at 31 March 2025 and for the year then ended using the acquisition method of accounting.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

2.6 Business combinations

Business combinations falling within the scope of IFRS 3 Business Combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The Group measures goodwill at the acquisition date as the fair value of the consideration transferred less the fair value of identifiable assets acquired and liabilities assumed.

2.7 Impairment of financial assets

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

For trade receivables (not subject to provisional pricing) and other receivables due in less than 12 months, the Group applies the simplified approach in calculating ECLs, as permitted by IFRS 9.

Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date.

The Group considers a financial asset in default when contractual payments are 90 days past due.

However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

2. Accounting policies (continued)

2.7 Intangible assets - goodwill

Goodwill represents the excess of the cost of a business combination over the Group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired.

Cost comprises the fair value of assets given, liabilities assumed, and equity instruments issued, plus the amount of any non-controlling interests in the acquiree. Contingent consideration is included in cost at its acquisition date fair value and, in the case of contingent consideration classified as a financial liability, remeasured subsequently through profit or loss.

Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to profit or loss. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the consolidated statement of comprehensive income on the acquisition date.

All goodwill arising on acquisitions made in the year ended 31 March 2025 was fully impaired as described in Note 18.

2.7 Impairment of non-financial assets

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows: its cash generating units ('CGUs').

Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income. An impairment loss recognised for goodwill is not reversed.

2.9 Investment in subsidiaries

The Company made two acquisitions in the year ended 31 March 2025, namely 3radical Limited and Mymyne Limited, as described in Note 18.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

2. Accounting policies (continued)

2.9 Investment in subsidiaries (continued)

The directors have reviewed evidence which might suggest whether the investments in the subsidiaries have become impaired. In particular, the directors reviewed whether there exist:

- significant financial difficulty in the subsidiaries;
- a breach of contract, such as a default or past-due event;
- it is becoming probable that the subsidiaries will enter bankruptcy or another financial reorganisation;
- the disappearance of any market for the debt of the subsidiaries because of financial difficulties; or
- the financial liabilities of the subsidiaries trade at a deep discount that reflects likely incurred credit losses.

As more fully described in Note 18, the directors have considered the evidence in respect of the Company's investments in its subsidiaries and concluded that there were indicators of impairment. The Company has therefore made full impairment against its investments in its newly acquired subsidiaries, amounting to £1,356,674. Receivables due from subsidiaries amounting to £1,192,587 have also been fully impaired in the year.

2.11 Foreign currency translation

Transactions in currencies other than the functional and presentation currency of the Company, pound sterling, are recorded at the rates of exchange prevailing on the dates of the transactions.

At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary assets and liabilities that are determined in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Gains on, or losses arising from, retranslation of the monetary assets and liabilities are included in profit or loss for the period.

2.12 Taxation

The income tax expense represents the sum of tax currently payable and deferred tax.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

2. Accounting policies (continued)

2.12 Taxation (continued)

Current tax

The tax currently payable is based on the taxable profit for the period. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax assets are only recognised on tax losses when there is convincing evidence that the Company will generate sufficient future taxable profits in the foreseeable future against which the tax losses can be utilised to reduce the Company's liabilities to corporation tax.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

2.14 Share capital and share premium

Share capital represents the nominal value of shares that have been issued. Share premium includes any premiums received on issue of share capital. Any transactions costs associated with the issuing of shares are deducted from share premium.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to the statement of comprehensive income in the year that the Group becomes aware of the obligation and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the balance sheet.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

2. Accounting policies (continued)

2.15 Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

2.16 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accruals and accounts payable are classified as current liabilities if payment is due within one year or less.

2.18 Financial liabilities

All financial liabilities are recognised in the statement of financial position when the Group or Company becomes party to the contractual provision of the instrument.

Financial liabilities measured at amortised cost

The Group's financial liabilities held at amortised cost comprise trade payables and other payables and borrowings.

These financial liabilities are initially measured at fair value net of any transaction costs directly attributable to the issue of the instrument.

2.18 Financial liabilities (continued)

Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a market rate on the balance of the liability carried in the statement of financial position.

Subsequent measurement

The amortised cost of a financial liability is the amount at which the financial liability is measured on initial recognition, minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount.

Such amortisation amounts are recognised in the statement of comprehensive income. Due to the short-term nature of trade and other payables, they are stated at their nominal value, which approximates their fair value.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

2. Accounting policies (continued)

2.19 Share based payment arrangements

The Company has issued share warrants and options to directors and service providers in respect of services provided.

The grant of these instruments is recognised as equity settled share-based payments under IFRS 2. The warrants can be exercised by the holder prior to the exercise date for a fixed number of equity shares at fixed prices.

The value of the share-based instruments is determined at the date of grant and expensed on a straight-line basis over the vesting period with a corresponding increase in equity based on the Company's estimate of the shares that will eventually vest at the time of the grant. At each balance sheet date, the Company revises its estimates of the number of instruments that are expected to vest based on service and non-market performance conditions.

The Company takes into account the market condition (i.e. target share price being in excess of the exercise price) at the time of estimating the fair value of the instruments. The amount expensed is adjusted over the vesting period for changes in the estimate of the number of shares that will eventually vest, except for changes resulting from any market-related performance conditions.

2.20 Capital management

Capital consists of Ordinary Shares, Deferred Shares, share premium and retained losses. The Board monitors the return on capital. The Company is not subject to any externally imposed capital requirements.

2.21 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

2.22 Adoption of new and revised standards and changes in accounting policies

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning on or after 1 April 2025 and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company. There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

3. Critical accounting judgements and estimates

The preparation of the financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise their judgement in applying the Company's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including future conditions that are assessed to be reasonable under the circumstances.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Basis of preparation (Note 2.1)
- 3radical Limited – liquidation basis of accounting (Note 2.3)
- Going concern (Note 2.4)
- Current assets and liabilities held for sale (Note 20)
- Impairment of goodwill and investments in subsidiaries (Note 18)

ELECTRIC GUITAR PLC**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 March 2025 (continued)

4. Administrative expenses

Acquisition costs	Group 31 March 2025 £	Group 31 March 2024 £
Legal fees	170,500	383,276
Corporate Finance & Brokerage	281,871	115,197
Accountancy Advice	5,050	235,090
Consultancy & Professional Advice	146,233	124,500
Listing fees	31,262	17,614
Commission and financing fees	151,574	-
Total	786,490	875,677

Other costs	Group 31 March 2025 £	Group 31 March 2024 £
Employment costs	426,660	241,137
Exceptional costs of CVA	147,838	-
Auditors remuneration fees	68,000	45,500
Share-based payment expense	63,980	-
Regulatory costs	24,117	28,740
Public relations	51,041	25,371
Contractor costs	32,400	23,800
Recruitment	14,250	17,000
Consulting fees	83,446	16,926
Advertising and marketing	19,581	10,723
Insurance	72,644	613
Others	83,253	37,737
Total	1,087,210	447,547

ELECTRIC GUITAR PLC**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 March 2025 (continued)

5. Employees and directors remuneration

	Group 31 March 2025 £	Group 31 March 2024 £
Wages and salaries	390,324	220,255
Social security costs	32,228	14,413
Other pension costs	4,108	6,469
Total	426,660	241,137

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

	Group 31 March 2025	Group 31 March 2024
Administration	6	5

Key management personnel are the directors. The remuneration paid to directors is provided in the directors' report accompanying the financial statements and is summarised below:

Directors' remuneration	Group 31 March 2025 £	Group 31 March 2024 £
Salaries and fees	379,948	136,656
Share-based payment expense	36,028	-
Total	415,976	146,656

The highest paid director in the year ended 31 March 2025 received a total of £91,478 in remuneration (year ended 31 March 2024: £37,328).

6. Finance costs

	Group 31 March 2025 £	Group 31 March 2024 £
Interest on borrowings	23,282	46,294
Unrealised currency losses	417	-
Bank charges	691	-
Total	24,390	46,294

ELECTRIC GUITAR PLC**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 March 2025 (continued)

7. Discontinued operations

As more fully described in Note 18, in December 2024, 3radical Limited was placed into a creditors' voluntary liquidation ('CVL'), which the directors are advised is expected to have been completed in the first half of 2026.

On 4 March 2025, the first Gazette Notice was published for the compulsory striking off of Mymyne Limited, with a view to its being dissolved.

Accordingly, the goodwill asset has been impaired in full at 31 March 2025 and the impairment charge recognised within impairment expense in the consolidated statement of comprehensive income. The results of 3radical Limited and Mymyne Limited from the period subsequent to their acquisitions have been presented as discontinued operations as follows:

	Year ended 31 March 2025	Year ended 31 March 2024
	£	£
Results of discontinued activities		
Revenue	98,365	-
Cost of sales	(58,861)	-
Gross profit	39,504	-
Impairment of goodwill	(2,268,891)	-
Administrative expenses	(725,830)	-
Operating loss	(2,955,217)	-
Finance costs	(34,982)	-
Finance income- interest received	253	-
Loss before income tax	(2,989,946)	-
Income tax	-	-
Net loss for the year from discontinued operations	(2,989,946)	-
Cash flows used in discontinued operations		
Net cash used in operation activities	(772,665)	-
Net cash used in investing activities	(765)	-
Net cash from financing activities	738,339	-
Net cash used in discontinued operations	(35,091)	-

ELECTRIC GUITAR PLC**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 March 2025 (continued)

7. Discontinued operations (continued)

There are no comparatives as this is the first period that 3radical and Mymyne have been consolidated.

8. Loss per share

Basic earnings per share is calculated by dividing the loss attributable in the period to equity holders of the Company by the weighted average number of Ordinary Shares in issue during the period, excluding any Ordinary Shares purchased by the Company and held as treasury shares.

	Group 31 March 2025 £	Group 31 March 2024 £
Loss for the year attributable to equity holders of the Company:		
- Continuing operations	(1,892,811)	(1,362,163)
- Discontinued operations	(2,989,496)	-
Weighted average number of Ordinary Shares	228,161,556	57,862,776
Loss per share (basic and diluted):		
- Continuing operations	(0.83)	(2.35)
- Discontinued operations	(1.31)	-
Loss per share (pence)	<u>(2.14)</u>	<u>(2.35)</u>

Share warrants and options issued by the Company have an anti-dilutive effect on loss per share. Hence, under IAS requirements diluted loss per share is shown as being the same as basic loss per share.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025 (continued)

9. Loss before income tax

The loss before income tax of £1,892,811 (2024: £1,362,163) is stated after charging:

	Group 31 March 2025 £	Group 31 March 2024 £
Auditor’s remuneration		
- For audit services	40,000	29,500
- Under-provision in respect of prior year	13,000	-
- For non-audit services	15,000	16,000
	68,000	45,500

10. Income tax

No liability to UK corporation tax arose for the year ended 31 March 2025 nor for the year ended 31 March 2024 as the Company generated tax losses for both years.

Prima facie tax reconciliation

The loss for the year was £4,882k (2024: £1,362k). For the year ended 31 March 2025, the standard rate of corporation tax in the UK is 25% (2024: 25%). The rate of corporation tax applicable in UK for profits up to £50k is 19%.

The expected tax credit on the loss for the year is £1,221k (2024: £88k). The actual tax credit recognised for the year was £NIL (2024: £Nil). The main reasons for the differences for both periods are tax losses not recognised as deferred tax assets due to uncertainty of taxable profits being generated in the foreseeable future.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

11. Other receivables and prepayments

	Group 31 March 2025 £	Company 31 March 2025 £	Company 31 March 2024 £
VAT receivable	-	-	63,703
Prepayments and accrued income	9,377	9,377	12,042
	9,377	9,377	75,745

The directors consider that the carrying amount of other receivables and prepayments approximates to their fair value.

12. Cash and cash equivalents

	Group 31 March 2025 £	Company 31 March 2025 £	Company 31 March 2024 £
Cash at bank and in hand	240,430	240,430	137
	240,430	240,430	137

13. Share capital

	Company 31 March 2025 £	Company 31 March 2024 £
Authorised, issued and fully paid		
257,145,740 (2024: 57,862,776) Ordinary Shares of 0.01p each (2024: 0.5p each) and 257,145,740 Deferred Shares of 0.49 pence each.	1,285,728	289,314
	1,285,728	289,314

The Ordinary Shares carry voting and dividend rights. The Deferred Shares do not carry any rights to vote or dividend rights.

ELECTRIC GUITAR PLC**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 March 2025 (continued)

13. Share capital (continued)

Movements in issued share capital during the year ended 31 March 2025 were:

	No. of ordinary shares	Nominal value £	Share premium £
At beginning of year	57,862,776	289,314	948,629
<i>Shares issued on 3 May 2024</i>			
Consideration paid to vendors of 3radical	61,184,843	305,924	978,957
Cash subscription and placing	62,987,410	314,937	1,007,799
Settlement of accrued directors' remuneration due to John Hutchinson	3,214,280	16,071	51,428
Settlement of loans due to, and accrued directors' remuneration issued to, Richard Horwood	1,441,140	7,206	23,058
Settlement of debts owed to Sanderson (Note 16)	25,476,190	127,381	407,619
Settlement of loan due to third party	1,190,480	5,952	19,048
Settlement of advisors' fees on AIM Admission	10,476,170	52,381	167,619
<i>Shares issued on 9 August 2024</i>			
Settlement of professional fees for £70k owed to advisors	9,589,042	47,945	22,055
<i>Shares issued on 28 August 2024</i>			
Initial consideration paid to vendors of Mymyne	9,834,521	49,173	22,619
<i>Shares issued on 14 October 2024</i>			
Conversion of loan to ordinary shares	13,888,888	69,444	55,556
At end of year	257,145,740	1,285,728	3,704,387

The issue price for all shares issued on 3 May 2024 was 2.1p per share. The issue price for all shares issued in August 2024 was 0.73p per share. The conversion of a loan to shares on 14 October 2024 was made at 0.9p per share.

On 27 March 2025, resolutions were passed for the sub-division of each of the Company's existing Ordinary Shares of £0.005 nominal value into one new Ordinary Share of £0.0001 (0.01 pence) nominal value, plus one Deferred Share of £0.0049 (0.49 pence).

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

13. Share capital (continued)

Shares to be issued

The Company had received a total of £285,000 as at 31 March 2025 in respect of a subscription for shares which was completed in April 2025 as described in Note 24 below. These amounts are recognised within current liabilities at 31 March 2025.

14. Share warrants and options

A-series warrants and B-series warrants

The Company issued A-series warrants and B-series warrants to directors and service providers respectively in previous years. These warrants were exercisable at a price of 4.5p. The vesting period of the various warrant instruments are as provided below:

- Allocated A-series warrants vest over a period of 5 years, and should the options remain unexercised they lapse after the seventh anniversary of admission.
- Unallocated A-series (discretionary) warrants are vested on the date of grant and should the options remain unexercised they lapse after the seventh anniversary of admission.
- B-series warrants are vested on the date of grant, and should the options remain unexercised they lapse after the third anniversary of admission.

The following table summarise the A-series warrants and B-series warrants outstanding at the end of the year and movements during the year.

	A-series warrants	B-series warrants
Outstanding at 31 March 2023	4,318,876	1,157,256
Granted during the year	205,991	-
Outstanding at 31 March 2024	4,524,867	1,157,256
Surrender of options (see below)	(3,494,910)	-
Expired during the year	(1,029,957)	(1,157,256)
Outstanding at 31 March 2025	-	-
Options vested and not exercised as at 31 March 2025	-	-
Options vested and not exercised as at 31 March 2024	2,365,429	1,157,256

ELECTRIC GUITAR PLC**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 March 2025 (continued)

14. Share warrants and options (continued)

The assumptions considered in the valuation of both A-series warrants and B-series warrants using the Black-Scholes model are as follows:

Exercise price	4.5 pence
Share price at date of grant	3 pence
Risk free interest rate	1.25%
Volatility	16%
Dividend yield	0%
Contractual life of A-series warrants	7 years
Contractual life of B-series warrants	3 years

Following the CVA of the Company on 27 March 2025, all the above warrants became worthless.

On 3 May 2024, 3,494,910 A-series warrants were surrendered. These were replaced by a Long Term Incentive Plan ("LTIP") including options over shares to Directors – see note below.

Warrants issued in the year ended 31 March 2025

On 3 May 2024, 205,991 warrants were issued to a former director and a total of 6,714,999 broker warrants were issued to the Company's brokers. All of these warrants vested on grant and have an exercise price of 2.1p. The exercise period for these warrants is 3 years from AIM Admission.

CLN warrants granted to Grahame Cook

On 10 March 2025, the Company entered into a Convertible Loan with Grahame Cook, pursuant to which the Company granted him 34,073,980 Warrants, exercisable for three years from 2 April 2025, at a price per Ordinary Share of 0.01467p.

CLN warrants granted to Sanderson Capital Partners Ltd

Pursuant to the terms of the CLN, Sanderson was granted 153,332,909 Fundraising Warrants over New Ordinary Shares. Sanderson also agreed not to exercise the Fundraising Warrants such that any exercise would cause the Sanderson Concert Party to be interested in more than 29.99% of the issued share capital and total voting rights of the Company at any time.

The total expense recognised in the Statement of Comprehensive Income during the year ended 31 March 2025 in respect of warrants over Ordinary Shares was £24,969 (2024: £nil).

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

14. Share warrants and options (continued)

The Electric Guitar plc 2024 Employee Incentive Plan (Employee Plan) options

On admission to AIM in May 2024, the Company granted Approved Share Options over a total of 23,295,226 new Ordinary Shares to two directors pursuant to the Electric Guitar PLC 2024 Employee Incentive Plan, exercisable at the Issue Price of 2.1 pence. All of these options vest over 3 years and have an exercise price of 2.1p.

The exercise period for these warrants is 10 years from AIM Admission. A total of 1,126,789 Unapproved Share Options were also issued on similar terms.

The interests of the directors in share options granted under this Plan are set out in the Directors' Report on page 22.

The Employee Plan is a discretionary plan which provides for the grant to selected employees and executive directors of the Group, of rights:

- a) to acquire Ordinary Shares in the form of options which are:
 - intended to be Enterprise Management Incentives Option ("EMI Options");
 - Company Share Option Plan options ("CSOP Options"); and
 - non-tax advantaged options with a nil or nominal value or market value exercise price (Unapproved Options);
- b) conditional rights to acquire Ordinary Shares (Conditional Share Awards);
- c) to be paid in cash based on the market value of a specified number of Ordinary Shares (Phantom Awards) together the (Awards).

The total expense recognised in the Statement of Comprehensive Income during the year ended 31 March 2025 in respect of Employee Plan awards over Ordinary Shares was £37,857 (2024: £nil).

The Electric Guitar plc 2024 Consultant Incentive Plan (Consultant Plan) options

On admission to AIM, the Company also granted Share Options over a total of 9,628,268 new Ordinary Shares pursuant to the Consultant Plan. All of these options vest over 3 years and have an exercise price of 2.1p. The exercise period for these options is 10 years from AIM Admission. The Consultant Plan is a discretionary plan which provides for the grant to selected consultants of the Group, of rights:

- a) to acquire Ordinary Shares in the form of options with a nil or nominal value or market value exercise price (Unapproved Options);
- b) which are conditional rights to acquire Ordinary Shares (Conditional Share Awards);
- c) to be paid in cash based on the market value of a specified number of Ordinary Shares (Phantom Awards) together the (Awards).

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

14. Share warrants and options (continued)

The total expense recognised in the Statement of Comprehensive Income during the year ended 31 March 2025 in respect of the Consultant Plan awards over Ordinary Shares was £1,154 (2024: £nil).

The assumptions considered in the valuation of the new warrants and options issued during the year using the Black-Scholes model were as follows:

Exercise price	2.1 pence
Share price at date of grant	2.1 pence
Risk free interest rate	4.17%
Volatility	16%
Dividend yield	0%
Contractual life of warrants	3 years
Contractual life of options	10 years

The fair value of the new warrants and options at grant date was 0.36 pence per instrument. A summary of the warrants and options granted in the year ended 31 March 2025 is as follows:

	2024 Warrants	CLN Warrants	Employee Plan Options	Consultant Plan Options
Granted during the year	6,920,990	187,406,889	24,422,015	9,628,268
Outstanding at 31 March 2025	6,920,990	187,406,889	24,442,015	9,628,268

15. Reserves

Share premium account

The share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Share-based payment reserve

Cumulative fair value of the charge/(credit) in respect of share warrants granted and recognised as an expense in the Income Statement.

Foreign currency translation reserve

The translation reserve comprises translation differences arising from the translation of financial statements of the Group's foreign entities into Sterling (£).

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

15. Reserves (continued)

Accumulated losses

This reserve records retained earnings and accumulated losses.

16. Financial Liabilities - Borrowings

	Group	Company	Group and Company
	31 March 2025	31 March 2025	31 March 2024
	£	£	£
Current:			(As restated)
Convertible loan notes	55,000	55,000	-
Unsecured loan facility	-	-	191,270
Total borrowings	55,000	55,000	191,270

Unsecured loan facility

On 27 October 2023, an unsecured loan facility of £250k was agreed with Sanderson Capital Partners Limited, a related party (the '**£250k Facility**'). Of this facility, £50k was drawn down on 13 November 2023 and a further £150k on 6 December 2023. A further £50k was drawn in May 2024.

On 26 March 2024, a further unsecured loan facility of £600k was agreed with Sanderson Capital Partners Limited (the '**£600k Facility**'). A facility fee (satisfied in shares on the Company's AIM Admission) of £100k was incurred in lieu of any further costs of the £600k Facility, with a repayment date of 12 months from the Company's AIM Admission, and an option to extend for a further 8 months for an additional facility fee of £15,000 payable at the end of that extended period.

On 3 May 2024, the £250k Facility and all associated fees, and all fees associated with the £600k Facility, were settled in full by the issue of 20,238,095 shares in the Company at a price of 2.1p per share.

A total of £125k was drawn down on the £600k Facility in September and October 2024, all of which was converted to Ordinary Shares on 29 October 2024 at 0.9p per share.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

16. Financial Liabilities – Borrowings (continued)

Convertible loan notes

In order to provide the necessary cashflow to facilitate preparation for a CVA proposal to be put to creditors, Sanderson Capital Partners Limited and Grahame Cook (a director), being connected creditors, advanced to the Company £45,000 and £10,000 respectively as Convertible Unsecured Loans, which, conditional upon approval by creditors and shareholders of the proposal, were to be converted to 374,813,777 new ordinary shares. Grahame Cook's £10,000 loan was converted on 2 April 2025, and Sanderson's £45,000 convertible loan converted upon the issue of the new Ordinary Shares in the Company being issued under the CVA.

At a general meeting of shareholders held on 27 March 2025 a proposal to increase the share capital to 1,743,741,692 new Ordinary Shares ranking pari passu with the existing Ordinary Shares was duly passed for the purpose of:

- a) Making available 374,813,777 new Ordinary Shares for the conversion of the unsecured loan referred to above.
- b) Making available 875,000,000 new Ordinary Shares for an agreed subscription of up to £300,000.
- c) Making available a fixed number of 236,782,175 new Ordinary Shares for distribution to creditors.

17. Trade and other payables

Trade payables and accruals primarily comprise amounts payable for services received from third parties.

The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. The directors considers that the fair value approximates the carrying value.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

17. Trade and other payables (continued)

	Group 31 March 2025	Company 31 March 2025	Group and Company 31 March 2024 £ (As restated)
	£	£	
Trade creditors	615,749	615,749	376,824
Social security and other taxes	97,099	97,099	11,705
Amounts due to subsidiary	-	29,166	-
Other creditors	62,508	62,508	3,720
Pension payable to directors' personal SPPs	57,370	57,370	4,578
Accrued expenses	572,098	572,098	400,611
	1,404,824	1,433,990	797,438

18. Business combinations

Acquisition of 3radical Limited

On 3 May 2024, the Company acquired the entire issued share capital of 3radical Limited. At the same time, the Company cancelled its listing on the London Stock Exchange's Standard List, and had its Ordinary Share capital, as enlarged following completion of the transaction at the negotiated value of £1.3 million paid in shares and of a successful £2.2 million equity fundraising, admitted to trading on the AIM Market of the London Stock Exchange. At the time of the acquisition, 3radical was a business with a well-established software platform already in use by major clients around the world, which helped marketers engage their customers by securing the first-party data marketers increasingly need.

The all-share consideration of £1,284,882 was settled by the issue of 61,184,843 Ordinary Shares in the Company on completion.

The carrying values of 3radical's assets and liabilities on acquisition were assessed as being in line with their fair values. No fair value adjustments were assessed as necessary by the directors.

ELECTRIC GUITAR PLC**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 March 2025 (continued)

18. Business combinations (continued)

Goodwill was recognised on this acquisition because the cost of the combination included a control premium. Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

	£
Cash at bank	34,960
Trade and other receivables	38,328
Trade and other payables	(645,422)
Borrowings	(347,393)
Net liabilities at acquisition	(919,527)
Purchase consideration- satisfied through new ordinary shares issued	1,284,882
Goodwill on acquisition	2,204,409

In December 2024, 3radical was placed into a creditors' voluntary liquidation ("CVL"). Accordingly, the goodwill asset has been impaired in full at 31 March 2025 and the impairment charge recognised within impairment expense in the consolidated statement of comprehensive income.

The liquidation is currently in progress with the value of asset realisations to be confirmed on completion, which the directors are advised is expected in the first half of 2026.

The Directors have considered the evidence in respect of the Company's investments in 3radical and concluded that there were indicators of impairment. The Company has therefore made full impairment against its investments in 3radical, amounting to £1,284,882.

Receivables due from 3radical amounting to £1,192,587 have also been fully impaired in the year.

Acquisition of Mymyne Limited

On 28 August 2024, the Company completed the acquisition of Mymyne, a developer of data-related software solutions, and the provider of related sales & marketing services to 3radical, achieving significant cost-savings. The initial all-share consideration of £71,792 was settled by the issue of 9,834,521 Ordinary Shares in the Company on completion.

Additional deferred consideration of approximately £82,000 at the completion share price was payable in shares depending inter alia on the financial performance of Mymyne.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

18. Business combinations (continued)

The Company recognised the initial consideration of £71,792 as the purchase price, but not the conditional deferred consideration of up to a further 11,191,665 shares (worth up to a maximum of £82k at the completion share price, and capped at a total of £268.6k at the mid-market price of the Company's shares if and when payable) as the likelihood of the conditional deferred amount being paid was uncertain.

John Regan, who served as Electric Guitar's CEO, and John Hutchinson, who served as Electric Guitar's Chair, and both being directors of the Company, were 36.9% and 9.5% shareholders of Mymyne respectively at the time of the acquisition and therefore the acquisition was considered to be a related party transaction.

The carrying values of Mymyne's assets and liabilities on acquisition were assessed as being in line with their fair values. No fair value adjustments were assessed as necessary by the directors. Goodwill was recognised on this acquisition because the cost of the combination included a control premium. Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

	£
Cash at bank	18,629
Trade and other receivables	20,000
Trade and other payables	(3,243)
Borrowings	(28,076)
Net assets at acquisition	7,310
Purchase consideration- satisfied through new ordinary shares issued	71,792
Goodwill on acquisition	64,483

On 4 March 2025, the first Gazette Notice was published for the compulsory striking off of Mymyne Ltd, with a view to its being dissolved. Accordingly, the goodwill asset has been impaired in full at 31 March 2025 and the impairment charge recognised within impairment expense in the consolidated statement of comprehensive income.

The directors have considered the evidence in respect of the Company's investments in Mymyne and concluded that there were indicators of impairment. The Company has therefore made full impairment against its investments in Mymyne, amounting to £71,792.

ELECTRIC GUITAR PLC**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 March 2025 (continued)

18. Business combinations (continued)

The total impairment charge in respect of 3radical and Mymyne recognised in respect of goodwill arising in the year ended 31 March 2024 was £2,268,891 which is included in the statement of comprehensive income.

Following the above business combinations being completed, the Company's subsidiaries as at 31 March 2025 were as follows:

	Shareholding	Nature of Business	Country of Incorporation
<i>Held directly:</i>			
Mymyne Limited	100%	Software developer	England and Wales
3radical Limited	100%	Software developer (in liquidation)	England and Wales
<i>Held indirectly:</i>			
3radical Pte Limited	100%	Software developer	Singapore
3radical Pty Limited	100%	Software developer	Australia
3radical Inc	100%	Software developer	USA

19. Company Voluntary Arrangement ("CVA"), Subscription for Ordinary Shares, and Share Capital Reorganisation

Further to the Company's announcement of 24 December 2024 regarding the liquidation of 3radical, the Company's operating subsidiary, and subsequent reclassification of the Company as a cash shell pursuant to Rule 15 of the AIM Rules, the Board presented the following proposals to Shareholders:

- a fundraise by way of subscription for 875,000,000 new Ordinary Shares in the Company and a CLN for 374,813,776 new Ordinary Shares raising total funds of £355,000;
- the proposed CVA in order to allow the Company to restructure itself in a way that allows shareholders and creditors to retain an economic interest in the Company; and
- the proposed share capital reorganisation to amend the nominal value of the Company's Ordinary Shares to 0.01 pence each to allow the CVA and fundraising to complete in accordance with their terms.

Following below expected trading performance of 3radical since the RTO and the failure of the Company to secure additional funds to continue to fund the losses of 3radical, 3radical was placed into liquidation on 24 December 2024. As at the date of the proposals, the Company had debts of £1,399,799 and cash of £4,765. As such, the Company was left in a position whereby its only remaining viable options were to either liquidate the Company or to seek some form of creditor protection.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

19. Company Voluntary Arrangement ("CVA"), Subscription for Ordinary Shares, and Share Capital Reorganisation (continued)

The Board therefore concluded that a CVA, if approved, would allow for the Company to continue as an entity for the benefit of all stakeholders and to seek to retain admission of the Ordinary Shares to trading on AIM with a new Company strategy to pursue acquisitions.

The net proceeds of the fundraising were to be used principally to allow the Company to implement the CVA and provide working capital to allow it to pursue an acquisition or investment constituting a reverse takeover pursuant to Rule 14 of the AIM Rules.

The Proposals which were conditional upon, inter alia, the approval by shareholders of the Resolutions, were duly passed at a General Meeting held on 27 March 2025.

20. Current assets and liabilities held for sale

3radical Limited and its subsidiaries and Mymyne Limited are presented as a disposal group held for sale following the appointment of the liquidators for 3radical and the striking off notice for Mymyne.

The expected settlement of the disposal group is not known at the date of this report.

Assets classified as held for sale:	£
Plant and equipment	640
Cash at bank	18,499
Trade and other receivables	12,939
Total	32,078

Liabilities classified as held for sale:	£
Trade and other payables	542,492
Borrowings	27,402
Total	569,894

An Impairment loss of £2,268,891 in relation to goodwill has been recognised in expenses in the consolidated income statement.

21. Financial risk management

The Group's activities expose it to liquidity risk, credit risk and foreign exchange risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

21. Financial risk management (continued)

Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of debt and equity instruments.

The capital structure of the Group consists of debt, cash and cash equivalents and equity comprising share capital and reserves. The Company reviews the capital structure annually and as part of this review considers the cost of capital and risks associated with each class of capital and debt.

Liquidity risk

Responsibility for management of liquidity risk rests with the board of directors, which has established an appropriate liquidity risk framework for the management of the Company's funding and liquidity requirements. The Company manages liquidity risk by maintaining adequate reserves, debt facilities and reserve borrowing facilities by continuously monitoring forecasts and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Foreign exchange risk

The Company makes some purchases in foreign currencies. The payments in foreign currency are made using the exchange rates on the date of payment. As of year-end, the Company did not have any payables in foreign currency.

22. Related party transactions

During the year, the Company entered into the following transactions with related parties, all of which were conducted on an arm's length basis:

- Salary and bonuses totalling £67,500 payable to John Hutchinson, a director of the Company at the time, were settled by the issue of 3,214,280 shares at 0.21p a share on 3 May 2024.
- Salary and bonuses totalling £30,264 payable to Richard Horwood, a director of the Company, were settled by the issue of 1,441,140 shares at 0.21p a share on 3 May 2024.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

22. Related party transactions (continued)

- Facility loans totalling £535,000 due and payable to Sanderson Capital Partners Limited, were settled by the issue of 25,476,190 shares at 0.21p a share on 3 May 2024.
- On 9 August 2024, 9,589,042 shares were issued to certain professional advisors and consultants to settle their fees. Included in this amount was 5,479,452 shares issued to Tanvier Malik in relation to his role as Capital Markets Consultant for a total of £40,000. Since Mr Malik controls Sanderson Capital Partners Limited, this transaction constitutes a related party transaction.
- Loans totalling £125,000 made by Sanderson Capital Partners Limited were advanced during the year and settled by the issue of 13,888,888 shares at 0.9p a share on 14 October 2024 which constitutes a related party transaction.
- On 28 August 2024, the Company completed an all-share acquisition of Mymyne, valuing it at up to a maximum of approximately £154k based on the closing mid-market price of the Company's shares immediately prior to announcing the proposed acquisition on 9 August 2024, which was approved by shareholders in General Meeting on 27 August 2024. The Company recognised the initial consideration of £72k (settled by the issue of 9,834,521 shares in the Company – see Note 18) as the purchase price, but not the conditional deferred consideration of up to a further 11,191,665 shares (worth up to a maximum of £82k at the completion share price, and capped at a total of £268.6k at the mid-market price of the Company's shares if and when payable) as the likelihood of the conditional deferred amount being paid was uncertain. John Regan, who served as Electric Guitar's CEO, and John Hutchinson, who served as Electric Guitar's Chair, and both being directors of the Company, were 31.2% (including John Regan's associate) and 9.2% shareholders of Mymyne respectively at the time of the acquisition, receiving 3,068,140 and 908,059 respectively and valued at 0.73p per share on completion, and therefore it was a related party transaction.

The fair value of net assets acquired on Mymyne's books was £8k, including cash at bank of £18k. Goodwill arising on acquisition was £64k. This goodwill has been written off in full through the income statement.

- The Company purchased services of £275,000 (2024: £206,750) from BDB Pitmans LLP. The amount payable as at year-end is £146,875 (2024: £240,900). John Hutchinson served as chairman of the Company and is managing partner of BDB Pitmans LLP (now known as Broadfield Law UK LLP).

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

22. Related party transactions (continued)

- The Company purchased services of £3,000 (2024: £36,000) from Belmont Partners Ltd. The amount payable as at year-end is £10,800 (2024: £7,200). Sarfraz Munshi was a director of the Company during the financial year 2025 and also director of Belmont Partners.
- The Company purchased services of £95,000 (2024: £95,000) from Mymyne Ltd prior to its acquisition. Of this amount, £40k was for the provision of commercial due diligence services in connection with the proposed acquisition of a previous target which did not proceed. The remaining £55k was for the provision of commercial due diligence services in connection with the 3radical RTO. John Regan, who served as Electric Guitar's CEO, and John Hutchinson, who served as Electric Guitar's Chair, and both being directors of the Company, were 31.2% and 9.2% shareholders of Mymyne Ltd respectively at the time the services were purchased. The amount payable as at year-end was Nil (2024: Nil). John Regan was a director of the Company and is also director of Mymyne Ltd.
- On 26 February 2025, the Company received £45,000 from Sanderson, a substantial shareholder of the Company, and £10,000 from Grahame Cook, a Non-Executive Director of the Company. These funds were applied to an unsecured, interest free, senior convertible loan note ('CLN') as part of a wider fundraising and restructuring of the Company in order to pursue a new acquisition strategy.

The CLN converted automatically into 374,813,776 New Ordinary Shares at a price of 0.01467 pence per share pursuant to the terms of the CVA, as to 68,147,959 CLN Shares on admission to trading of £300,000 (gross) fundraising shares ('**Subscription Shares**') on 2 April 2025 ('**First Admission**') pursuant to Grahame Cook's CLN; and 306,665,817 CLN Shares which converted automatically on admission to trading of the CVA Creditor Shares on 13 October 2025 ('**Second Admission**') pursuant to Sanderson's CLN, subject to Sanderson and connected parties holding no more than 29.99% of the Company's issued share capital, which condition was satisfied.

The CLN bore no interest and was unsecured, but prior to conversion to Ordinary Shares ranked senior to any equity or debt of the Company, and gave Sanderson and Grahame Cook first refusal if there is any equity or debt raised by the Company within 18 months from 7 February 2025.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

22. Related party transactions (continued)

In addition, pursuant to the terms of the CLN and subject to Admission of the Subscription Shares, Sanderson and Grahame Cook received warrants (**'Fundraising Warrants'**) over, in aggregate, 187,406,889 New Ordinary Shares, representing one warrant for every two New Ordinary Shares received by Sanderson and Grahame Cook pursuant to the conversion of the CLN. The Fundraising Warrants will be assignable and exercisable at the CLN Conversion Price for a period of 3 years from First Admission, with the exercise of those held by Sanderson being subject to it and its concert party not holding more than 29.99% of the Company's issued share capital. In addition, Sanderson and Grahame Cook will have first refusal if there is any equity or debt raised by the Company within 18 months from 7 February 2025.

- On 11 March 2025, Sanderson and Grahame Cook conditionally subscribed for a total of 116,666,666 and 29,166,667 New Ordinary Shares respectively for a total of £40,000 and £10,000 each.
- See note 16 in relation to borrowings entered into with Sanderson Capital Partners Limited.

23. Notes to statement of cash flows

Non-cash transactions

The Group entered into the following material non-cash transactions during the year:

- On 3 May 2024, the Company completed its acquisition of 3radical, a software solutions business. Consideration paid for 100% of the shares in 3radical was £1,285k, which was settled in full through the issue of 61.2 million new Ordinary Shares in the Company at an issue price of 2.1p per share (see note 18).
- On 2 May 2024, the Company settled borrowings owed to Sanderson through the issue of 25.4 million Ordinary Shares in the Company at an issue price of 2.1p per share (see note 13).
- On the same date, the Company settled borrowings owed to Anglia Securities Limited amounting to £25,000 through the issue of 1,190,480 Ordinary Shares in the Company at an issue price of 2.1p per share.
- On the same date, the Company issued a total of 10,476,170 Ordinary Shares in settlement advisors' fees totalling £220,000, at 2.1p a share.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

23. Notes to statement of cash flows (continued)

- On 2 May 2024, the Company issued a total of 4,655,420 shares in settlement of accrued salary and bonuses totalling £97,764, as described in Note 22 above.
- On 9 August 2024, 9,589,042 Ordinary Shares were issued to certain professional advisors and consultants to settle their fees. Included in this amount was 5,479,452 Ordinary Shares issued to Tanvier Malik in relation to his role as Capital Markets Consultant. Since Mr Malik controls Sanderson Capital Partners Limited, this transaction constitutes a related party transaction.
- On 28 August 2024, the Company completed the acquisition of Mymyne, a developer of data-related software solutions, and the provider of related sales & marketing services to 3radical.

The initial all-share consideration of £71,792 was settled by the issue of 9,834,521 Ordinary Shares in the Company on completion.

- Loans totalling £125,000 made by Sanderson Capital Partners Limited were advanced during the year and settled by the issue of 13,888,888 shares at 0.9p a share on 14 October 2024.

24. Post balance sheet events

Share issues

On 2 April 2025, the Company announced the following pursuant to the CVA Proposals outlined in Note 19 above:

- Completion of a fundraise by way of Subscription for 875,000,000 New Ordinary Shares in the Company at 0.034p per Ordinary Share for a total of £300,000;
- a total of 68,147,959 shares were issued pursuant to the automatic conversion of £10,000 of CLNs in accordance with, inter alia, completion of the Subscription;

On 18 June 2025, the Company announced that it had raised £775,000 (before expenses) by way of a placing of a total of 968,750,000 new Ordinary Shares of 0.01 pence each in the Company at a price of 0.08 pence per new Ordinary Share. The estimated net proceeds of the Placing of approximately £730,000 is being used to fund the Company's anticipated costs of an acquisition and for general working capital.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

24. Post balance sheet events (continued)

On the same date, the Company announced that Novum Securities Limited (now AlbR Capital Limited) had been appointed as a Joint Broker to the Company with immediate effect. To keep the Company's running costs low, it issued 37,500,000 new Ordinary Shares (the '**Fee Shares**') to Novum at the Issue Price of 0.08 pence per share in full satisfaction of its £30,000 annual broking retainer fee.

On 13 October 2025, 236,782,175 CVA Creditor Shares and 306,665,817 Sanderson CLN Shares were admitted to trading on AIM on completion of the CVA and the related share allotments.

Issue of warrants

On 6 May 2025, the Company agreed to issue, in aggregate, 100,000,000 warrants to subscribe for new Ordinary Shares to Richard Horwood and Sarfraz Munshi on the following terms, to align their interests with those of all the shareholders, and to compensate them for their unremunerated work:

	Richard Horwood	Sarfraz Munshi	
Warrant Terms	Number	Number	Total
Exercise price £0.001 for a term of 12 months from 13 October 2025, the date of admission of the CVA Creditor Shares	25,000	25,000	50,000
Exercise price £0.0015 for a term of 18 months from 13 October 2025, the date of admission of the CVA Creditor Shares	25,000	25,000	50,000

CVA liabilities

Current liabilities of £1.4m included in the Company's and Consolidated Statement of Financial Position at 31 March 2025 have subsequently been derecognised in April 2025 following proposals for the Company's CVA becoming unconditional. These liabilities therefore no longer existed after April 2025.

ELECTRIC GUITAR PLC

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025 (continued)

25. Other developments subsequent to the reporting date

On 18 July 2025, the Company announced that it had signed non-binding heads of terms to acquire Dunbar Energy Inc. ('**Dunbar**'), a U.S. company incorporated under the laws of the State of Nevada, through a reverse takeover transaction ('**RTO**').

Dunbar has recently been established in the U.S. to power the next generation of digital infrastructure, including AI and crypto. With datacentre demand surging and supportive U.S. energy policies, Dunbar's business is the conversion of coal mine methane and stranded gas in oil and gas wells into power for modular 'compute' sites for datacentres; supporting crypto infrastructure at remote wells; and generating carbon credits; all delivering scalable, real-world solutions for energy transition partners.

To execute this strategy, Dunbar is building a strategic portfolio of energy assets across key U.S. regions, and has brought together a seasoned team with decades of experience in coal mining and oil and gas, strengthened by leading IT and datacentre professionals.

Consideration for the proposed RTO will be satisfied through the issue of new Ordinary Shares of 0.01 pence in the Company.

The proposed transaction is subject to, inter alia, the completion of satisfactory due diligence, the execution of final legally binding documents, publication of an AIM Admission Document, approval by shareholders of Electric Guitar at a general meeting of the Company of the RTO and of a waiver of the obligations that would otherwise arise under Rule 9 of the Takeover Code (also subject to approval by the Takeover Panel), and re-admission of the Company's Ordinary Shares to trading on AIM. There is no guarantee that the proposed RTO will proceed nor as to its final terms or timing.

26. Controlling party

The Company considers that there is no ultimate controlling party.