### **Netcapital Announces Revenue Growth of 55% for Fiscal Year 2023**

Investor conference call to be held tomorrow, July 27, 2023, at 10:00 a.m. ET

BOSTON, MA – July 26, 2023 – <u>Netcapital Inc.</u> (Nasdaq: NCPL, NCPLW) (the "Company"), a digital private capital markets ecosystem, today announced financial results for its fourth quarter and fiscal year 2023 ended April 30, 2023.

"Fiscal 2023 marked a year of strong performance, highlighted by revenue growth of 55% and operating income of more than \$2 million," said Martin Kay, CEO of Netcapital Inc. "The value proposition of our business is becoming more evident as we continue to build scale and deliver a superior experience at a lower cost for issuers. We expect to offer secondary trading in private equities later in this year, a liquidity model that we believe will support expansion of both our investor and issuer communities, and generate a potential new revenue stream for Netcapital. As a back-to-back winner of the Fintech Breakthrough Award in 2022 and 2023, our brand is well-recognized for innovation and excellence, and well-positioned for value creation."

#### Fiscal Year 2023 Highlights

- Revenue growth of 55% year-over-year to \$8.5 million as compared to \$5.5 million in fiscal 2022
- Operating income of \$2.3 million compared to an operating loss of \$1.0 million in fiscal year 2022
- Paid down \$1 million in debt, closed two underwritten public offering for aggregate gross proceeds of \$6.7 million, and uplisted to Nasdag in July 2022

For additional disclosure regarding operating results, please refer to the Annual Report on Form 10-K for the period ended April 30, 2023, which has been filed with the U.S. Securities and Exchange Commission.

#### **Conference Call Information**

The Company will host an investor conference call at 10:00 a.m. ET tomorrow, July 27, 2023.

Participant access: 844-985-2012 or 973-528-0138

Conference entry code: 398497

For those unable to participate in the live call, a replay will be made available in the <u>Investors</u> section of the Company's website.

#### **About Netcapital Inc.**

<u>Netcapital Inc.</u> is a fintech company with a scalable technology platform that allows private companies to raise capital online and provides private equity investment opportunities to investors. The company's consulting group, <u>Netcapital Advisors</u>, provides marketing and strategic advice and takes equity positions in select companies with disruptive technologies. The <u>Netcapital funding portal</u> is registered with the U.S. Securities & Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA), a registered national securities association.

#### **Investor Contact**

800-460-0815 <u>ir@netcapital.com</u>

## **NETCAPITAL INC.** Consolidated Balance Sheets

Cash and cash equivalents         \$ 569,441         \$ 473,925           Related party receivable         -         6.68           Accounts receivable, net         1,388,500         2,433,900           Prepaid expenses         583,030         5,694           Total current assets         2,540,971         2,914,187           Deposits         6,300         6,300           Note receivable – related parties         202,000         202,000           Purchased technology         15,875,297         15,536,704           Investment in affiliate         240,080         240,080           Equity securities at fair value         22,955,445         12,861,253           Total assets         \$ 41,820,093         \$ 31,760,524           Liabilities and Stockholders' Equity         Total assets         \$ 578,331         \$ 536,508           Related party         75,204         378,007           Accounts payable         \$ 578,331         \$ 536,508           Related party         75,204         378,007           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Interest payable         98,2	Assets:	A	April 30, 2023 April 30, 2022		
Related party receivable         —         668           Accounts receivable, net         1,388,500         2,433,900           Prepaid expenses         583,030         5,694           Total current assets         2,540,971         2,914,187           Deposits         6,300         20,2000           Note receivable – related parties         202,000         202,000           Purchased technology         15,875,297         15,536,704           Investment in affiliate         240,080         240,080           Equity securities at fair value         22,955,445         12,861,253           Total assets         41,820,093         31,760,524           Liabilities and Stockholders' Equity         Current liabilities           Accounts payable         578,331         \$ 36,508           Related party         75,204         378,077           Accrued expenses         285,65         222,986           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Interest payable         98,256         222,295           Income taxes payable         174,000         27,000           Deferred tax liability, net         1,657,000         977,000	Cash and cash equivalents				
Accounts receivable, net         1,388,500         2,433,900           Prepaid expenses         583,030         5,694           Total current assets         2,540,971         2,914,187           Deposits         6,300         6,300           Note receivable – related parties         202,000         202,000           Purchased technology         15,875,297         15,536,704           Investment in affiliate         240,080         240,080           Equity securities at fair value         22,955,445         12,861,253           Total assets         \$ 41,820,093         \$ 31,760,524           Liabilities and Stockholders' Equity         Current liabilities:           Current liabilities         8         48,820,093         \$ 31,760,524           Liabilities and Stockholders' Equity         Trade         \$ 578,331         \$ 536,508           Related party         75,204         378,077         Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400         240,000         23,600         24,000         24,000         24,000         24,000         24,000         24,000         24,000         24,000         24,000         24,000         24,000         24,000         24,000 <td< td=""><td></td><td>Ψ</td><td></td><td></td></td<>		Ψ			
Prepaid expenses         583,030         5,694           Total current assets         2,540,971         2,914,187           Deposits         6,300         6,300           Note receivable – related parties         202,000         202,000           Purchased technology         15,875,297         15,536,704           Investment in affiliate         240,080         240,080           Equity securities at fair value         22,955,445         12,861,253           Total assets         5 41,820,093         \$31,760,524           Liabilities and Stockholders' Equity         Total assets         Stoce subscription assets           Counts payable         Trade         \$75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Interest payable         98,256         222,295           Income taxes payable         11,657,000         977,000           Related parry debt         15,000         23,800           Equity perfect tax liability, net         1,657,000         977,000           Related parry debt         350,000         1,400,000           Courrent portion of			1.388.500		
Total current assets         2,540,971         2,914,187           Deposits         6,300         6,300           Note receivable – related parties         202,000         202,000           Purchased technology         15,875,297         15,336,704           Investment in affiliate         240,080         240,080           Equity securities at fair value         22,955,445         12,861,253           Total assets         31,760,524           Liabilities and Stockholders' Equity         Very Current liabilities:           Accounts payable         578,331         \$ 536,508           Related party         75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Increst payable         98,256         222,295           Income taxes payable         174,000         97           Deferred tax liability, net         1,657,000         977,000           Related party debt         15,000         29,860           Secured note payable         330,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727					
Deposits         6,300         6,300           Note receivable – related parties         202,000         202,000           Purchased technology         15,875,297         15,536,704           Investment in affiliate         240,080         240,080           Equity securities at fair value         22,955,445         12,861,253           Total assets         \$ 41,820,093         \$ 31,760,524           Liabilities and Stockholders' Equity           Current liabilities:           Accounts payable           Trade         \$ 578,331         \$ 536,508           Related party         75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Interest payable         98,256         222,295           Income taxes payable         174,000         —           Deferred tax liability, net         1,657,000         977,000           Related party debt         15,000         22,860           Secured note payable         35,000         1,400,000           Current portion of SBA loans         1,885,800         1,89		_			
Noire receivable – related parties         202,000         202,000           Purchased technology         15,875,297         15,536,704           Investment in affiliate         240,080         240,080           Equity securities at fair value         22,955,445         12,861,253           Total assets         \$ 41,820,093         \$ 31,760,524           Liabilities and Stockholders' Equity         Current liabilities:           Accounts payable         Trade         \$ 578,331         \$ 536,508           Related party         75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Incernset payable         174,000	Total callent assets		2,5 10,571	2,511,107	
Purchased technology         15,875,297         15,536,704           Investment in affiliate         240,080         240,080           Equity securities at fair value         22,955,445         12,861,253           Total assets         \$ 41,820,093         \$ 31,760,524           Liabilities and Stockholders' Equity         Urrent liabilities:           Accounts payable         Trade         \$ 578,331         \$ 536,508           Related party         75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Increst payable         174,000	Deposits		6,300	6,300	
Investment in affiliate			202,000	202,000	
Equity securities at fair value         22,955,445         12,861,253           Total assets         \$ 41,820,093         \$ 31,760,524           Liabilities and Stockholders' Equity         Urrent liabilities:           Accounts payable         Trade         \$ 578,331         \$ 536,508           Related party         75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Interest payable         98,256         222,295           Income taxes payable         174,000         —           Deferred tax liability, net         1,657,000         977,000           Related party debt         15,000         22,866           Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term liabilities         5,663,641         6,522,663           Comment search of particula	Purchased technology		15,875,297	15,536,704	
Total assets         \$ 41,820,093         \$ 31,760,524           Liabilities and Stockholders' Equity         Current liabilities:           Accounts payable         Trade         \$ 578,331         \$ 536,508           Related party         75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Increst payable         98,256         222,295           Income taxes payable         174,000         —           Deferred tax liability, net         1,657,000         977,000           Related party debt         15,000         22,860           Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term liabilities         5,063,641         6,552,663           Common stock, Sool par value, 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding	Investment in affiliate		240,080	240,080	
Liabilities and Stockholders' Equity           Current liabilities:           Accounts payable         578,331         \$ 536,508           Related party         75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Income taxes payable         174,000         —           Deferred tax liability, net         1,657,000         977,000           Related party debt         15,000         22,860           Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term liabilities:         —         300,000           Long-term SBA loans, less current portion         500,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies         —         —           Commitments and contingencies	Equity securities at fair value		22,955,445	12,861,253	
Current liabilities:           Accounts payable         \$578,331         \$536,508           Related party         75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Interest payable         98,256         222,295           Income taxes payable         174,000         —           Deferred tax liability, net         1,657,000         977,000           Related party debt         15,000         22,286           Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term liabilities:         —         —           Long-term liabilities:         —         —           Long-term SBA loans, less current portion         500,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies <td>Total assets</td> <td>\$</td> <td>41,820,093</td> <td>\$ 31,760,524</td>	Total assets	\$	41,820,093	\$ 31,760,524	
Current liabilities:           Accounts payable         \$578,331         \$536,508           Related party         75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Interest payable         98,256         222,295           Income taxes payable         174,000         —           Deferred tax liability, net         1,657,000         977,000           Related party debt         15,000         22,286           Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term liabilities:         —         —           Long-term liabilities:         —         —           Long-term SBA loans, less current portion         500,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies <td>Liabilities and Stookholders' Equity</td> <td></td> <td></td> <td></td>	Liabilities and Stookholders' Equity				
Accounts payable         Trade         \$ 578,331         \$ 536,508           Related party         75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Interest payable         98,256         222,295           Income taxes payable         174,000         —           Deferred tax liability, net         1,657,000         977,000           Related party debt         350,000         22,860           Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term liabilities:         —         —           Long-term SBA loans, less current portion         500,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies         —         —           Commitments and contingencies         —         — </td <td></td> <td></td> <td></td> <td></td>					
Trade         \$ 578,331         \$ 36,508           Related party         75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Interest payable         98,256         222,295           Income taxes payable         174,000         —           Deferred tax liability, net         1,657,000         977,000           Related party debt         15,000         22,860           Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         —         300,000           Total current liabilities         —         —           Long-term SBA loans, less current portion         500,000         495,073           Total Liabilities         —         —           Commitments and contingencies         —         —           Commitments and contingencies         —         —           Commitments and continge					
Related party         75,204         378,077           Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Interest payable         98,256         222,295           Income taxes payable         174,000         —           Deferred tax liability, net         1,657,000         977,000           Related party debt         15,000         22,860           Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,899,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term liabilities:         —         —           Long-term SBA loans, less current portion         500,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies         —         —           Stockholders' equity:         —         —           Compart in excess of par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and	* ·	•	579 221	\$ 536.508	
Accrued expenses         285,065         229,867           Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Interest payable         98,256         222,295           Income taxes payable         174,000         —           Deferred tax liability, net         1,657,000         977,000           Related party debt         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term liabilities:         —         —           Long-term SBA loans, less current portion         500,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies         —         —           Stockholders' equity:         —         —           Common stock, \$.001 par value; 900,000,000 shares authorized,         6,440,527 and 2,934,344 shares issued and outstanding         6,441         2,934           Capital in excess of par value         30,500,944         22,479,769		Ф			
Stock subscription payable         10,000         33,400           Deferred revenue         661         2,532           Interest payable         98,256         222,295           Income taxes payable         17,000         977,000           Peferred tax liability, net         1,657,000         977,000           Related party debt         15,000         22,860           Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term SBA loans, less current portion         500,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies         —         —           Stockholders' equity:         Soundary         495,073           Common stock, \$.001 par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding         6,441         2,934           Capital in excess of par value         30,500,944         22,479,769           Shares to be issued         183,187         24					
Deferred revenue         661         2,532           Interest payable         98,256         222,295           Income taxes payable         174,000         —           Deferred tax liability, net         1,657,000         977,000           Related party debt         15,000         22,860           Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term SBA loans, less current portion         500,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies         —         —           Common stock, \$.001 par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding         6,441         2,934           Capital in excess of par value         30,500,944         22,479,769           Shares to be issued         183,187         244,250           Retained earnings         5,465,880         2,510,908           Total stockholders' equity         36,156,452         25,			,		
Interest payable         98,256         222,295           Income taxes payable         174,000         —           Deferred tax liability, net         1,657,000         977,000           Related party debt         15,000         1,2860           Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term Isabilities         5,663,641         6,552,663           Comp-term SBA loans, less current portion         500,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies         —         —           Stockholders' equity:         —         —           Common stock, \$.001 par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding         6,441         2,934           Capital in excess of par value         30,500,944         22,479,769           Shares to be issued         183,187         244,250           Retained earnings         5,465,880         2,510,908<					
Income taxes payable					
Deferred tax liability, net         1,657,000         977,000           Related party debt         15,000         22,860           Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term Isabilities:         Stockholders'         —           Long-term SBA loans, less current portion         500,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies         —         —           Stockholders' equity:         Common stock, \$.001 par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding         6,441         2,934           Capital in excess of par value         30,500,944         22,479,769           Shares to be issued         183,187         244,250           Retained earnings         5,465,880         2,510,908           Total stockholders' equity         36,156,452         25,237,861	± -7				
Related party debt       15,000       22,860         Secured note payable       350,000       1,400,000         Current portion of SBA loans       1,885,800       1,890,727         Loan payable - bank       34,324       34,324         Convertible notes payable       —       300,000         Total current liabilities       5,163,641       6,027,590         Long-term SBA loans, less current portion       500,000       495,073         Total Liabilities       5,663,641       6,552,663         Commitments and contingencies       —       —         Stockholders' equity:       —       —         Common stock, \$.001 par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding       6,441       2,934         Capital in excess of par value       30,500,944       22,479,769         Shares to be issued       183,187       244,250         Retained earnings       5,465,880       2,510,908         Total stockholders' equity       36,156,452       25,237,861				977 000	
Secured note payable         350,000         1,400,000           Current portion of SBA loans         1,885,800         1,890,727           Loan payable - bank         34,324         34,324           Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term SBA loans, less current portion         500,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies         —         —           Stockholders' equity:         —         —           Common stock, \$.001 par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding         6,441         2,934           Capital in excess of par value         30,500,944         22,479,769           Shares to be issued         183,187         244,250           Retained earnings         5,465,880         2,510,908           Total stockholders' equity         36,156,452         25,237,861					
Current portion of SBA loans       1,885,800       1,890,727         Loan payable - bank       34,324       34,324         Convertible notes payable       —       300,000         Total current liabilities       5,163,641       6,027,590         Long-term SBA loans, less current portion       500,000       495,073         Total Liabilities       5,663,641       6,552,663         Commitments and contingencies       —       —         Stockholders' equity:       —       —         Common stock, \$.001 par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding       6,441       2,934         Capital in excess of par value       30,500,944       22,479,769         Shares to be issued       183,187       244,250         Retained earnings       5,465,880       2,510,908         Total stockholders' equity       36,156,452       25,237,861					
Loan payable - bank       34,324       34,324         Convertible notes payable       —       300,000         Total current liabilities       5,163,641       6,027,590         Long-term SBA loans, less current portion       500,000       495,073         Total Liabilities       5,663,641       6,552,663         Commitments and contingencies       —       —         Stockholders' equity:       —       —         Common stock, \$.001 par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding       6,441       2,934         Capital in excess of par value       30,500,944       22,479,769         Shares to be issued       183,187       244,250         Retained earnings       5,465,880       2,510,908         Total stockholders' equity       36,156,452       25,237,861					
Convertible notes payable         —         300,000           Total current liabilities         5,163,641         6,027,590           Long-term liabilities:         Long-term SBA loans, less current portion         500,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies         —         —           Stockholders' equity:         —         —           Common stock, \$.001 par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding         6,441         2,934           Capital in excess of par value         30,500,944         22,479,769           Shares to be issued         183,187         244,250           Retained earnings         5,465,880         2,510,908           Total stockholders' equity         36,156,452         25,237,861					
Total current liabilities         5,163,641         6,027,590           Long-term liabilities:         50,000         495,073           Total Liabilities         5,663,641         6,552,663           Commitments and contingencies         —         —           Stockholders' equity:         —         —           Common stock, \$.001 par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding         6,441         2,934           Capital in excess of par value         30,500,944         22,479,769           Shares to be issued         183,187         244,250           Retained earnings         5,465,880         2,510,908           Total stockholders' equity         36,156,452         25,237,861			5 1,5 <b>2</b> 1		
Long-term liabilities:       Long-term SBA loans, less current portion       500,000       495,073         Total Liabilities       5,663,641       6,552,663         Commitments and contingencies       —       —         Stockholders' equity:       —       —         Common stock, \$.001 par value; 900,000,000 shares authorized,       6,440,527 and 2,934,344 shares issued and outstanding       6,441       2,934         Capital in excess of par value       30,500,944       22,479,769         Shares to be issued       183,187       244,250         Retained earnings       5,465,880       2,510,908         Total stockholders' equity       36,156,452       25,237,861	1 ,	_	5 163 641		
Long-term SBA loans, less current portion       500,000       495,073         Total Liabilities       5,663,641       6,552,663         Commitments and contingencies       —       —         Stockholders' equity:       —       —         Common stock, \$.001 par value; 900,000,000 shares authorized,       6,440,527 and 2,934,344 shares issued and outstanding       6,441       2,934         Capital in excess of par value       30,500,944       22,479,769         Shares to be issued       183,187       244,250         Retained earnings       5,465,880       2,510,908         Total stockholders' equity       36,156,452       25,237,861	Total current naomities		3,103,041		
Long-term SBA loans, less current portion       500,000       495,073         Total Liabilities       5,663,641       6,552,663         Commitments and contingencies       —       —         Stockholders' equity:       —       —         Common stock, \$.001 par value; 900,000,000 shares authorized,       6,440,527 and 2,934,344 shares issued and outstanding       6,441       2,934         Capital in excess of par value       30,500,944       22,479,769         Shares to be issued       183,187       244,250         Retained earnings       5,465,880       2,510,908         Total stockholders' equity       36,156,452       25,237,861	Long-term liabilities:				
Total Liabilities         5,663,641         6,552,663           Commitments and contingencies         —         —           Stockholders' equity:         —         —           Common stock, \$.001 par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding         6,441         2,934           Capital in excess of par value         30,500,944         22,479,769           Shares to be issued         183,187         244,250           Retained earnings         5,465,880         2,510,908           Total stockholders' equity         36,156,452         25,237,861			500 000	495 073	
Commitments and contingencies         —         —           Stockholders' equity:         —         —           Common stock, \$.001 par value; 900,000,000 shares authorized, 6,440,527 and 2,934,344 shares issued and outstanding         6,441         2,934           Capital in excess of par value         30,500,944         22,479,769           Shares to be issued         183,187         244,250           Retained earnings         5,465,880         2,510,908           Total stockholders' equity         36,156,452         25,237,861					
Stockholders' equity:         Common stock, \$.001 par value; 900,000,000 shares authorized,         6,440,527 and 2,934,344 shares issued and outstanding       6,441       2,934         Capital in excess of par value       30,500,944       22,479,769         Shares to be issued       183,187       244,250         Retained earnings       5,465,880       2,510,908         Total stockholders' equity       36,156,452       25,237,861	Total Elabilities	_	3,003,041	0,332,003	
Stockholders' equity:         Common stock, \$.001 par value; 900,000,000 shares authorized,         6,440,527 and 2,934,344 shares issued and outstanding       6,441       2,934         Capital in excess of par value       30,500,944       22,479,769         Shares to be issued       183,187       244,250         Retained earnings       5,465,880       2,510,908         Total stockholders' equity       36,156,452       25,237,861	Commitments and contingencies		_	_	
Common stock, \$.001 par value; 900,000,000 shares authorized,       6,440,527 and 2,934,344 shares issued and outstanding       6,441       2,934         Capital in excess of par value       30,500,944       22,479,769         Shares to be issued       183,187       244,250         Retained earnings       5,465,880       2,510,908         Total stockholders' equity       36,156,452       25,237,861					
6,440,527 and 2,934,344 shares issued and outstanding       6,441       2,934         Capital in excess of par value       30,500,944       22,479,769         Shares to be issued       183,187       244,250         Retained earnings       5,465,880       2,510,908         Total stockholders' equity       36,156,452       25,237,861	Stockholders' equity:				
Capital in excess of par value       30,500,944       22,479,769         Shares to be issued       183,187       244,250         Retained earnings       5,465,880       2,510,908         Total stockholders' equity       36,156,452       25,237,861	Common stock, \$.001 par value; 900,000,000 shares authorized,				
Shares to be issued       183,187       244,250         Retained earnings       5,465,880       2,510,908         Total stockholders' equity       36,156,452       25,237,861	6,440,527 and 2,934,344 shares issued and outstanding		6,441	2,934	
Retained earnings         5,465,880         2,510,908           Total stockholders' equity         36,156,452         25,237,861	Capital in excess of par value		30,500,944	22,479,769	
Total stockholders' equity 36,156,452 25,237,861	Shares to be issued		183,187	244,250	
· · · — — — — — — — — — — — — — — — — —	Retained earnings	_	5,465,880	2,510,908	
· · · — — — — — — — — — — — — — — — — —	Total stockholders' equity		36,156,452	25,237,861	
	Total liabilities and stockholders' equity	\$	41,820,093	\$ 31,760,524	

# NETCAPITAL INC. CONSOLIDATED STATEMENTS OF OPERATIONS

	ear Ended ril 30, 2023	Year Ended April 30, 2022	
Revenues	\$ 8,493,985	\$	5,480,835
Costs of services	85,038		110,115
Gross profit	8,408,947		5,370,720
1	,		
Costs and expenses:			
Consulting expense	589,349		892,567
Marketing	85,482		95,753
Rent	75,052		47,670
Payroll and payroll related expenses	3,646,490		3,763,845
General and administrative costs	 1,740,698		1,602,031
Total costs and expenses	6,137,071		6,401,866
Operating income (loss)	2,271,876		(1,031,146)
•	 		
Other income (expense):			
Interest expense	(93,842)		(126,372)
Debt forgiveness	_		1,904,296
Gain on debt conversion	224,260		
Amortization of intangible assets	(96,407)		
Realized loss on sale of investment	(406,060)		
Unrealized gain on equity securities	1,857,500		3,275,745
Other income	 51,645		25,007
Total other income	 1,537,096		5,078,676
Net income before taxes	3,808,972		4,047,530
Income tax expense	 854,000		544,000
Net income	\$ 2,954,972	\$	3,503,530
	 , ,	<u> </u>	, ,
Basic earnings per share	\$ 0.63	\$	1.31
Diluted earnings per share	\$ 0.63	\$	1.27
Weighted average number of common shares outstanding:			
Basic	4,677,214		2,666,173
Diluted	4,677,464		2,748,480
Dirucu	 7,077,707		4,770,700

The information contained herein includes forward-looking statements. These statements relate to future events or to our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. You should not place undue reliance on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could, and likely will, materially affect actual results, levels of activity, performance or achievements. Any forward-looking statement reflects our current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. We assume no obligation to publicly update or revise these forward-looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

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