

Risk Factors Comparison 2024-07-29 to 2023-07-26 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

Certain factors may have a material adverse effect on our business, financial condition, and results of operations. You should consider carefully the risks and uncertainties described below, in addition to other information contained in this Annual Report on Form 10-K, including our consolidated financial statements and related notes. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that adversely affect our business. If any of the following risks actually occurs, our business, financial condition, results of operations, and future prospects could be materially and adversely affected. In that event, the trading price of our common stock could decline, and you could lose part or all of your investment.

Risks Related to Our Need for Additional Capital We **Business and Growth Strategy Our financial situation creates doubt whether we will continue as a going concern** need to raise additional funding, which may not be available on acceptable terms, or at all. **As of Failure to obtain this necessary capital when needed may force us to delay, limit or terminate operations.** Our cash balances at April 30, 2023 **2024** and July 25, **the Company had negative working** 2023 were \$ 569, 441 and \$ 1, 256, 200, respectively. We will need to raise additional capital following the date of **\$ 2, 074, 163** this report through the offering of additional equity and / or debt securities and / or the sale of equity positions in certain portfolio companies for which Neteapital Advisors provides marketing **the year ended April 30 2024, the Company had** and **an** strategic advice **operating loss of \$ 3, 442, 388 and net cash used in operating activities amounted to \$ 4, 879, 838**. In the event **There can be no assurances** that we **will be able to achieve a level of revenues adequate to generate sufficient cash flow from operations or additional financing through private placements, public offerings and / or bank financing necessary to support our working capital requirements. Our management has recently reduced its operating expenses and we have turned our focus to our funding portal business, which generates cash revenues and has seen a growth in revenues on a year- to- year basis. We plan to continue operating with lower fixed overhead amounts and seek to raise money from private placements, public offerings and / or bank financing. Our management has determined, based on its recent history and the negative cash flow from operations, that it is unlikely that its plan will sufficiently alleviate or mitigate, to a sufficient level, the relevant conditions or events noted above. To the extent that funds generated from any private placements, public offerings and / or bank financing, if available, are not able insufficient, we will have** to raise additional working capital. **No assurance can be given** through these methods, we do not expect that our cash on hand will be sufficient to fund our current operations for the next 12 months. Our operating plan may change as a result of many factors currently unknown to us, and we may need to seek additional funds sooner than planned, through public or private equity or debt financings, government or other third- party funding or a combination of these approaches. Raising funds in the current economic environment may present additional challenges. Even if we believe we have sufficient funds for our current or future operating plans, we may seek additional capital if market conditions are favorable or if we have specific strategic considerations. Any additional fundraising efforts may divert our management from their day- to- day activities. In addition, we cannot guarantee that future financing will be available in, **or if available, will be on acceptable terms. Accordingly, our management has concluded that these conditions raise substantial doubt about our ability to continue as a going concern. There can be no assurance that we will be able to achieve its business plan objectives or be able to achieve or maintain cash- flow- positive operating results. If we are unable to generate adequate funds from operations or raise sufficient additional funds** amounts or on terms acceptable to us, **we** if at all. Moreover, the terms of any financing may adversely affect the holdings **not be able to repay** or **our existing** the rights of our stockholders and the issuance of additional securities, whether equity or debt, by us, **continue to operate** or **our business network** the possibility of such issuance, **respond to competitive pressures** may cause the market price of our **or fund** shares of common stock to decline. The sale of additional equity or **our operations** convertible securities may dilute our existing stockholders. **As a** The incurrence of indebtedness would result in increased fixed payment obligations, and we may be required to **significantly reduce** agree to certain restrictive covenants, such as limitations on **reorganize, discontinue, our- or shut down** ability to incur additional debt, limitations on our ability to acquire, sell or **our** license intellectual property rights and other operating **operations** restrictions that could adversely impact our ability to conduct our business. We could also be required to seek funds through arrangements with collaborative partners or otherwise at an earlier stage than otherwise would be desirable and we may be required to relinquish rights to some of our technologies or product candidates or otherwise agree to terms unfavorable to us, any of which may have a material adverse effect on our business, operating results and prospects.

Risks Related to Our Business and Growth Strategy We have a limited operating history and our profits have been generated primarily by unrealized gains from equity securities we own in other companies. Although we have been profitable, the likelihood of our success must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered by a small developing company. We were incorporated in the State of Utah in April 1984. **We reported a net loss of \$ 4, 986, 317 in the year ended April 30, 2024.** Although we **have** reported earnings in the years ended April 30, 2023 and 2022, the majority of our earnings came from unrealized gains in equity securities that we own. These securities have **observable prices a value on our books,** but are not liquid. Furthermore, the likelihood of our success must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered by a small developing company starting a new business enterprise and the highly competitive environment in which we will operate. Since we have a limited operating history, we cannot assure you that our business will maintain profitability. **14 - 16-** We have substantial customer concentration, with a limited number of customers accounting for a substantial portion of our revenues. We currently derive a significant portion of our revenues from a

limited number of customers. **There are inherent risks whenever a large percentage of total revenues are concentrated with a limited number of customers.** For the year ended April 30, **2023-2024**, the Company had one customer that constituted 25 % of its revenues, **a second customer that constituted 22 % of its revenues, and a third customer that constituted 22 % of its revenues.** For the year ended April 30, **2023**, the Company had one customer that constituted 25 % of its revenues, and four customers that each constituted 14 % of its revenues. ~~For the year ended April 30, 2022, the Company had one customer that constituted 22 % of its revenues, a second customer that constituted 22 % of its revenues, and a third customer that constituted 18 % of its revenues.~~ There are inherent risks whenever a large percentage of total revenues are concentrated with a limited number of customers. It is not possible for us to predict the future level of demand for our services that will be generated by these customers or new customers, or the future demand for the products and services of these customers or new customers. If any of these customers experience declining or delayed sales due to market, economic or competitive conditions, we could be pressured to reduce the prices we charge for our products which could have an adverse effect on our margins and financial position and could negatively affect our revenues and results of operations and / or trading price of our common stock. ~~We 18~~ Our debt level could negatively impact our financial condition, results of operations and business prospects. As of April 30, **2023-2024**, we had approximately \$ **2,735,420, 800,124** of principal indebtedness outstanding and we have borrowed money on three occasions from the SBA. Our level of debt could have significant consequences to our shareholders, including the following: ● requiring the dedication of a substantial portion of cash flow from operations to make payments on debt, thereby reducing the availability of cash flow for working capital, capital expenditures and other general business activities; ● requiring a substantial portion of our corporate cash reserves to be held as a reserve for debt service, limiting our ability to invest in new growth opportunities; ● limiting the ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions and general corporate and other activities; ● limiting the flexibility in planning for, or reacting to, changes in the business and industry in **which we operate in**; ● **increasing our vulnerability to both general and industry-specific adverse economic conditions**; ● **putting us at a regulatory environment that competitive disadvantage vs. less leveraged competitors**; and ● **increasing vulnerability to changes in the prevailing interest rates. Our ability to make payments of principal and interest, or to refinance our indebtedness, depends on our future performance, which is evolving subject to economic, financial, competitive and uncertain other factors.** The regulatory framework for online capital formation ~~Our business may not generate sufficient cash flow in the future to service our~~ crowdfunding is very new. The regulations that govern ~~debt because of factors beyond our control, including but not limited to our ability to market our products and expand~~ our operations have been in existence for a very few years. ~~If we~~ Further, there are **unable** constant discussions among legislators and regulators with respect to **generate sufficient cash flows** changing the regulatory environment. New laws and regulations could be adopted in the United States and abroad. Further, ~~we~~ existing laws and regulations may be interpreted in ways **required to adopt one or more alternatives, such as restructuring debt or obtaining additional equity capital on terms that would impact may be onerous our- or highly dilutive.** Our ability to refinance operations, including how we communicate and work with investors and the companies that use our **indebtedness will depend services and the types of securities that our clients can offer and sell on the capital markets and our financial condition at such time.** We may not be able to engage in any of these activities ~~our- or platform~~ engage in these activities on desirable terms, which could result in a default on our debt obligations. We operate in a highly regulated industry. We are subject to extensive regulation and failure to comply with such regulation could have an adverse effect on our business. Further, our subsidiary Netcapital Funding Portal Inc is registered as a funding portal. As a funding portal we have to comply with stringent regulations, and the operation of our funding portal is frequently subject to examination, constraints on its business, and in some cases fines. **Our wholly- owned subsidiary Netcapital Securities Inc has applied for broker- dealer registration with FINRA. In the event Netcapital Securities Inc. receives a broker- dealer license, it will become subject to additional regulation and supervision of the SEC and FINRA, including without limitation Rule 15c3- 1 under the Securities Exchange Act of 1934 (the Uniform Net Capital Rule).** In addition, some of the restrictions and rules applicable to our subsidiary could adversely affect and limit some of our business plans. ~~- 17-~~ Our funding portal's service offerings are relatively new in an industry that is still quickly evolving. The principal securities regulations that we work with, Rule 506 (c) and Reg CF, have only been in effect in their current form since 2013 and 2016, respectively. Our ability to continue to penetrate the market remains uncertain as potential issuer companies may choose to use different platforms or providers (including, in the case of Rule 506 (c) and Regulation A, using their own online platform), or determine alternative methods of financing. Investors may decide to invest their money elsewhere. Further, our potential market may not be as large, or our industry may not grow as rapidly as anticipated. Success will likely be a factor of investing in the development and implementation of marketing campaigns, repeat business from both issuer companies and investors, and favorable changes in the regulatory environment. We have an evolving business model. Our..... affect our operating results. ~~15~~ We may be liable for misstatements made by issuers **in offerings through our funding portal.** Under the Securities Act and the ~~Securities-Exchange Act of 1934 (the "Exchange Act")~~, issuers making offerings through our funding portal may be liable for inappropriate disclosures, including untrue statements of material facts or for omitting information that could make the statements misleading. This liability may also extend in Reg CF offerings to funding portals, such as our subsidiary. Even though due diligence defenses may be available, there can be no assurance that if we were sued, we would prevail. Further, even if we do succeed, lawsuits are time consuming and expensive, and being a party to such actions may cause us reputational harm that would negatively impact our business. Moreover, even if we are not liable or a party to a lawsuit or enforcement action, some of our clients have been and will be subject to such proceedings. Any involvement we may have, including responding to document production requests, may be time- consuming and expensive as well. **have an evolving** business model. Our business model is one of innovation, including continuously working to expand our product lines and services to our clients. For example, ~~our subsidiary Netcapital Securities has applied for~~ **we are evaluating an expansion into the** broker- dealer **space as well as** registration with FINRA and we are

continuing our **foray** relationship with Templum into becoming an alternative trading system. It is unclear whether these services will be successful. Further, we continuously try to offer additional types of services, and we cannot offer any assurance that any of them will be successful. From time to time, we may also modify aspects of our business model relating to our service offerings. We cannot offer any assurance that these or any other modifications will be successful or will not result in harm to the business. We may not be able to manage growth effectively, which could damage our reputation, limit our growth, and negatively affect our operating results. **15 We** Our compliance is focused on U. S. laws and we have not analyzed foreign laws regarding the participation of non- U. S. residents. Some of the investment opportunities posted on our platform are open to non- U. S. residents. We have not researched all the applicable foreign laws and regulations, and we have not set up our structure to be compliant with foreign laws. It is possible that we may be deemed in violation of those laws, which could result in fines or penalties as well as reputational harm. Any violation of foreign laws may limit our ability in the future to assist companies in accessing money from those investors, and compliance with those laws and regulations may limit our business operations and plans for future expansion. **- 18-** Our cash flow is reliant on one main type of service. Most of our cash- flow generating services are variants on one type of service: providing a platform for online capital formation. Our revenues are therefore dependent upon the market for online capital formation. As such, any downturn in the market could have a material adverse effect **of on** our business and financial condition. We depend on key personnel and face challenges recruiting needed personnel. Our future success depends on the efforts of a small number of key personnel, including the founder of our subsidiary, Netcapital Funding Portal Inc., our Chief Executive Officer, Chief Financial Officer, and our compliance, engineering and marketing teams. Our software **engineer engineering** team, as well as our compliance team and our marketing team are critical to continually innovate and improve our products while operating in a highly regulated industry. In addition, due to the specialized expertise required, we may not be able to recruit the individuals needed for our business needs. There can be no assurance that we will be successful in attracting and retaining the personnel we require to operate and be innovative. We are vulnerable to hackers and cyber **attacks**. As an internet- based business, we may be vulnerable to hackers who may access the data of our investors and the issuer companies that utilize our platform. Further, any significant disruption in service on our funding portal platform or in our computer systems could reduce the attractiveness of our platform and result in a loss of investors and companies interested in using our platform. Further, we rely on a third- party technology provider to provide some of our back- up technology as well as act as our escrow agent. Any disruptions of services or cyber- attacks either on our technology provider, escrow agent, or on us could harm our reputation and materially negatively impact our financial condition and business. Our funding portal relies on one escrow agent to hold investment commitments for issuers. We currently rely on First Citizens Bank to provide all escrow services related to offerings on our platform. Any change in this relationship will require us to find another escrow agent and escrow bank. This change may cause us delays as well as additional costs in transitioning our technology. We are not allowed to operate our funding portal business without a qualified third- party escrow bank. There are a limited number of banks that provide this service. As such, if our relationship with our escrow agent is terminated, we may have difficulty finding a replacement which could have a material adverse effect on our business and results of operations. **16** If our wholly owned subsidiary, Netcapital Funding Portal Inc., fails to comply with its obligations under the license agreement with Netcapital Systems LLC under which the technology to operate our funding portal is licensed to Netcapital Funding Portal Inc., we could lose rights necessary to operate our funding portal which are important to our business. Our wholly owned subsidiary, Netcapital Funding Portal Inc. has licensed the technology necessary to operate our funding portal from our majority stockholder, Netcapital Systems LLC, of which Mr. Frishman owns a 29 % interest. These rights are extremely important to our business. If Netcapital Funding Portal Inc. fails to comply with any obligations under this license agreement, such license agreement may be subject to termination in whole or in part, which could severely impact our ability to operate our funding portal which would have a material adverse effect on our business, financial position, and results of operations. In addition, disputes may arise regarding the technology subject to a license agreement, including: • the scope of rights granted under the license agreement and other interpretation- related issues; • the extent to which our processes infringe on the technology of Netcapital Systems LLC that is not subject to the license agreement; • the ownership of inventions and know- how resulting from the joint creation or use of technology by Netcapital Systems LLC and us. **- 19-** Disputes over technology under the license agreement with Netcapital Systems LLC may prevent or impair our ability to maintain our current license agreement on acceptable terms, and we may be unable to successfully operate our funding portal. In addition, any failure of Netcapital Systems LLC to service the technology subject to the license agreement or to operate its website could result in our inability to operate our funding portal which would have a material adverse effect on our business, financial condition, and results of operations. Netcapital Systems LLC relies on third- party software for the technology subject to the license agreement with Netcapital Funding Portal Inc. that may be difficult to replace, or which could cause errors or failures of our funding portal. Netcapital Systems LLC relies on software licensed from third parties for the technology subject to the license agreement with Netcapital Funding Portal Inc. This software may not continue to be available at reasonable prices or on commercially reasonable terms, or at all. Any loss by Netcapital Systems LLC of the right to use any of this software could significantly increase our expenses and otherwise result in delays in the provisioning of our funding portal until equivalent technology is either developed by us or Netcapital Systems LLC, or, if available, is identified, obtained, and integrated, which could harm our business. Any errors or defects in third- party software could result in errors or a failure of our funding portal which could harm our business. **We may not be able to protect all of our intellectual property. Our profitability may depend in part on our ability to effectively protect our proprietary rights, including obtaining trademarks for our brand names, protecting our products and websites, maintaining the secrecy of our internal workings and preserving our trade secrets, as well as our ability to operate without inadvertently infringing on the proprietary rights of others. There can be no assurance that we will be able to obtain future protection for our intellectual property or defend our current trademarks and future trademarks and patents. Further, policing and protecting our intellectual property against unauthorized use by third parties is time- consuming and expensive, and**

certain countries may not even recognize our intellectual property rights. There can also be no assurance that a third party will not assert infringement claims with respect to our products or technologies. Any litigation for both protecting our intellectual property or defending our use of certain technologies could have a material adverse effect on our business, operating results and financial condition, regardless of the outcome of such litigation. Our strategy to purchase a portion of early- stage companies may provide us with investments that have no liquidity. It is our strategy to sometimes purchase, at an affordable price, part or all of early- stage companies and cross pollinate the ideas, technology and expertise within these companies to enhance the operations, profits and market share of all the entities. That strategy may result in us diverting management attention and advisory resources to do work for early- stage companies that pay for the work with equity, which becomes impaired in value or never becomes a liquid asset. For all of these early- stage companies, the future liquidity and value of our investments cannot be guaranteed, and no market may exist for us to generate gains from our investments in early- stage companies. Our business depends on the reliability of the infrastructure that supports the Internet and the viability of the Internet. The growth of Internet usage has caused frequent interruptions and delays in processing and transmitting data over the Internet. There can be no assurance that the Internet infrastructure or the Company' s own network systems will continue to be able to support the demands placed on it by the continued growth of the Internet, the overall online securities industry or that of our customers. ~~The Internet' s viability could be affected if the necessary infrastructure is not sufficient, or if other technologies and technological devices eclipse the Internet as a viable channel.~~ End- users of our software depend on Internet Service Providers (" ISPs "), online service providers and our system infrastructure for access to the Internet sites that we operate. Many of these services have experienced service outages in the past and could experience service outages, delays and other difficulties due to system failures, stability or interruption. As a result, we may not be able to meet a level of service that we have promised to our subscribers, and we may be in breach of our contractual commitments, which could materially adversely affect our business, revenues, operating results and financial condition. ~~17- 20-~~ We are dependent on general economic conditions. Our business model is dependent on investors investing in the companies presented on our platforms. Investment dollars are disposable income. Our business model is thus dependent on national and international economic conditions. Adverse national and international economic conditions may reduce the future availability of investment dollars, which would negatively impact our revenues and possibly our ability to continue operations. It is not possible to accurately predict the potential adverse impacts on the Company, if any, of current economic conditions on its financial condition, operating results and cash flow. We face significant market competition. We facilitate online capital formation. Though this is a new market, we compete against a variety of entrants in the market as well as **likely** new entrants into the market. Some of these follow a regulatory model that is different from ours and might provide them **with** competitive advantages. New entrants could include those that may already have a foothold in the securities industry, including some established broker- dealers. Further, online capital formation is not the only way to address helping start- ups raise capital, and the Company has to compete with a number of other approaches, including traditional venture capital investments, loans and other traditional methods of raising funds and companies conducting crowdfunding raises on their own websites. Additionally, some competitors and future competitors may be better capitalized than us, which would give them a significant advantage in marketing and operations. Moreover, as we continue to expand our offerings, we will continue to face headwinds and compete with companies that are more established and / or have more financial resources than we do and / or new entrants bringing disruptive technologies and / or ideas. Intense competition could prevent us from increasing our market share and growing our revenues. We compete with a number of public and private companies and most of our competitors have significant financial resources and occupy entrenched positions in the market with name- brand recognition. We also face challenges from new Internet sites that aim to attract subscribers who seek to play interactive games or invest in public or private securities. Such companies may be able to attract significantly more subscribers because of new marketing ideas and user interface concepts. Increased competition from current and future competitors may in the future materially adversely affect our business, revenues, operating results and financial condition. We may require additional financing in the future to fund our operations. We may need additional capital in the future to continue to execute our business plan. Therefore, we will be dependent upon additional capital in the form of either debt or equity to continue our operations. At the present time, we do not have arrangements to raise all of the needed additional capital, and we will need to identify potential investors and negotiate appropriate arrangements with them. Our ability to obtain additional financing will be subject to a number of factors, including market conditions, our operating performance and investor sentiment. If we are unable to raise additional capital when required or on acceptable terms, we may have to significantly delay, scale back or discontinue our operations. Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish certain rights. We may seek additional capital through a combination of equity offerings, debt financings, strategic collaborations and alliances or licensing arrangements. To the extent that we raise additional capital through the sale of equity, convertible debt securities or other equity- based derivative securities, your ownership interest will be diluted and the terms may include liquidation or other preferences that adversely affect your rights as a stockholder. Any indebtedness we incur could involve restrictive covenants, such as limitations on our ability to incur additional debt, acquire or license intellectual property rights, declare dividends, make capital expenditures and other operating restrictions that could adversely impact our ability to conduct our business. Furthermore, the issuance of additional securities, whether equity or debt, by us, or the possibility of such issuance, may cause the market price of our common stock to decline. If we raise additional funds through strategic collaborations and alliances or licensing arrangements with third parties, or otherwise agree to terms unfavorable to us, any of which may have a material adverse effect on our business, operating results and prospects. Adequate additional financing may not be available to us on acceptable terms, or at all. **18 Our debt level could negatively impact..... our vulnerability to both general and industry - 21-** ~~specific adverse economic conditions; • putting us at a competitive disadvantage vs. less leveraged competitors; and • increasing vulnerability to changes in the prevailing interest rates. Our ability to make payments of principal and interest, or to refinance our indebtedness, depends on our future performance, which is subject to~~

economic, financial, competitive and other factors. Our business may not generate sufficient cash flow in the future to service our debt because of factors beyond our control, including but not limited to our ability to market our products and expand our operations. If we are unable to generate sufficient cash flows, we may be required to adopt one or more alternatives, such as restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

We may make acquisitions or form joint ventures that are unsuccessful. Our ability to grow is partially dependent on our ability to successfully acquire other companies, which creates substantial risk. In order to pursue a growth by acquisition strategy successfully, we must identify suitable candidates for these transactions; however, because of our limited funds, we may not be able to purchase those companies that we have identified as potential acquisition candidates. Additionally, we may have difficulty managing post-closing issues such as the integration into our corporate structure. Integration issues are complex, time consuming and expensive and, without proper planning and implementation, could significantly disrupt our business, including, but not limited to, the diversion of management's attention, the loss of key business and / or personnel from the acquired company, unanticipated events, and legal liabilities. Our future growth depends on our ability to develop and retain customers.

19 Our future growth depends to a large extent on our ability to effectively anticipate and adapt to customer requirements and offer services that meet customer demands. If we are unable to attract new customers and / or retain new customers, our business, results of operations and financial condition may be materially adversely affected. We will need to attract, train and retain additional highly qualified senior executives and technical and managerial personnel in the future. We continue to seek technical and managerial staff members, although we have limited resources to compensate them until we have raised additional capital or developed a business that generates consistent cash flow from operations. We believe it is important to negotiate with potential candidates and, if appropriate, engage them on a part-time basis or on a project basis and compensate them at least partially, with stock-based compensation, when appropriate. There is a high demand for highly trained and managerial staff members. If we are not able to fill these positions, it may have an adverse effect on our business. Major health epidemics, such as the outbreak caused by the COVID-19 pandemic, and other outbreaks or unforeseen or catastrophic events could continue to disrupt and adversely affect our operations, financial condition and business. Public health epidemics or outbreaks could adversely impact our business. The extent to which the coronavirus impacts our operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration of the outbreak, new information which may emerge concerning the severity of the coronavirus and the emergence of variants, among others. In particular, the spread and treatment of the coronavirus globally could adversely impact our operations and could have an adverse impact on our business and our financial results. To date, our business has not been impacted by COVID-19 but it could be in the future.

~~We may not be able to protect all of our intellectual property.~~ Our profitability may depend in part on our ability to effectively protect our proprietary rights, including obtaining trademarks for our brand names, protecting our products and websites, maintaining the secrecy of our internal workings and preserving our trade secrets, as well as our ability to operate without inadvertently infringing on the proprietary rights of others. There can be no assurance that we will be able to obtain future protections for our intellectual property or defend our current trademarks and future trademarks and patents. Further, policing and protecting our intellectual property against unauthorized use by third parties is time-consuming and expensive, and certain countries may not even recognize our intellectual property rights. There can also be no assurance that a third party will not assert infringement claims with respect to our products or technologies. Any litigation for both protecting our intellectual property or defending our use of certain technologies could have a material adverse effect on our business, operating results and financial condition, regardless of the outcome of such litigation.

- 22 - Our revenues and profits are subject to fluctuations. It is difficult to accurately forecast our revenues and operating results, and these could fluctuate in the future due to a number of factors. These factors may include adverse changes in: number of investors and amount of investors' dollars, the success of world securities markets, general economic conditions, our ability to market our platform to companies and investors, headcount and other operating costs, and general industry and regulatory conditions and requirements. The Company's operating results may fluctuate from year to year due to the factors listed above and others not listed. At times, these fluctuations may be significant and could impact our ability to operate our business. Natural disasters and other events beyond our control could materially adversely affect us. Natural disasters or other catastrophic events may cause damage or disruption to our operations, international commerce and the global economy, and thus could have a strong negative effect on us. Our business operations are subject to interruption by natural disasters, fire, power shortages, pandemics and other events beyond our control. Although we maintain crisis management and disaster response plans, such events could make it difficult or impossible for us to deliver our services to our customers and could decrease demand for our services. Since the spring of 2020, large segments of the U. S. and global economies were impacted by COVID-19, a significant portion of the U. S. population were subject to "stay at home" or similar requirements. The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our customers (both issuers using our services and investors investing on our platform) and our sales cycles, impact on our customer, employee or industry events, and effect on our vendors, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain. To date, the COVID-19 outbreak has significantly impacted global markets, U. S. employment numbers, as well as the business prospects of many small businesses (our potential clients).

A significant part of our business model is based on receiving a percentage of the investments made through our platform and services. Further, we are dependent on investments in our offerings to fund our business. However, to date, other than working remotely, COVID-19 has not had a negative impact on the Company. While our business has not yet been impacted by COVID-19, to the extent COVID-19 continues and limits investment capital or personally impacts any of our key employees, it may have a significant impact on our results and operations. 20 Acquisitions may have unanticipated consequences that could harm

our business and our financial condition. Any acquisition that we pursue, whether successfully completed or not, involves risks, including: • material adverse effects on our operating results, particularly in the fiscal quarters immediately following the acquisition of acquired entities that are integrated into our operations; • risks associated with entering into markets or conducting operations where we have no or limited prior experience; • problems retaining key personnel; • potential impairment of tangible and intangible assets and goodwill acquired in the acquisition; • potential unknown liabilities; • difficulties of integration and failure to realize anticipated synergies; and • disruption of our ongoing business, including diversion of management's attention from other business concerns. - 23-

Future acquisitions may be accomplished through a cash purchase transaction, the issuance of our equity securities or a combination of both, could result in potentially dilutive issuances of our equity securities, the incurrence of debt and contingent liabilities and impairment charges related to goodwill and other intangible assets, any of which could harm our business and financial condition. If we do not effectively protect our customers' credit and debit card data, or other personal information, we could be exposed to data loss, litigation, liability and reputational damage. In connection with credit and debit card sales, we transmit confidential credit and debit card information by way of secure online networks. Although we use private networks, third parties may have the technology or know-how to breach the security of the customer information transmitted in connection with credit and debit card sales, and our security measures and those of our technology vendors may not effectively prohibit others from obtaining improper access to this information. If a person were able to circumvent these security measures, he or she could destroy or steal valuable information or disrupt our operations. Any security breach could expose us to risks of data loss, litigation and liability and could seriously disrupt our operations and any resulting negative publicity could significantly harm our reputation. We could be harmed by improper disclosure or loss of sensitive or confidential Company, employee, associate or customer data, including personal data.

24- In connection with the operation of our business, we plan to store, process and transmit data, including personal and payment information, about our employees, customers, associates and candidates, a portion of which is confidential and / or personally sensitive. Unauthorized disclosure or loss of sensitive or confidential data may occur through a variety of methods. These include, but are not limited to, systems failure, employee negligence, fraud or misappropriation, or unauthorized access to or through our information systems, whether by our employees or third parties, including a cyberattack by computer programmers, hackers, members of organized crime and / or state-sponsored organizations, who may develop and deploy viruses, worms or other malicious software programs. Such disclosure, loss or breach could harm our reputation and subject us to government sanctions and liability under our contracts and laws that protect sensitive or personal data and confidential information, resulting in increased costs or loss of revenues. It is possible that security controls over sensitive or confidential data and other practices we and our third-party vendors follow may not prevent the improper access to, disclosure of, or loss of such information. The potential risk of security breaches and cyberattacks may increase as we introduce new services and offerings, such as mobile technology. Further, data privacy is subject to frequently changing rules and regulations, which sometimes conflict among the various jurisdictions in which we provide services. Any failure or perceived failure to successfully manage the collection, use, disclosure, or security of personal information or other privacy related matters, or any failure to comply with changing regulatory requirements in this area, could result in legal liability or impairment to our reputation in the marketplace. Failure to recognize, respond to and effectively manage the accelerated impact of social media could adversely impact our business. In recent years, there has been a marked increase in the use of social media platforms, including blogs, chat platforms, social media websites, and other forms of Internet based communications which allow individuals access to a broad audience of consumers and other interested persons. The rising popularity of social media and other consumer-oriented technologies has increased the speed and accessibility of information dissemination. Many social media platforms immediately publish the content their subscribers and participants post, often without filters or checks on accuracy of the content posted. Information posted on such platforms at any time may be adverse to our interests and / or may be inaccurate. The dissemination of information via social media could harm our business, reputation, financial condition, and results of operations, regardless of the information's accuracy. The damage may be immediate without affording us an opportunity for redress or correction. - 24-

In addition, social media is frequently used to communicate with our customers and the public in general. Failure by us to use social media effectively or appropriately, particularly as compared to our brands' respective competitors, could lead to a decline in brand value, customer visits and revenue. Other risks associated with the use of social media include improper disclosure of proprietary information, negative comments about our brands, exposure of personally identifiable information, fraud, hoaxes or malicious dissemination of false information. The inappropriate use of social media by our customers or employees could increase our costs, lead to litigation or result in negative publicity that could damage our reputation and adversely affect our results of operations. Risks Related to Receipt of Securities for Services **A significant portion of our total assets are held in equity securities of early-stage companies, which securities are illiquid and subject to volatility, which factors could have a material adverse effect on our financial condition and results of operations. Payment related to the consulting and advisory services provided by Netcapital Advisors is often made through equity stakes from such customers. As of April 30, 2024, approximately \$ 25.2 million of our holdings are issued by companies whose securities do not trade on public markets. The securities issued are typically in private companies with no established trading market for their securities, that often have limited operating histories, limited operating cash, and negative cash flows. Additionally, these securities are primarily restricted, and are subject to legal holding periods pursuant to Rule 144 or other applicable exemptions. The stock price of such issuers is often volatile, unpredictable, and with limited liquidity, and the value of such securities on the date of receipt compared to the date when we are able to legally sell the securities may decrease significantly. The value ascribed to our assets in our financial statements as of a particular date may be materially greater than or less than the value that would be realized if our assets were to be liquidated as of such date. Accordingly, the value of such holdings may change over time due to factors that we do not control, such as issuance of securities by such companies at lower prices or other market factors. During the year ended April 30, 2024, we recognized an unrealized loss of**

approximately \$ 2.7 million on the value of our equity securities due to the decline in value of a single issuer, which represented an impairment of more than 80 % of the previous value of our holdings in such issuer, which resulted in a reduction of our retained earnings. Changes to the value of our holdings could have a material adverse effect on our financial condition and results of operations.

We are not, and do not intend to become, regulated as an investment company under the U. S. Investment Company Act of 1940, as amended, or the 40 Act, (and similar legislation in other jurisdictions) and if we are deemed an “ investment company ” under the 40 Act applicable restrictions would make it impractical for us to operate as contemplated. The 40 Act and the rules thereunder (and similar legislation in other jurisdictions) provide certain protections to investors and impose certain restrictions on companies that are registered as investment companies. Among other things, such rules limit or prohibit transactions with affiliates, impose limitations on the issuance of debt and equity securities and impose certain governance requirements. We have not been and do not intend to become regulated as an investment company and we intend to conduct our activities so we will not be deemed to be an investment company under the 40 Act (and similar legislation in other jurisdictions). In order to ensure that we are not deemed to be an investment company, we may be required to materially restrict or limit the scope of our operations or plans related to us, we will be limited in the types of acquisitions that we may make and we may need to modify our organizational structure or dispose of assets that we would not otherwise dispose of. Moreover, if anything were to happen which would potentially cause us to be deemed an investment company under the 40 Act, it would be impractical for us to operate as intended pursuant to our platform and our business, financial condition and results of operations would be materially adversely affected. Accordingly, we would be required to take extraordinary steps to address the situation, such as the modification and restructuring of our platform, which would materially adversely affect our ability to derive revenue.

22—Our consulting and advisory services are primarily paid for in restricted shares of stock of our customers, which are often private companies with no established trading market for their securities. For our consulting and advisory services, payment is often made through equity securities of customers instead of cash. The securities issued are in private companies with no established trading market for their securities. In the absence of a trading market, we may be unable to liquidate our investment, which will result in the loss of our investment.

- 25- Risks Related to Operation of our Proposed Secondary Trading Platform We will be dependent on a third- party for operation of our proposed secondary trading platform. Any disruption in the services provided by such third- party provider could adversely affect our business. In January 2023, we entered into the Templum License Agreement, to provide issuers and investors on the Netcapital platform with the potential for greater distribution and liquidity. Templum is a company that provides capital markets infrastructure for trading private equity securities, and operates an ATS with approval in 53 U. S. states and territories for the trading of unregistered or private securities. We are currently working with Templum on the design of the required software to enable issuers and investors on the Netcapital platform the ability to access the Templum ATS in order to have the ability to engage in secondary trading of securities. We do not control the operations of Templum or own the equipment used to provide such services. Further, the operation of the Templum ATS is subject to extensive regulation and oversight. Accordingly, any regulatory delays or objections will result in delays in our ability to launch the proposed platform. In addition, because we cannot easily switch between operators of secondary trading platforms of this nature, any disruption of or interference, whether due to regulatory issues or natural disasters, cyber-attacks, terrorist attacks, power losses, telecommunications failures, or other similar events, would impact our operations and may adversely affect the ability of issuers and investors to utilize this platform. There is no obligation for Templum to renew their agreements with us on commercially reasonable terms or at all. If we are unable to renew our agreements on commercially reasonable terms, we may be forced to identify another suitable operator or develop our own secondary trading capabilities, and we may incur significant costs and possible service interruption in connection with doing so. In addition, Templum may take actions beyond our control that could seriously harm our business, including: • discontinuing or limiting our access to its platform; • increasing pricing terms; • terminating or seeking to terminate our contractual relationship altogether; and • modifying or interpreting its terms of service or other policies in a manner that impacts our ability to run our business and operations. Our customers may encounter difficulties with investing through our proposed secondary trading platform. Institutions and individual investors may face significant risk when buying securities on our proposed secondary trading platform. These risks include the following: • private companies are not required to make periodic public filings, and therefore certain capitalization, operational and financial information may not be available for evaluation; • an investment may only be appropriate for investors with a long- term investment horizon and a capacity to absorb a loss of some or all of their investment; • the securities, when purchased, are generally highly illiquid, are often subject to further transfer restrictions, and no public market exists for such securities; and • transactions may fail to settle, which could harm our reputation. We may become involved in disputes or litigation matters between customers with respect to failed transactions on our proposed secondary trading platform (such as in the event of delayed delivery or a failure to deliver securities). We may become involved in disputes and litigation matters between customers with respect to transactions on our proposed secondary trading platform. There is a risk that clients may increasingly look to us to make them whole for delayed and / or broken trades. Customers may litigate over the failure of sellers to deliver securities or over the untimely deliveries of securities. Any litigation to which we are a party could be expensive and time consuming, regardless of the ultimate outcome, and the potential costs and risks of such litigation may incentivize us to settle, which could harm our reputation or have a material adverse effect on our business or results of operations.

- 26- Failure to launch our proposed secondary trading platform could result in continued lack of liquidity for investors in our target market. Should this lack of liquidity cause reduced investor interest in investing in the unregistered or private securities offered by our clients, they may be less inclined to use our platform which could have a material adverse effect on our business or results of operations. Lack of liquidity is a key issue for investors in private companies as private markets lack a liquidity feature in our targeted

market. If we fail to launch our proposed secondary trading market, investors purchasing our clients' securities may continue to have a lack of liquidity. Should such continued illiquidity cause reduced investor interest in investing in unregistered or private securities, our clients may be less inclined to use our funding platform and may seek additional alternatives for raising capital, which could have a material adverse effect on our business or results of operations. Risks Related to our Proposed Broker- Dealer Activities Regulatory and legal uncertainties related to broker- dealers could harm our business. The securities and derivatives businesses are heavily regulated. Firms in financial service industries have been subject to an increasingly regulated environment over recent years, and penalties and fines sought by regulatory authorities have increased accordingly. Should our subsidiary, Netcapital Securities Inc. receive its broker-dealer license, it will become subject to regulations in the U. S. and abroad covering all aspects of their business. Regulatory bodies in U. S., include without limitation, the SEC and FINRA. Our mode of operation and profitability may be directly affected by additional legislation changes in rules promulgated by various government agencies and self-regulatory organizations that oversee our businesses, and changes in the interpretation or enforcement of existing laws and rules, including the potential imposition of transaction taxes. Noncompliance with applicable laws or regulations could result in sanctions being levied against us, including fines and censures, suspension or expulsion from a certain jurisdiction or market or the revocation or limitation of licenses. Noncompliance with applicable laws or regulations could adversely affect our reputation, prospects, revenues and earnings. In addition, changes in current laws or regulations or in governmental policies could adversely affect our business, financial condition and results of operations. Domestic and foreign stock exchanges, other self-regulatory organizations and state and foreign securities commissions can censure, fine, issue cease- and- desist orders, suspend or expel a broker- dealer or any of its officers or employees. Our ability to comply with all applicable laws and rules is largely dependent on our internal systems to ensure compliance, as well as our ability to attract and retain qualified compliance personnel. We could be subject to disciplinary or other actions in the future due to claimed noncompliance, which could have a material adverse effect on our business, financial condition and results of operations. To continue to operate and to expand our services internationally, we may have to comply with the regulatory controls of each country in which we conduct, or intend to conduct business, the requirements of which may not be clearly defined. The varying compliance requirements of these different regulatory jurisdictions, which are often unclear, may limit our ability to continue existing international operations and further expand internationally. Should our subsidiary Netcapital Securities Inc. receive its broker-license, it may be fined or subject to other disciplinary or corrective actions if it does not maintain the capital and liquidity levels required by regulators. The SEC, FINRA, and various other regulatory agencies have stringent rules with respect to the maintenance of specific levels of net capital by securities broker- dealers. Should our subsidiary, Netcapital Securities Inc. receive its broker- dealer license, failure to maintain the required net capital could result in suspension or revocation of registration by the SEC or suspension or expulsion by FINRA, and could ultimately lead to liquidation of Netcapital Securities Inc. If such net capital rules are changed or expanded, or if there is an unusually large charge against net capital, operations that require an intensive use of capital could be limited. Such operations may include investing activities, marketing and the financing of customer account balances. Also, our ability to withdraw capital from our brokerage subsidiary could be restricted.- 27- Risk Factors Related to our Common Stock Concentration of ownership among Our ability to have our majority stockholders may prevent new investors from influencing significant corporate decisions securities traded on the Nasdaq Capital Market is subject to us meeting applicable listing criteria . As of July 26 2023 We are currently listed on the Nasdaq Capital Market , a national securities exchange. Nasdaq requires companies desiring to list Netcapital Systems LLC, our largest stockholder, beneficially owned, in the their aggregate, approximately 18.2 % of our outstanding shares of common stock to meet certain listing criteria including total number of shareholders: minimum stock price, total value of public float, and in some cases total shareholders' equity and market capitalization. Our failure to meet such applicable listing criteria could prevent us from listing our common stock on Nasdaq. In the event we are unable to have our shares traded on Nasdaq, our common stock could potentially trade on the OTCQX or the OTCQB, each of which is generally considered less liquid and more volatile than Nasdaq. Our failure to have our shares traded on the Nasdaq could make it more difficult for you to trade our shares, could prevent our common stock trading on a frequent and liquid basis and could result in the value of our common stock being less than it would be if we were able to list our shares on Nasdaq . As previously disclosed on a Current Report on Form 8- K filed by the Company on September 1, 2023, the Company received a notification from The Nasdaq Stock Market, LLC (" Nasdaq ") notifying the Company that it was not in compliance with the minimum bid price requirement set forth in Nasdaq Listing Rule 5550 (a) (2) for continued listing on The Nasdaq Capital Market. Specifically, Nasdaq Listing Rule 5550 (a) (2) requires listed securities to maintain a minimum bid price of \$ 1.00 per share, and Nasdaq Listing Rule 5810 (c) (3) (A) provides that a failure to meet the minimum bid price requirement exists if the deficiency continues for a period of 30 consecutive business days. Therefore, in accordance with Listing Rule 5810 (c) (3) (A), the Company was provided 180 calendar days, or until February 28, 2024, to regain compliance with the Rule. Subsequently, on February 29, 2024, Nasdaq determined the Company was eligible for an additional 180 calendar days, or until August 26, 2024, to regain compliance with the Rule. Since then, Nasdaq has determined that as of July 22, 2024, the Company' s securities had a closing bid price of \$ 0.10 or less for ten consecutive trading days. Accordingly, the Company is subject to the provisions contemplated under Listing Rule 5810 (c) (3) (A) (iii) (the " Low Priced Stocks Rule "). As a result, this stockholder on July 23, 2024, Nasdaq delivered written notice to the Company under which it advised the Company that Nasdaq has determined to delist the Company' s securities from The Nasdaq Capital Market (the " Nasdaq Letter "). The Company may appeal Nasdaq' s determination to a Hearings Panel (the " Panel "), pursuant to the procedures set forth in the Nasdaq Listing Rule 5800 Series. A hearing request will stay any further action pending final resolution of

the Hearing Panel or any extension provided by the Panel. The Company intends to appeal Nasdaq's determination and will timely submit a plan to a hearing panel to regain compliance to the Nasdaq Listing Qualifications Department. Notwithstanding the Company's intention to request a hearing, there can be no assurance that the Panel will grant the Company any compliance period or that the Company will ultimately regain compliance with all applicable requirements for continued listing on The Nasdaq Capital Market. The Company is monitoring the closing bid price of control over matters requiring stockholder approval its common stock and will consider options to regain compliance with Nasdaq's minimum bid price requirement, including effectuating a reverse stock split. On July 24, 2024, the election Company's stockholders approved the implementation of a reverse stock split of the Company's common stock at a ratio between 1- for- 2 and 1- for- 100, inclusive, with the ultimate ratio to be determined by the Company's board of directors in its sole discretion. On September 25, 2024, our Board approved a reverse split ratio of 1- for- 70 for the reverse split of the issued shares of our common stock. The Company intends to promptly effectuate a reverse split to regain compliance with Nasdaq Listing Rules related to minimum bid price for its common stock. If we are unable to regain compliance with the Nasdaq minimum bid price requirement and Nasdaq delists our common stock and warrants and we are unable to obtain listing on another national securities exchange, a reduction in some of our corporate transactions. This control could have the a material adverse effect on of delaying or our preventing a change shareholders: • the liquidity of control of our company or our changes in management common stock; • the market price of our common stock; • our ability to obtain financing for the continuation of our operations; • the number of institutional and general investors that will consider investing in make the approval of certain transactions difficult or our common stock; • impossible without the support of these-- the stockholders number of investors in general that will consider investing in our common stock; • the number of market makers in our common stock; • the availability of information concerning the trading prices and volume of our common stock; and • the number of broker- dealers willing to execute trades in shares of our common stock . - 28-

There can be no assurance that we will be able to comply with Nasdaq's continued listing standards, a failure of which could result in a delisting of our common stock and warrants. Nasdaq requires that the trading price of a company's listed stock on Nasdaq remain above one dollar in order for such stock to remain listed. If a listed stock trades below one dollar for more than 30 consecutive trading days, then it is subject to delisting from Nasdaq. In addition, to maintain a listing on Nasdaq, we must satisfy minimum financial and other continued listing requirements and standards, including those regarding director independence and independent committee requirements, minimum stockholders' equity, and certain corporate governance requirements. If we are unable to satisfy these requirements or standards, we could be subject to delisting, which would have a negative effect on the price of our common stock and warrants and would impair your ability to sell or purchase our common stock when you wish to do so. In the event of a delisting, we would expect to take actions to restore our compliance with the listing requirements, but we can provide no assurance that any such action taken by us would allow our common stock to become listed again, stabilize the market price or improve the liquidity of our common stock, prevent our common stock from dropping below the minimum bid price requirement, or prevent future non- compliance with the listing requirements. We recently sold a substantial number of shares of our common stock and warrants to purchase common stock in a public offering, which could cause the price of our common stock to decline. In our May a December 2023 offering, we sold 4, 400-800, 000 shares of common stock, pre- funded warrants to purchase up to 11, 200, 000 shares of our common stock and common stock warrants to purchase up to 32, 000, 000 shares of common stock. In May 2024, we induced some of the warrant holders to exercise their warrants, and we issued additional warrants to purchase up to 28, 640, 000 shares of our common stock. The existence of the potential additional shares of our common stock in the public market, or the perception that such additional shares may be in the market, could adversely affect the price of our common stock. We cannot predict the effect, if any, that market sales of those shares of common stock or the availability of those shares of common stock for sale will have on the market price of our common stock - Any decline in the price of a share of common stock will also have a negative effect on the price in the market of a warrant. We do not expect to pay dividends and investors should not buy our common stock expecting to receive dividends. We have not paid any dividends on our common stock in the past, and do not anticipate that we will declare or pay any dividends in the foreseeable future. Consequently, you will only realize an economic gain on your investment in our common stock if the price appreciates. You should not purchase our common stock expecting to receive cash dividends. Since we do not pay dividends, then you may have a limited ability to liquidate or receive any payment on your investment. Therefore, our failure to pay dividends may cause you to not see any return on your investment even if we are successful in our business operations. In addition, because we do not pay dividends we may have trouble raising additional funds, which could affect our ability to expand our business operations. We may conduct future offerings of our common stock and pay debt obligations with our common stock which may diminish our investors' pro rata ownership and depress our stock price. We reserve the right to make future offers and sales, either public or private, of our securities, including shares of our common stock or securities convertible into common stock at prices differing from the price of the common stock previously issued. In the event that any such future sales of securities are affected or we use our common stock to pay principal or interest on our debt obligations, an investor's pro rata ownership interest may be reduced to the extent of any such future sales. 23- The market price of our common stock is highly volatile and could be subject to volatility related or unrelated to our operations. You should consider an investment in our securities to be risky, and you should invest in our securities only if you can withstand a significant loss and wide fluctuations in the market value of your investment. Some factors that may cause the market price of our common stock to fluctuate, in addition to the other risks mentioned in this " Risk Factors " section and elsewhere in this prospectus, are: • actual or anticipated fluctuations in quarterly funding portal revenues or operating results, whether in our operations or in those of our competitors; •

29- • changes in financial estimates or opinions by research analysts, either with respect to us or other fintech companies; • our

failure to accelerate user growth or new issuer growth; • any failure to meet investor or analyst expectations; • the public's reaction to our press releases, other public announcements and our filings with the SEC; • actual or anticipated changes in domestic or worldwide economic, political or market conditions, such as recessions; • changes in the consumer spending environment; • terrorist acts; • changes in laws or regulations, or new interpretations or applications of laws and regulations, that are applicable to our business; • changes in accounting standards, policies, guidance, interpretations or principles; • short sales, hedging and other derivative transactions in the shares of our common stock; • future sales or issuances of our common stock, including sales or issuances by us, our directors or executive officers and our significant stockholders; • our dividend policy; • changes in the market valuations of other fintech companies; • actions by stockholders; • various market factors or perceived market factors, including rumors, involving us, our vendors and clients, whether accurate or not; • announcements by us or our competitors of new locations, technological advances, significant acquisitions, strategic partnerships, divestitures, joint ventures or other strategic initiatives; and • a loss of a key member of management. The stock markets in general have experienced substantial volatility that has often been unrelated to the operating performance of individual companies. These broad market fluctuations may adversely affect the trading price of our common stock in any market that develops for it. In addition, our stock price may be influenced by trading activity in our common stock as a result of market commentary (including commentary that may be unreliable or incomplete in some cases); changes in expectations about our business, our creditworthiness or investor confidence generally; or actions by stockholders and others seeking to influence our business strategies. In the past, following periods of volatility in the market price of a company's securities, stockholders have instituted class action securities litigation against those companies. Such litigation, if instituted, could result in substantial costs and a diversion of management attention and resources, which would significantly harm our profitability and reputation. FINRA sales practice requirements may limit a stockholder's ability to buy and sell our securities. ~~In addition to the "penny stock" rules described above,~~ FINRA has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative, low-priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. The FINRA requirements may make it more difficult for broker-dealers to recommend that their customers buy our common stock or our warrants, which may have the effect of reducing the level of trading activity in our securities. As a result, fewer broker-dealers may be willing to make a market in our common stock or our warrants, reducing a stockholder's ability to resell shares of our common stock and warrants. ~~24~~ If securities or industry analysts do not publish or cease publishing research or reports about us, our business or our market, or if they change their recommendations regarding our securities adversely, the price of our common stock or warrants and trading volume could decline. The trading market for our common stock may be influenced by the research and reports that securities or industry analysts may publish about us, our business, our market or our competitors. If any of the analysts who may cover us change their recommendation regarding our securities adversely, or provide more favorable relative recommendations about our competitors, the price of our common stock or warrants would likely decline. If any analyst who may cover us was to cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the price of our common stock or warrants or trading volume to decline. ~~30-~~ Our issuance of common stock upon the exercise of options granted under **our 2021 Equity Incentive Plan and** our 2023 Omnibus Equity Incentive Plan may dilute all other stockholders. We have issued options to purchase ~~12,950,202~~ **2,950,202**, 000 shares of common stock under **our 2021 Equity Incentive Plan and** our 2023 Omnibus Equity Incentive Plan and we expect to issue options to purchase the remaining ~~50,98~~ **50,98**, 000 shares of common stock in the future to officers, directors, employees and consultants under our 2023 Omnibus Equity Incentive Plan. Any such issuances of common stock underlying stock options may cause stockholders to experience dilution of their ownership interests and the per share value of our common stock to decline. **As options are forfeited we plan to reissue options to other officers, directors, employees and consultants.** Our compliance with complicated U. S. regulations concerning corporate governance and public disclosure is expensive and diverts management's attention from our core business, which could adversely affect our business, results of operations, and financial condition. As a publicly reporting company, we are faced with expensive, complicated and evolving disclosure, governance and compliance laws, regulations and standards relating to corporate governance and public disclosure, including the Sarbanes-Oxley Act and the Dodd-Frank Act, and Nasdaq rules. As a result of the complexity involved in complying with the applicable rules and regulations, our management's attention may be diverted from other business concerns, which could harm our business, results of operations and financial condition. We may need to hire more personnel in the future or engage outside consultants, which will increase our operating expenses, to assist us in complying with these requirements. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs, and making some activities more time-consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest substantial resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from business operations to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us, and our business may be harmed. Failure to maintain effective internal control over our financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act could cause our financial reports to be inaccurate. We are required pursuant to Section 404 of the Sarbanes-Oxley Act, or Section 404, to maintain internal control over financial reporting and to assess and report on the effectiveness of those controls. This assessment includes disclosure of any material weaknesses

identified by our management in our internal control over financial reporting. Although we prepare our financial statements in accordance with accounting principles generally accepted in the United States, our internal accounting controls may not meet all standards applicable to companies with publicly traded securities. If we fail to implement any required improvements to our disclosure controls and procedures, we may be obligated to report control deficiencies in which case, we could become subject to regulatory sanction or investigation. Further, these outcomes could damage investor confidence in the accuracy and reliability of our financial statements. ~~25-31-~~ Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us. Our articles of incorporation and bylaws provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Utah law. In addition, as permitted by the Utah Business Corporation Act, our bylaws and the indemnification agreements that we have entered into with our directors and officers provide that: ● we will indemnify our directors and officers for serving us in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Utah law. Utah law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful; ● we may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law; ● we are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification; ● we will not be obligated pursuant to our bylaws to indemnify a person with respect to proceedings initiated by that person against us or our other indemnitees, except with respect to proceedings authorized by our board of directors, or Board, or brought to enforce a right to indemnification; ● the rights conferred in our bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons; and ● we may not retroactively amend our bylaw provisions to reduce our indemnification obligations to directors, officers, employees and agents. Limitations on liability and indemnification matters. As permitted by the corporate laws of the state of Utah, our articles of incorporation include a provision to eliminate the personal liability of our directors for monetary damages for breach or alleged breach of their fiduciary duties as directors, subject to certain exceptions. In addition, our bylaws provide that we are required to indemnify our officers and directors under certain circumstances, including those circumstances in which indemnification would otherwise be discretionary, and we will be required to advance expenses to our officers and directors as incurred in connection with proceedings against them for which they may be indemnified. If we are required to indemnify, both for the costs of their defense in any action or to pay monetary damages upon a finding of a court or in any settlement, our business and financial condition could be materially and adversely affected. ~~26-~~ ITEM 1B. UNRESOLVED STAFF COMMENTS We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide information under this item.

ITEM 1C. CYBERSECURITY We believe cybersecurity is critical to advancing our technological advancements. As a biopharmaceutical company, we face a multitude of cybersecurity threats that range from attacks common to most industries, such as ransomware and denial- of service. Our customers, suppliers, subcontractors, and business partners face similar cybersecurity threats, and a cybersecurity incident impacting us or any of these entities could materially adversely affect our operations, performance, and results of operations. These cybersecurity threats and related risks make it imperative that we expend resources on cybersecurity.- 32- Our Board of Directors oversees management's processes for identifying and mitigating risks, including cybersecurity risks, to help align our risk exposure with our strategic objectives. Senior leadership, including our cybersecurity consultant, regularly briefs the Board of Directors on our cybersecurity and information security posture and the Board of Directors is apprised of cybersecurity incidents deemed to have a moderate or higher business impact, even if immaterial to us. The full Board retains oversight of cybersecurity because of its importance. In the event of an incident, we intend to follow our detailed incident response playbook, which outlines the steps to be followed from incident detection to mitigation, recovery, and notification, including notifying functional areas (e. g., legal), as well as senior leadership and the Board, as appropriate. Our Cybersecurity consultant has extensive information technology and program management experience. We have implemented a governance structure and processes to assess, identify, manage, and report cybersecurity risks. We work with our cybersecurity consultant on assessing cybersecurity risk and on policies and practices aimed at mitigating these risks. We believe we are positioned to meet the requirements of the SEC. In addition to following SEC guidance and implementing pre- existing third party frameworks, we have developed our own practices and frameworks, which we believe enhance our ability to identify and manage cybersecurity risks. Third parties also play a role in our cybersecurity. We engage third- party services to conduct evaluations of our security controls, whether through penetration testing, independent audits, or consulting on best practices to address new challenges. Assessing, identifying, and managing cybersecurity related risks are factored into our overall business approach. We require that our subcontractors report cybersecurity incidents to us so that we can assess the impact of the incident on us. Notwithstanding the extensive approach we take to cybersecurity, we may not be successful in preventing or mitigating a cybersecurity incident that could have a material adverse effect on us. While we maintain cybersecurity insurance, the costs related to cybersecurity threats or disruptions may not be fully insured.

ITEM 2. PROPERTIES We utilize an office at 1 Lincoln Street in Boston, Massachusetts. We currently pay rent of approximately \$ ~~5-6,~~ **700-400** a month, and our ~~lease~~ **membership** agreement is through ~~September~~ **March 2023-2025** for approximately 400 square feet in ~~an~~ **a virtual** office- suite location. ~~The majority-~~ **Almost all** of our employees work remotely. We believe our current office space is suitable and adequate for its intended purposes and our near- term expansion plans. ITEM 3. LEGAL PROCEEDINGS From time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our

business. We are currently not aware of any such legal proceedings or claims that we believe will have, individually or in the aggregate, a material adverse effect on our business, financial condition or operating results. ITEM 4. MINE SAFETY DISCLOSURES Not applicable ~~27-33~~ PART II ITEM 5. MARKET FOR COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES. (a) Market Information Our common stock was quoted on the OTCQX marketplace under the symbol “ NCPL ” before our listing on Nasdaq in July 2022. Any over-the-counter quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission, and may not necessarily represent actual transactions. Our common stock and warrants trade on the Nasdaq Capital Market under the symbols “ NCPL ” and “ NCPLW, ” respectively. Our common stock and warrants commenced trading on Nasdaq on July 13, 2022. Recent Issuances of Unregistered Securities ~~On May 10, 2023, we issued 100,000 shares of our common stock for consulting services. We did not receive any proceeds from this issuance. The issuance was exempt under Section 4(a) None (2) of the Securities Act of 1933, as amended. On July 14, 2023, we issued 49,855 shares of our common stock in consideration of a release from an unrelated third party in conjunction with the settlement of an outstanding debt between such third party and NeteCapital Systems LLC. We did not receive any proceeds from this issuance. The issuance was exempt under Section 4(a) (2) of the Securities Act of 1933, as amended.~~ (b) Holders There are 270 shareholders of record of our common stock as of July ~~26-29, 2023-2024~~. Transfer Agent and Registrar The transfer agent and registrar for our common stock is Equity Stock Transfer LLC with its business address at 237 W 37th Street, Suite 602, New York, NY 10018. Its telephone number is (212) 575- 5757 and its email address is info @ equitystock. com. (c) Dividends We have never paid dividends on our common stock and do not expect to do so in the foreseeable future. (d) Securities Authorized for Issuance under Equity Compensation Plans ~~2021~~ Equity Incentive Plan. In November 2021, our Board adopted the 2021 Equity Incentive Plan, or the Plan. An aggregate of 300,000 shares of our common stock is reserved for issuance and available for awards under the Plan, including incentive stock options granted under the Plan. The Plan administrator may grant awards to any employee, director, consultant or other person providing services to us or our affiliates. As of July ~~26-29, 2023-2024~~, we had awarded an aggregate ~~outstanding option grants, net of 252 forfeitures, amounted to 187~~, 000 options to purchase shares of common stock ~~to directors~~ and there remain ~~48-113~~, 000 shares for grant under the Plan. The Plan is administered by our Board. The Plan administrator has the authority to determine, within the limits of the express provisions of the Plan, the individuals to whom awards will be granted, the nature, amount and terms of such awards and the objectives and conditions for earning such awards. Our Board may at any time amend or terminate the Plan, provided that no such action may be taken that adversely affects any rights or obligations with respect to any awards previously made under the Plan without the consent of the recipient. No awards may be made under the Plan after the tenth anniversary of its effective date. ~~28~~ Awards under the Plan may include incentive stock options, nonqualified stock options, stock appreciation rights (“ SARs ”), restricted shares of common stock, restricted stock units, performance share awards, stock bonuses and other stock-based awards and cash-based incentive awards. ~~2023-34~~ Omnibus Equity Incentive Plan. On January 3, 2023, the Board of Directors of the Company approved and adopted the NeteCapital Inc., 2023 Omnibus Equity Incentive Plan (the “ 2023 Plan ”), which was subsequently approved by the Company’s stockholders. The total number of shares of common stock authorized for issuance under the 2023 Plan is (i) 2,000,000 shares of common stock plus (ii) an annual increase on the first day of each calendar year beginning with May 1, 2024 and ending with the last May 1 during the initial ten-year term of the 2023 Plan, equal to the lesser of (A) five percent (5 %) of the shares of common stock outstanding (on an as-converted basis, which shall include shares issuable upon the exercise or conversion of all outstanding securities or rights convertible into or exercisable for shares of common stock, including without limitation, preferred stock, warrants and employee options to purchase any shares of common stock) on the final day of the immediately preceding calendar year and (B) such lesser number of shares of common stock as determined by the Board; provided, that, shares of common stock issued under the 2023 Plan with respect to an exempt award shall not count against such share limit. No more than 2,000,000 Shares, and as increased on an annual basis, on the first day of each calendar year beginning with May 1, 2024 and ending with the last May 1 during the initial ten-year term of the Plan, by the lesser of (A) five percent (5 %) of the shares of common stock outstanding (on an as-converted basis, which shall include shares of common stock issuable upon the exercise or conversion of all outstanding securities or rights convertible into or exercisable for shares of common stock, including without limitation, preferred stock, warrants and employee options to purchase any shares of common stock) on the final day of the immediately preceding calendar year; (B) 300,000 shares of common stock, and (C) such lesser number of shares of common stock as determined by the Board, shall be issued pursuant to the exercise of ISOs. As of April 30, ~~2023-2024~~, we had awarded an aggregate of 1,950,000 options to purchase shares of common stock ~~to directors~~, ~~58,500 options have been forfeited~~ and there remain ~~108,50-500-000~~ shares for grant under the 2023 Plan. ~~On May 1, 2024, pursuant to the annual increase provision described above, the amount reserved for issuance under the Plan increased by 3,154,105 shares based on the fully diluted shares outstanding as of April 30, 2024, or 3,262,605 shares in the aggregate~~. The 2023 Plan will be administered by the Board or a committee to which the Board delegates such responsibility (the “ Administrator ”). The 2023 Plan will be administered by the Administrator in accordance with Rule 16b-3 of the Securities Exchange Act of 1934, as amended. The Administrator may interpret the 2023 Plan and may prescribe, amend, and rescind rules and make all other determinations necessary or desirable for the administration of the 2023 Plan. The 2023 Plan permits the Administrator to select the eligible recipients who will receive awards, to determine the terms and conditions of those awards, including but not limited to the exercise price or other purchase price of an award, the number of shares of common stock or cash or other property subject to an award, the term of an award and the vesting schedule applicable to an award, to determine the terms and conditions of written instruments evidencing such awards and to amend the terms and conditions of outstanding awards. The 2023 Plan permits the grant of: (a) stock options, which may be intended as incentive stock options (“ ISOs ”) or as nonqualified stock options (options not meeting the requirements to qualify as ISOs); (b) stock appreciation rights (“ SARs ”); (c) restricted stock; (d) restricted stock units; (e) cash incentive awards; or (f) other awards, including: (i) stock bonuses, performance stock,

performance units, dividend equivalents, or similar rights to purchase or acquire Shares, whether at a fixed or variable price or ratio related to the Common Stock, upon the passage of time, the occurrence of one or more events, or the satisfaction of performance criteria or other conditions, or any combination thereof; or (ii) any similar securities with a value derived from the value of or related to the Common Stock and / or returns thereon. **Purchase of Equity Securities No repurchase of equity securities were made during the 2024 fiscal year.** ITEM 6. [RESERVED]. ITEM 7. MANAGEMENT' S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS. THE FOLLOWING DISCUSSION OF OUR PLAN OF OPERATION AND RESULTS OF OPERATIONS SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL STATEMENTS AND RELATED NOTES TO THE FINANCIAL STATEMENTS INCLUDED ELSEWHERE IN THIS ANNUAL REPORT. THIS DISCUSSION CONTAINS FORWARD- LOOKING STATEMENTS THAT RELATE TO FUTURE EVENTS OR OUR FUTURE FINANCIAL PERFORMANCE. THESE STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE OUR ACTUAL RESULTS, LEVELS OF ACTIVITY, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, LEVELS OF ACTIVITY, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY THESE FORWARD- LOOKING STATEMENTS. **29-35-** Overview Netcapital Inc. is a fintech company with a scalable technology platform that allows private companies to raise capital online from accredited and non- accredited investors. We give ~~virtually all~~ investors the opportunity to access investments in private companies. ~~Our~~ **We believe our** model is disruptive to traditional private equity investing and is based on Title III, Reg CF of the JOBS Act. **In addition, we have recently expanded our model to include Regulation A (" Reg A ") offerings.** We generate fees from listing private companies on our **funding portal located at www. netcapital. com. We generate fees from listing private companies on netcapital. com. We also generate fees from advising companies with respect to their Reg A offerings posted on www. netcapital. com.** Our consulting group, Netcapital Advisors, **Inc. (Netcapital Advisors), which is a wholly- owned subsidiary,** provides marketing and strategic advice in exchange for ~~cash and~~ equity positions **and / or cash fees.** The Netcapital funding portal is registered with the SEC, is a member of the Financial Industry Regulatory Authority, or FINRA, a registered national securities association, and provides investors with opportunities to invest in private companies. **Neither Netcapital Advisors, nor any Netcapital entity or subsidiary, is a broker- dealer, nor do any of such entities operate as a broker- dealer with respect to any Reg A offering listed on the www. netcapital. com website.** We provide private company investment access to accredited ~~retail~~ and non- accredited ~~retail~~ investors through our online portal (www. netcapital. com) ~~. The~~, **which is operated by our wholly owned subsidiary Netcapital Funding Portal, Inc. The Netcapital funding portal** charges a \$ 5, 000 ~~listing to \$ 10, 000 engagement fee,~~ a 4. 9 % ~~success~~ **portal** fee for capital raised at closing, and ~~sometimes is~~ **beginning in fiscal year 2024, a 1 % success fee paid for** with equity ~~from of the issuer that has listed on the Funding funding Portal portal customer.~~ In addition, the ~~Funding Portal portal~~ **generates fees for other ancillary services, such as rolling closes. Netcapital Advisors generates fees and equity stakes from consulting in select portfolio and non- portfolio clients. With respect to its services for Reg A offerings, Netcapital Advisors charges a monthly flat fee for each month the offering is listed on the netcapital. com website as well as a nominal administrative flat fee for each investor that is processed to cover out- of- pocket costs. We generated revenues of \$ 4, 951, 435, with costs of service of \$ 108, 060, in the year ended April 30, 2024 for a gross profit of \$ 4, 843, 375 (consisting of \$ 3, 537, 700 in equity securities for payment of services and \$ 1, 413, 736 in cash- based revenues, offset by \$ 108, 060 for costs of services) as compared to revenues of \$ 8, 493, 985 with costs of service of \$ 85, 038 in the year ended April 30, 2023 for a gross profit of \$ 8, 408, 947 (consisting of \$ 7, 105, 000 in equity securities for the payment of services and \$ 1, 388, 985 in cash- based revenues, offset by \$ 85, 038 for costs of services). Our cash- based gross profits as a percentage of gross profits were approximately 1 % and 1 %, respectively, in the years ended April 30, 2024 and 2023, for entities (for which we performed services) in which we own equity during such periods. The total number of offerings on the Netcapital funding portal in fiscal 2024 and 2023 that closed was 70 and 63, respectively, of which 17 and 13 offerings hosted on the Netcapital funding platform in fiscal 2024 and 2023, respectively, terminated their listings without raising the required minimum dollar amount of capital. As of the date of this report, we own minority equity positions of greater than 1 % in 20 portfolio companies that have utilized the funding portal to facilitate their offerings, which equity was received as payment for services. Netcapital. com is an SEC- registered funding portal that enables private companies to raise capital online, while investors are able to invest from almost anywhere in the world, at any time, with just a few clicks.** Securities offerings on the portal are accessible through individual offering pages, where companies include product or service details, market size, competitive advantages, and financial documents. Companies can accept ~~investment investments~~ from virtually anyone, including friends, family, customers ~~, and employees , etc. , at Customer accounts on our platform are not permitted to hold or use digital securities to make any- an investment time, with just a few clicks.~~ In addition to access to the Funding Portal, Netcapital provides the following services: • a fully automated onboarding process; • automated filing of required regulatory documents; • compliance review; • custom- built offering page on our portal website; • third party transfer agent and custodial services; • email marketing to our proprietary list of investors; **- 36-** • rolling closes, which provide potential access to liquidity before final close date of offering; • assistance with annual filings; and • direct access to our team for ongoing support. Our consulting group, Netcapital Advisors helps companies at all stages to raise capital. Netcapital Advisors provides strategic advice, technology consulting and online marketing services to assist with fundraising campaigns on the Netcapital platform. The Company also acts as an incubator and accelerator, taking equity stakes in select disruptive start- ups. **Netcapital Advisors' services include: • incubation of technology start- ups; • investor introductions; • online marketing; • website design, software and software development; • message crafting, including pitch decks, offering pages, and ad creation; • strategic advice; and • technology consulting. Proposed Broker- Dealer Business Our newly formed wholly owned subsidiary, Netcapital Securities Inc. has applied for broker- dealer registration with the Financial Industry Regulatory Authority (" FINRA**

”). We that by having a registered broker- dealer, it will create opportunities to expand revenue base by hosting and generating additional fees from Reg A and Reg D offerings on the Netcapital platform;; earning additional fees in connection with offerings that may result from the introduction of clients to other FINRA broker- dealers and expanding our distribution capabilities by leveraging strategic partnerships with other broker- dealers to distribute offerings of issuers that utilize the Netcapital platform to a wider range of investors in order to maximize market penetration and optimize capital raising efforts. Netcapital Securities Inc.’ s application to become a registered broker- dealer remains subject to regulatory approval and / or licensing from the Financial Regulatory Authority (FINRA) and the Securities and Exchange Commission (SEC). No assurance can be given as to when or if such approvals may be granted or when, if at all, Netcapital will be able to expand the services it offers. As of the date of this Annual Report, Netcapital Securities Inc. has not conducted any business activities Our limited operating history and the uncertain nature of our future operations and the markets we address or intend to address make predictions of our future results of operations difficult. Our operations may never generate significant revenues, and we may not consistently achieve profitable operations. **Proposed Alternative Trading (“ ATS ”) Relationship** We believe that lack of liquidity is a key issue for investors in private companies in our targeted market. We also recognize that secondary trading of securities in private companies is subject to extensive regulation and oversight. Such regulation and oversight includes, but is not limited to, the need to be a registered broker- dealer that is licensed to operate an ATS, or to partner with an entity that is licensed to do so. In order to try to address what we believe is a large, unmet need, our wholly- owned subsidiary, Netcapital Systems LLC, a Utah limited liability company (“ Netcapital UT LLC ”), entered into a software license and services agreement on January 2, 2023 (the “ Templum License Agreement ”) with Templum Markets LLC (“ Templum ”), to provide issuers and investors on the Netcapital platform with the potential for greater distribution and liquidity. Templum is a company that provides capital markets infrastructure for trading private equity securities, and operates an ATS with approval in 53 U. S. states and territories for the trading of unregistered or private securities. We are currently working with Templum to design the software required to allow issuers and investors on the Netcapital platform to access the Templum ATS in order to engage in secondary trading of securities in a regulatorily compliant manner. The operation of the Templum ATS, however, remains subject to extensive regulation and oversight. Accordingly, any regulatory delays or objections will result in delays in our ability to launch the proposed platform. While we are currently working with Templum on the design of the required software to enable the access to secondary trading on the Templum ATS, no assurance can be given as to when, or if, we will be able to successfully complete this project in order to enable access to a secondary trading feature beta (testing) version to a closed group of users for testing before any final launch is made to the public, and Templum’ s approval. Milestones required to launch the platform include, but are not limited to, plug- in of Templum’ s KYC and AML requirements to enable interested users to directly send to the Templum ATS any KYC / AML information required by Templum for review and approval, as well as the launch of a beta version to a closed group of users. In July 2024, we announced the launch of our beta version for this secondary trading platform and our goal is to offer such secondary trading platform through the Templum ATS to all issuers and investors on the Netcapital funding portal before the end of 2024 subject to compliance with all regulatory requirements, however, we do not know when, or if, this feature will be fully completed and launched, as there are many details that remain to be completed. The operation of the Templum ATS is subject to extensive regulation and oversight. Accordingly, any regulatory delays or objections will result in delays in our ability to launch the proposed platform. In addition, because we cannot easily switch between operators of secondary trading platforms of this nature, any disruption of or interference, whether due to regulatory issues or natural disasters, cyber- attacks, terrorist attacks, power losses, telecommunications failures, or other similar events, would impact our operations and may adversely affect the ability of issuers and investors to utilize this platform. There is no obligation for Templum to renew its agreements with us on commercially reasonable terms or at all.- 37- Recent Developments **Nasdaq Delisting Determination** **May 2024 Warrant Inducement** On May 24, 2024, we entered into inducement offer letter agreements with certain investors that hold certain outstanding Series A- 2 warrants to purchase up to an aggregate of 14, 320, 000 shares of our common stock, originally issued in December 2023 at a reduced exercise price of \$ 0. 155 per share in partial consideration for the Company’ s agreement to issue in a private placement (i) new Series A- 3 common stock purchase warrants to purchase up to 14, 320, 000 shares of our common stock and (ii) new Series A- 4 common stock purchase warrants to purchase up to 14, 320, 000 shares of our common stock for aggregate gross proceeds of approximately \$ 2. 2 million from the exercise of the existing warrants, before deducting placement agent fees and other expenses payable by the Company. The Series A- 3 Warrants and Series A- 4 Warrants are exercisable beginning on the effective dates of stockholder approval of the issuance with such warrants expiring on (i) the five year anniversary of the initial exercise date for the Series A- 3 Warrants and (ii) the eighteen month anniversary of the initial exercise date for the Series A- 4 Warrants. This transaction closed on May 29, 2024. H. C. Wainwright was the exclusive agent for the transaction for which we paid them a cash fee equal to 7. 5 % from the exercise of the Series A- 2 warrant at the reduced exercise price and a management fee equal to 1. 0 % of such aggregate gross proceeds. We also issued warrants to designees of H. C. Wainwright to purchase up to 1, 074, 000 shares of our common stock at an exercise price of \$ 0. 1938 per share. **Application for Broker- Dealer License** In May 2024, we announced that our wholly- owned subsidiary, Netcapital Securities Inc. applied for broker- dealer registration with the Financial Industry Regulatory Authority (“ FINRA ”). We that by having a Registered-registered Direct broker- dealer, it will create opportunities to expand revenue base by hosting and generating additional fees from Reg A and Reg D offerings on the Netcapital platform;; earning additional fees in connection with offerings that may result from the introduction of clients to other FINRA broker- dealers and expanding our distribution capabilities by leveraging strategic partnerships with other broker- dealers to distribute offerings of issuers that utilize the Netcapital platform to a

wider range of investors in order to maximize market penetration and optimize capital raising efforts. Netcapital Securities Inc.'s application to become a registered broker-dealer remains subject to regulatory approval and / or licensing from the Financial Regulatory Authority (FINRA) and the Securities and Exchange Commission (SEC). No assurance can be given as to when or if such approvals may be granted or when, if at all, Netcapital will be able to expand the services it offers. Temporary Cessation of our Valuation Business In April 2024, we determined to cease activities with respect to our valuation business conducted by our subsidiary MSG Development Corp. The person who operated MSG Development Corp. retired in fiscal 2024 due to health reasons and we were unsuccessful in transitioning the valuation consulting work performed by MSG Development Corp. to another person. Consequently, in fiscal 2024, we recorded an impairment loss for the intangible assets associated with our acquisition of MSG. We intend to re-start valuation activities through MSG Development Corp. in the future if we can find and hire the necessary personnel although there is no current timeframe for when we could re-start such activities and we may ultimately never continue such valuation activities.- 38- April 2024 Common Stock Issuance On April 24, 2024, we issued an aggregate of 681,198 shares of our common stock at a price per share of \$ 0.1324 to Steven Geary, a member of the Company's board of directors, and Paul Riss, a member of the board of directors of Netcapital Funding Portal, Inc. our wholly-owned subsidiary, in consideration of the cancellation of \$ 90,204 in outstanding indebtedness owed to Mr. Geary and Mr. Riss by us. The shares were issued as restricted securities as defined in Rule 144 of the Securities Act of 1933, as amended. We did not receive any proceeds from these issuances. Management's Discussion and Analysis of Financial Condition and Results of Operations The following discussion of our financial condition and results of operations should be read in conjunction with the financial statements and related notes to the financial statements included elsewhere in this Form 10-K. This discussion contains forward-looking statements that relate to future events or our future financial performance. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Results of Operations Fiscal Year 2024 Compared to Fiscal Year 2023 Our revenues for fiscal 2024 decreased by \$ 3,542,550, or 42 %, to \$ 4,951,435, as compared to \$ 8,493,985 reported for fiscal 2023. The decrease in revenues is attributable to decreased revenues from consulting services for equity securities, which recorded a decrease in fees of \$ 3,665,000, or 52 % to \$ 3,440,000 in fiscal 2024 as compared to \$ 7,105,000 in fiscal 2023. The components of revenue are as follows: April 30, 2024 April 30, 2023 Consulting services for equity securities \$ 3,440,000 \$ 7,105,000 Consulting revenue 96,200 455,320 Portal fees 874,368 418,513 Listing fees 442,040 513,960 Portal 1 % equity fee 97,700- Game website revenue 1,127 1,192 Total \$ 4,951,435 \$ 8,493,985- 39- The aggregate decrease of \$ 3,665,000 in consulting services for equity securities in fiscal 2024 occurred because we provided consulting services to only 3 companies in fiscal 2024, as compared to 6 companies in fiscal 2023. We strive to provide more than \$ 1 million worth of consulting services to this type of client, and the average fee that we earned per client in fiscal 2024 and 2023 amounted to \$ 1,146,667 and \$ 1,184,167, respectively. These services are provided by our consulting subsidiary, Netcapital Advisors, Inc. ("Advisors"), and Advisors did not earn any equity securities from consulting work in the fourth quarter of fiscal 2024 or the first quarter of fiscal 2025. However, our subsidiary Netcapital Funding Portal Inc. ("Funding Portal") began charging a fee of 1 % of the equity raised by issuers that engage with the Funding Portal and in fiscal 2024, the Funding Portal earned equity securities from 30 clients, with an aggregate value of \$ 97,700, as compared to \$ 0 in fiscal 2023. Consulting revenue consists of fees earned by two of our subsidiaries, Advisors and MSG Development Corp. ("MSG"). Revenue generated by Advisors decreased by \$ 109,320 to \$ 96,200 in fiscal 2024 from \$ 205,520 in fiscal 2023 and revenues generated by MSG decreased to \$ 0 in fiscal 2024 from \$ 249,800 in fiscal 2023. The person who operated MSG retired in fiscal 2024 due to health reasons and we were unsuccessful in transitioning the valuation consulting work performed by MSG to another person. Consequently, in fiscal 2024, we recorded an impairment loss for the intangible assets associated with our acquisition of MSG. The decrease in consulting fees from Advisors in fiscal 2024 is the result of fewer consulting engagements and personnel cuts. Revenue from portal fees increased by \$ 455,855, or 109 %, in fiscal 2024 to \$ 874,368, from \$ 418,513 in fiscal 2023. Revenue from portal fees consists of a 4.9 % fee of the total capital raised by an issuer plus fixed miscellaneous charges for administrative fees, such as a rolling close, or the filing of an amended Offering-offering statement. The increase in portal fees is attributable to the increase in the amount of capital raised on the Netcapital funding portal and the increase in the number of issuers that completed an offering. In fiscal 2024 and 2023, the average amount raised in an offering on the Netcapital funding portal was \$ 280,978 and \$ 128,170, respectively. The total number of issuers on the Netcapital funding portal in fiscal 2024 and 2023 that successfully closed an offering was 53 and 50, respectively Revenue from listing fees decreased by \$ 71,920, or 14 %, to \$ 442,040 in fiscal 2024 as compared to \$ 513,960 in fiscal 2023. Listing fees are typically \$ 5,000 per issuer, and they are the first form of revenue earned by our Funding Portal when an issuer signs a contract with us to sell securities on the funding portal. After the listing contract is signed, an issuer typically takes two months before it is ready to launch an offering. Most issuers remain on the funding portal, marketing their offering, for a period of six to nine months. Our costs of revenues increased by \$ 23,022 or 27 %, to \$ 108,060 in fiscal 2024, from \$ 85,038 in fiscal 2023. The increase is attributable to Funding Portal, which experienced an increase in revenues from portal fees of \$ 455,855 in fiscal 2024. Consulting expenses increased by \$ 20,860, or 4 %, to \$ 610,209 for fiscal 2024 from \$ 589,349 reported in the prior fiscal year. The increase is consistent with inflation costs. Consulting expenses are payments for services rendered by non-employees. Payroll and payroll related expenses increased by \$ 192,150, or 5 %, to \$ 3,838,640 in fiscal 2024, as compared to \$ 3,646,490 in fiscal 2023. The increase was attributed to pay increases to keep up with inflation. General and administrative expenses increased by \$ 1,686,328 or 97 %, to \$ 3,427,026 for the year ended April 30, 2024, as

compared to \$ 1,740,698 for the prior fiscal year. The primary increase in expenses is attributable to professional fees, which includes costs of attorneys, proxy solicitation, investor relations and stock-based compensation, and an increase in our allowance for doubtful accounts. Marketing expense increased by \$ 248,289, or approximately 291 %, to \$ 333,771 for the year ended April 30, 2024, as compared to \$ 85,482 in fiscal 2023. The increase was to bring awareness to the funding portal operations and the Company to attract new issuers and investors. Rent expense increased by \$ 1,065, or approximately 1 %, to \$ 76,117 for fiscal 2024, as compared to \$ 75,052 in fiscal 2023. The increase was primarily attributed to a new office-space agreement that became effective in the current fiscal year.- 40- Interest expense decreased by \$ 47,852 to \$ 45,990 for the year ended April 30, 2024, as compared to \$ 93,842 for the prior fiscal year. The decrease in interest expense is attributed to a reduction in debt owed to a secured lender that was paid in full during the first quarter of fiscal 2024. A realized loss of \$ 406,060 was recorded in the year ended April 30, 2023, as compared to no realized losses in the year ended April 30, 2024. The Company sold 606,060 shares of KingsCrowd Inc. in June 2022 for proceeds of \$ 200,000 that had been valued at \$ 606,060 and recorded a realized loss on the sale of the investment of \$ 406,060. We recognized an unrealized loss in the value of our equity securities of \$ 2,696,135 in fiscal 2024, as compared to an unrealized gain of \$ 1,857,500 in the value of our equity securities in fiscal 2023. The loss in fiscal 2024 was attributable to a decrease in value to \$ 0.16 per share from \$ 1.00 per share for 3,209,685 shares of common stock that we own of KingsCrowd, Inc. The gain in fiscal 2023 resulted from an increase in value of \$ 204,000 for our 110,000 units of MustWatch LLC, from \$ 2.14 per unit to \$ 4.00 per unit, and an increase in value of \$ 1,661,868 in our 710,200 units of ChipBrain LLC, from \$ 0.93 per unit to \$ 4.74 per unit, less an unrealized loss of \$ 8,968 in the value of the 4,000 shares of Vymedic Inc. from \$ 5.00 per share to \$ 2.76 per share. We recorded an impairment loss of \$ 1,048,430 and \$ 0 in fiscal 2024 and 2023. The loss in fiscal 2024 consists of a reduction in value from \$ 647,264 to \$ 0 for the intangible assets we acquired in the purchase of MSG, and a reduction in value from \$ 401,167 to \$ 0 for the intangible assets we own that are associated with the website 1on1.fans. The person who operated MSG retired due to health reasons during fiscal 2024 and we were unsuccessful in transitioning the valuation consulting work performed by MSG to another person. Consequently, in fiscal 2024, we recorded an impairment loss for the intangible assets associated with our acquisition of MSG. We may continue providing business valuation services in the future, but at this point in time we cannot attribute any value to the assets we purchased. Similarly, the person who was designated to operate our 1on1.fans website left the Company in May 2024, and without his expertise and connections with professional hockey players, we determined the value to be \$ 0. Liquidity and Capital Resources As of April 30, 2024, we had cash and cash equivalents of \$ 863,182 and negative working capital of \$ 2,074,163 as compared to cash and cash equivalents of \$ 569,441 and negative working capital of \$ 2,622,670 as of April 30, 2023. We have been successful in raising capital by completing public offerings of our common stock. On May 23, 2023, we entered into a securities purchase agreement with certain institutional investors, pursuant to which we the Company agreed to issue and sell to such investors, in a registered direct offering (the " Offering "), 1,100,000 shares (the " Shares ") of our the Company' s common stock, par value \$ 0.001 per share (the " Common Stock "), at a price of \$ 1.55 per Share, for aggregate gross proceeds of \$ 1,705,000, before deducting the placement agent' s fees and other offering expenses payable by the Company. The Offering closed on May 25, 2023 and we received aggregate net proceeds of \$ 1,468,700. The Shares were offered and issued and sold pursuant to the Company' s shelf registration statement on Form S-3 (File 333-267921), filed by the Company with the SEC Securities and Exchange Commission under the Securities Act of 1933, as amended (the " Securities Act "), on October 18, 2022 and declared effective on October 26, 2022. 30 In connection with With the use of proceeds Offering, on May 23, 2023, we entered into a placement agency agreement with ThinkEquity (the " Placement Agent "), pursuant to which (i) the Placement Agent agreed to act as placement agent on a " best efforts " basis in connection with the Offering, (ii) we agreed to pay the Placement Agent an aggregate fee equal to 8.0 % of the gross proceeds raised in the Offering, and to reimburse the Placement Agent for certain expenses, and (iii) we agreed to issue to the Placement Agent warrants to purchase up to 55,000 shares of Common Stock at an exercise price of \$ 1.94 (the " Placement Agent Warrants "), which were issued on May 25, 2023. The Placement Agent Warrants (and the shares of Common Stock issuable upon the exercise of the Placement Agent Warrants) were not registered under the Securities Act, and were offered pursuant to an exemption from the registration requirements of the Securities Act provided in Section 4 (a) (2) of the Securities Act and Rule 506 (b) promulgated thereunder. Repayment of Secured Debt On May 25, 2023 the Company paid our \$ 367,167 to its secured lender, Vaxstar LLC, to pay off the remaining \$ 350,000 in principal balance and plus accrued interest of \$ 17,167 in interest. 23 Recent Common Stock Issuances. In April and May 2023, we issued an aggregate of 450,000 shares of common stock to retire all consultants in consideration of services rendered. In addition, in July 2023, we issued 49,855 shares of common stock to an unrelated third party, in consideration of a release from such third party related to settlement of an outstanding obligations to debt between such third party and Neteapital DE LLC. We did not receive any proceeds from these the issuances secured lender. Such shares were issued as restricted securities and were issued pursuant to the exemption provided by Section 4 (a) (2) of the Securities Act of 1933, as amended. July 2023 Public Offering On July 24, 2023 we the Company completed an underwritten public offering of 1,725,000 shares of our the Company' s common stock, at a price to the public of \$ 0.70 per share for aggregate gross proceeds of \$ 1,207,500, before deducting underwriting discounts and offering expenses payable by us the Company. In conjunction with this offering, we the Company issued the underwriter, and its designees, warrants to purchase 86,250 shares of our common stock at an exercise price of \$ 0.875. Management' s Discussion and Analysis of Financial Condition and Results of Operations The following discussion of our financial condition and results of operations should be read in conjunction with the financial statements and related notes to the financial statements included elsewhere in this Form 10- 41 K. This discussion contains forward- On December 27 looking statements that relate to future events or our future financial performance. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity,

performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Results of Operations Fiscal Year 2023 Compared to Fiscal Year 2022 Our revenues for fiscal 2023 increased by \$ 3, **we completed a public offering** 013, 150, or 55 %, to \$ 8, 493, 985 as compared to \$ 5, 480, 835 reported for fiscal 2022. The increase in revenues is attributable to increased revenues from consulting services for equity securities, which recorded an increase in fees of \$ 3- **(i) 4, 730 800**, 000, or 111 % to \$ 7, 105, 000 in fiscal 2023 as compared to \$ 3, 375, 000 in fiscal 2022. The components of revenue are as follows: 31 April 30, 2023 April 30, 2022 Consulting services for equity securities \$ 7, 105, 000 \$ 3, 375, 000 Consulting revenue 455, 320 503, 233 Portal fees 418, 513 1, 206, 957 Listing fees 513, 960 394, 490 Other revenue 1, 192 1, 155 Total \$ 8, 493, 985 \$ 5, 480, 835 In fiscal 2023 and 2022, the average dollars raised in a successful offering on the funding portal amounted to \$ 128, 170 and \$ 369, 478, respectively, and the number of offerings that closed successfully amounted to 49 and 64, respectively. Our costs of revenues decreased by \$ 25, 077, or 23 %, to \$ 85, 038 in fiscal 2023, from \$ 110, 115 in fiscal 2022. The decrease is attributable to lower costs of sales from our non-funding portal sources of income. Consulting expenses decreased by \$ 303, 218, or 34 %, to \$ 589, 349 for fiscal 2023 from \$ 892, 567 reported in the prior fiscal year. The decrease was primarily attributed to a decrease in overseas programmers. Payroll and payroll related expenses decreased by \$ 117, 355, or 3 %, to \$ 3, 646, 490 in fiscal 2023, as compared to \$ 3, 763, 845 in fiscal 2022. The decrease was attributed to a decrease in staff and wages. General and administrative expenses increased by \$ 138, 667 or 9 %, to \$ 1, 740, 698 for the year ended April 30, 2023, as compared to \$ 1, 602, 031 for the prior fiscal year. The primary increase in expenses is attributable to professional fees. Interest expense decreased by \$ 32, 530 to \$ 93, 842 for the year ended April 30, 2023, as compared to \$ 126, 372 for the prior fiscal year. The decrease in interest expense is attributed to a reduction in debt owed to our secured lender. A realized loss of \$ 406, 060 was recorded in the year ended April 30, 2023, as compared to no realized losses in the year ended April 30, 2022. The Company sold 606, 060 shares of KingsCrowd Inc. in June 2022 for proceeds of \$ 200, 000 that had been valued at \$ 606, 060 and recorded a realized loss on the sale of the investment of \$ 406, 060. Unrealized gains on equity securities for the years ended April 30, 2023 decreased by \$ 1, 418, 245, or **our** approximately 43 %, to \$ 1, 857, 500, as compared to \$ 3, 275, 745 during the year ended April 30, 2022. The decrease in unrealized gains is attributable to the sale of common stock at \$ 1-; **(ii) 11, 00 200** per, **000 prefunded warrants to purchase 11, 200, 000** share **shares** in a public offering by Kingscrowd Inc., which exceeded the carrying value on our books by \$ 3, 275, 745, during the year ended April 30, 2022, as compared to a net gain of \$ 1, 857, 500 from observable price changes in investment securities of three investments held by the Company during the year ended April 30, 2023. Liquidity and Capital Resources As of April 30, 2023, we had cash and cash equivalents of \$ 569, 441 and negative working capital of \$ 2, 622, 670 as compared to cash and cash equivalents of \$ 473, 925 and negative working capital of \$ 3, 113, 403 of April 30, 2022. We have been successful in raising capital by completing public offerings of our common stock. On July 15; **(iii) 16, 2022 000, 000 Series A-** the Company completed an underwritten public offering of **1 warrants to purchase 16, 205 000, 000** shares of the Company's **our common and (iv) 16, 000, 000 Series A- 2 warrants to purchase 16, 000, 000 shares of our** common stock and warrants to purchase 1, 205, 000 shares of the Company for's common stock at a combined public offering price of \$ 4. 15 per share and warrant. The gross proceeds **of** from the offering were **\$ 5.4 million, before** 000, 750 prior to deducting underwriting discounts, commissions, and other offering expenses payable by us. The warrants have a per offering price of each common share exercise and accompanying Series A- 1 warrant and Series A- 2 warrant was \$ 0. 25, and the offering price of each prefunded warrant \$ 5. 19, are exercisable immediately, and accompanying Series A- expire five years from the date of issuance. With the use of proceeds, we paid \$ 1 million of debt to our secured lender, to reduce the outstanding principal balance to \$ 400, 000. On December 16, 2022 we completed an underwritten public offering of 1, 247, 000 shares of our common stock, at a price to the public of \$ 1. 40 per share. In conjunction with this offering, we issued the underwriter and its designees warrants- **warrant to purchase 62, 350** shares of our **and Series A- 2 warrant was \$ 0. 249. Each common Common stock at Warrant has** an exercise price of \$ **1+0. 25 75**. The underwriters exercised their over-allotment option and on January 5, 2023, we issued an additional 187, 000 shares of its common stock at a price of \$ 1. 40 per share. **The Series A- 1 Common Warrants will expire on February 23, 2029. The Series A- 2 Common Warrants will expire August 23, 2025 following the date of Shareholder Approval.** We received net proceeds of **approximately \$ 3. 37 million from this** 1, 621, 459 for the issuance of a total of 1, 434, 000 shares of common stock in both the initial and over-allotment offering. In conjunction with the exercise of the over-allotment, **after** the Company issued the underwriter and its designees warrants to purchase 9, 350 shares of our common stock with an exercise price of \$ 1. 75. 32 On May 23, 2023, we entered into a securities purchase agreement with certain institutional investors, pursuant to which the Company agreed to issue and sell to such investors, in a registered direct offering (the "Offering"), 1, 100, 000 shares (the "Shares") of the Company's common stock, par value \$ 0. 001 per share (the "Common Stock"), at a price of \$ 1. 55 per Share, for aggregate gross proceeds of \$ 1, 705, 000, before deducting the **estimated placement agent's fees** and other offering expenses payable by **us** the Company. The Offering closed on May 25, 2023 **including the placement agent fees.** **We also** The Shares were offered and issued **warrants** and sold pursuant to **designees** the Company's shelf registration statement on Form S- 3 (File 333- 267921), filed by the Company with the Securities and Exchange Commission under the Securities Act of 1933 **the H. C. Wainwright, who served as placement agent for this** amended, on October 18, 2022 and declared effective on October 26, 2022. With the use of proceeds, we paid our secured lender \$ 350, 000 in principal plus accrued interest of \$ 17, 167. 23 to retire all outstanding obligations to the secured lender. On July 24, 2023 the Company completed an underwritten public offering of **to purchase up to** 1, 725 **200, 000** shares of **our** the Company's common stock, at a price to **which warrants have substantially** the same terms as the Series A- public of \$ 0. 70 per share for aggregate gross proceeds of \$ **1 warrants, 207, 500, before deducting underwriting discounts and Series A- 2 warrants** offering expenses payable by the Company. In conjunction with this offering, the Company **except that warrants issued to** the underwriter, and its designees, warrants to purchase 86, 250 shares of our common stock at **the placement agent have** an

exercise price of **equal to \$ 0. 875-3125 per share and expire on December 27, 2028**. We believe that our existing cash investment balances, our anticipated cash flows from operations and liquidity sources including offering of equity and / or debt securities and / or the sale of equity positions in certain portfolio companies for which **we** ~~Netcapital Advisors provides~~ **provide** marketing and strategic advice **will may not** be sufficient to meet our working capital and expenditure requirements for the next 12 months. **Although** **Consequently, beginning in November 2023, we believe** **laid off some employees, and took other steps to reduce operating expenses. We plan to continue operating with lower fixed overhead amounts and seek to raise money from private placements, public offerings and / or bank financing. Our management has determined, based on its recent history and the negative cash flow from operations, that it is unlikely that its plan will sufficiently alleviate or mitigate, to a sufficient level, the relevant conditions or events noted above. To the extent that funds generated from any private placements, public offerings and / or bank financing, if available, are insufficient, we will have to raise additional working capital. No assurance can be given that additional financing will be available, or if available, will be on acceptable terms. Accordingly, the Company's management has concluded that these conditions raise substantial doubt about our ability to continue as a going concern. There can be no assurance that we will be able to achieve our business plan objectives or be able to achieve or maintain cash- flow- positive operating results. If we are unable to generate adequate funds from sources of liquidity over the next 12 months, the success of our operations , the global economic outlook, and the pace of sustainable growth in our or markets **raise sufficient additional funds** , in each case we may not be able to repay our existing debt , in light of the market volatility and uncertainty as **continue to operate our business network, respond to competitive pressures or fund our operations. As** a result of the COVID-19 pandemic, among other factors, could impact our business and liquidity. Up to this point in time, we **may be required** believe the pandemic has helped drive people to online investing **significantly reduce** , **reorganize** as we see regular monthly increases in users and dollars invested, **discontinue or shut down our operations** and an increase in issuers seeking to use online fund-raising services in lieu of face-to-face meetings. ~~33~~ **Year over Year Changes** Net cash used in operating activities amounted to \$ **4, 617-879** , **200-838** in fiscal ~~2023~~ **2024** , as compared to net cash used in operating activities of \$ **4, 617, 200 in fiscal 2023. In fiscal 2024, the principal sources of cash from operating activities were an unrealized loss on equity securities of \$ 2, 696, 135, an impairment loss of \$ 1, 048, 430 and stock- based compensation of \$ 1, 324, 917. However, the sources of cash were offset by a net loss of \$ 4, 724, 817, a receipt of equity in lieu of cash of \$ 3, 006-427** , **667-699, changes in fiscal 2022 deferred taxes of \$ 1, 657, 000 and an increase in accounts receivable of \$ 293, 849** . In fiscal 2023, the primary sources of cash were net income of \$ 2, 954, 972, changes in deferred taxes of \$ **680, 000** , a realized loss on the sale of investments of \$ **406, 060** , a decrease in accounts receivable of \$ **1, 039, 957** and stock- based compensation of \$ **269, 577** . However, these items were offset by non- cash revenue from the receipt of equity of \$ **8, 110, 000** , and an unrealized gain on equity securities of \$ **1, 857, 500** . ~~In~~ **Net cash used in investing activities in fiscal 2022-2024 consisted** , the primary sources of ~~a~~ **cash were net income of \$ 3-20** , **000 note 503, 530 and stock- based compensation of \$ 1, 176, 058** . However, these items were offset by non- cash revenue from the receipt of equity of \$ **2, 387, 500** , an unrealized gain on equity securities of \$ **3, 275, 745** debt forgiveness of \$ **1, 904, 302** and an increase in accounts receivable of \$ **1, 153, 598** . ~~Net~~ **In fiscal 2023, net cash provided by investing activities amounted to in fiscal 2023 consisted of proceeds of \$ 200, 000 from the sale of 606, 060 shares of an investment -in KingsCrowd In- Inc** ~~fiscal~~ , **For the year ended April 30, 2022-2024** , net cash used in investing provided by financing activities amounted to \$ **319-5** , **166-193** , consisting **579, which consisted of loans to affiliates proceeds from the sale of common stock of \$ 202-5, 538, 611 and proceeds from warrant exercises of \$ 4, 968, which were offset by repayment of \$ 350** , **000 and an investment in an affiliate of \$ 117, 166 principal to our secured lender** . ~~In~~ **fiscal** **For the year ended April 30, 2023** , net cash provided from financing activities amounted to \$ **4, 512, 716** , which included proceeds from the sale of common stock of \$ **5, 570, 576** , which was offset by a payment of \$ **7, 860** for a related party note, and payment of \$ **1, 050, 000** to a secured lender. In fiscal ~~2022~~ **2024** , net cash provided by financing activities amounted to \$ **1, 325, 799** . Cash proceeds were received of \$ **300, 000** from the sale of two convertible notes, \$ **400, 000** from borrowing from our secured lender and \$ **625, 799** from the sale of stock subscriptions. ~~In~~ **fiscal 2023 and 2022** , there were no expenditures for capital assets. We do not anticipate any capital expenditures in the next fiscal year. ~~- 42-~~ **New Accounting Standards** The new accounting pronouncements in Note 1 to our financial statements, which are included in this Report, are incorporated herein by reference thereto. Critical Accounting Policies and Estimates The preparation of financial statements in conformity with generally accepted accounting principles (“ GAAP ”) in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. The most significant estimates include: ● revenue recognition and estimating allowance for doubtful accounts; ● valuation of long- lived assets; and ● valuation of intangible assets. We continually evaluate our accounting policies and the estimates we use to prepare our financial statements. In general, the estimates are based on historical experience, on information from third party professionals and on various other sources and assumptions that are believed to be reasonable under the facts and circumstances at the time such estimates are made. Management considers an accounting estimate to be critical if: ● it requires assumptions to be made that were uncertain at the time the estimate was made; and ● changes in the estimate, or the use of different estimating methods, could have a material impact on our consolidated results of operations or financial condition. ~~34~~ **Actual results could differ from those estimates. Significant accounting policies are described in Note 1 to our financial statements, which are included in this Report. In many cases, the accounting treatment of a particular transaction is specifically dictated by GAAP. There are also areas in which management's judgment in selecting any available alternative would not produce a materially different result. Certain of our accounting policies are deemed “ critical ”, as they require management's highest degree of judgment, estimates and assumptions. The following critical accounting policies are not intended to be a comprehensive list of all of our accounting policies or estimates: Revenue Recognition** The Company recognizes service revenue from its consulting contracts , **funding****

portal and its game website using the five- step model as prescribed by ASC 606: • Identification of the contract, or contracts, with a customer; • Identification of the performance obligations in the contract; • Determination of the transaction price; • Allocation of the transaction price to the performance obligations in the contract; and • Recognition of revenue when or as, the Company satisfies a performance obligation. **The Company identifies performance obligations in contracts with customers, which primarily are professional services, listing fees on our funding portal, and a portal fee of 4.9 % of the money raised on the funding portal. Beginning in fiscal year 2024, the funding portal also receives a fee of 1 % of the equity sold by an issuer that utilized the funding portal's services. The transaction price is determined based on the amount the Company expects to be entitled to receive in exchange for transferring the promised services to the customer. The transaction price in the contract is allocated to each distinct performance obligation in an amount that represents the relative amount of consideration expected to be received in exchange for satisfying each performance obligation. Revenue is recognized when performance obligations are satisfied. The Company usually bills its customers before it provides any services and begins performing services after the first payment is received. Contracts are typically one year or less. For larger contracts, in addition to the initial payment, the Company may allow for progress payments throughout the term of the contract.**

Judgments and Estimates The estimation of variable consideration for each performance obligation requires the Company to make subjective judgments. The Company enters into contracts with customers that regularly include promises to transfer multiple services, such as digital marketing, web- based videos, offering statements, and professional services. For arrangements with multiple services, the Company evaluates whether the individual services qualify as distinct performance obligations. In its assessment of whether a service is a distinct performance obligation, the Company determines whether the customer can benefit from the service on its own or with other readily available resources, and whether the service is separately identifiable from other services in the contract. This evaluation requires the Company to assess the nature of each individual service offering and how the services are provided in the context of the contract, including whether the services are significantly integrated, highly interrelated, or significantly modify each other, which may require judgment based on the facts and circumstances of the contract.- 43- When agreements involve multiple distinct performance obligations, the Company allocates arrangement consideration to all performance obligations at the inception of an arrangement based on the relative standalone selling prices (SSP) of each performance obligation. Where the Company has standalone sales data for its performance obligations which are indicative of the price at which the Company sells a promised service separately to a customer, such data is used to establish SSP. In instances where standalone sales data is not available for a particular performance obligation, the Company estimates SSP by the use of observable market and cost- based inputs. The Company continues to review the factors used to establish list price and will adjust standalone selling price methodologies as necessary on a prospective basis. Service Revenue Service revenue from subscriptions to the Company's game website is recognized over time on a ratable basis over the contractual subscription term beginning on the date that the platform is made available to the customer. Payments received in advance of subscription services being rendered are recorded as a deferred revenue. Professional services revenue is recognized over time as the services are rendered. When a contract with a customer is signed, the Company assesses whether collection of the fees under the arrangement is probable. The Company estimates the amount to reserve for uncollectible amounts based on the aging of the contract balance, current and historical customer trends, and communications with its customers. These reserves are recorded as operating expenses against the contract asset (accounts receivable). Contract Assets Contract assets are recorded for those parts of the contract consideration not yet invoiced but for which the performance obligations are completed. The revenue is recognized when the customer receives services. Contract assets are included in other current assets in the consolidated balance sheets and will be recognized during the succeeding twelve- month period. Deferred Revenue Deferred revenues represent billings or payments received in advance of revenue recognition and is recognized upon transfer of control. Balances consist primarily of annual plan subscription services and professional services not yet provided as of the balance sheet date. Deferred revenues that will be recognized during the succeeding twelve- month period are recorded as current deferred revenues in the consolidated balance sheets, with the remainder recorded as other non- current liabilities in the consolidated balance sheets. Costs to Obtain a Customer Contract Sales commissions and related expenses are considered incremental and recoverable costs of acquiring customer contracts. These costs are capitalized as other current or non- current assets and amortized on a straight- line basis over the life of the contract, which approximates the benefit period. The benefit period was estimated by taking into consideration the length of customer contracts, technology lifecycle, and other factors. All sales commissions are recorded as consulting fees within the Company's consolidated statement of operations. Remaining Performance Obligations The Company's subscription terms are typically less than one year. All of the Company's revenues in the years ended April 30, 2024 and 2023, which amounted to \$ 4, 951, 35-435 and \$ 8, 493, 985, respectively, are considered contract revenues. Contract revenue as of April 30, 2024 and 2023, which has not yet been recognized, amounted to \$ 466 and \$ 661, respectively, and is recorded on the balance sheet as deferred revenue. The Company expects to recognize revenue on all of its remaining performance obligations over the next 12 months.

Allowance for Doubtful Accounts In order to record the Company's accounts receivable at their net realizable value, the Company must assess their collectability. A considerable amount of judgment is required in order to make this assessment, including an analysis of historical bad debts and other adjustments, a review of the aging of the Company's receivables, and the current creditworthiness of the Company's customers. Generally, when a customer account reaches a certain level of delinquency, the Company provides an allowance for the related amount receivable from the customer. The Company writes off the accounts receivable balance from a customer and the related allowance established when it believes it has exhausted all reasonable collection efforts. Net accounts receivable of \$ 134, 849 and \$ 1, 388, 500 and \$ 2, 433, 900 were recorded at as of April 30, 2024 and 2023 and 2022, respectively, and an allowance for doubtful accounts of \$ 353, 455 and \$

91, 955 was and \$ 136, 955 were recorded at as of April 30, 2023 and 2022, respectively. -44- Impairment of Long- Lived Assets Financial Accounting Standards Board (“ FASB ”) authoritative guidance requires that certain assets be reviewed for impairment and, if impaired, remeasured at fair value whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Impairment loss estimates are primarily based upon management’ s analysis and review of the carrying value of long- lived assets at each balance sheet date, utilizing an undiscounted future cash flow calculation. We recorded an impairment loss \$ 1, 048, 430 in fiscal 2024. We did not recognize an impairment loss in fiscal 2023. Investment in Equity Securities The Company holds investments in equity securities that are within the scope of ASC 321. These securities are typically received as payment for invoices and initially recorded at cost, which represents the fair value of the consideration received at the time of the transaction. The Company monitors these investments for changes in observable prices from orderly transactions for the identical or similar securities. When observable price changes are identified or and- an 2022-impairment is recognized, the investments are remeasured to fair value, with changes recognized in earnings. Income Taxes We estimate the degree to which tax assets and loss carryforwards will result in a benefit based on expected profitability by tax jurisdiction. A valuation allowance for such tax assets and loss carryforwards is provided when it is determined that such assets will more likely than not go unused. If it becomes more likely than not that a tax asset or loss carry- forward will be used, the related valuation allowance on such assets is reversed. Off- Balance Sheet Arrangements We have no off- balance sheet arrangements. Information About Market Risk We are not subject to fluctuations in interest rates, currency exchange rates or other financial market risks. We have not made any sales, purchases or commitments with foreign entities which would expose us to currency risks. 36-ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK. ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA. Our Consolidated Financial Statements required by this Item are included herein, commencing on page F- 1. ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE. Not applicable. -45- ITEM 9A. CONTROLS AND PROCEDURES. (a) Evaluation of Disclosure Controls and Procedures The Company’ s management, with the participation of the Principal Executive Officer (the “ PEO ”) and Principal Financial Officer (the “ PFO ”), has evaluated the effectiveness of the Company’ s disclosure controls and procedures (as defined in SEC Rule 13a- 15 (e)) as of April 30, 2023-2024. Based on that evaluation, the PEO and the PFO concluded that, as of April 30, 2023-2024, such controls and procedures were effective. (b) Management’ s Assessment of Internal Control over Financial Reporting Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in the Exchange Act Rules 13a- 15 (f). A system of internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Under the supervision and with the participation of management, including the PEO and the PFO, the Company’ s management has evaluated the effectiveness of its internal control over financial reporting as of April 30, 2023-2024, based on the criteria established in a report entitled “ 2013 Internal Control- Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ” and the interpretive guidance issued by the Commission in Release No. 34- 55929. Based on this evaluation, the Company’ s management has evaluated and concluded that the Company’ s internal control over financial reporting was effective as of April 30, 2023-2024. This annual report does not include an attestation report of the Company’ s independent registered public accounting firm regarding internal control over financial reporting. The Company’ s registered public accounting firm was not required to issue an attestation on its internal controls over financial reporting pursuant to the rules of the SEC. The Company will continue to evaluate the effectiveness of internal controls and procedures on an ongoing basis. (c) Changes in Internal Control over Financial Reporting There have been no changes in our internal controls over financial reporting (as such term is defined in Rule 13a- 15 (f) and 15d- 15 (f) under the Securities Exchange Act) during the quarter ended April 30, 2023-2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. ITEM 9B. OTHER INFORMATION. None. ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS. Not Applicable. 37- 46- PART III ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE. Directors and Executive Officers The following table and biographical summaries set forth information required by this item regarding , including principal occupation and business experience, about our directors and , executive officers as of July 26, 2023. Our executive officers and directors are as follows: Officer or Name Age Position Director Since Martin Kay President and Chief Executive Officer, Director May 2022 Cecilia Lenk Director, CEO of Neteapital Advisors Inc. July 2017 Avi Liss Secretary and Director August 2010 Steven Geary Director June 2006 Arnold Scott Director November 2022 Coreen Kraysler Chief Financial Officer September 2017 Jason Frishman Founder of Neteapital Funding Portal Inc. November 2020 Our directors serve in such capacity until the first annual meeting of our shareholders and until their successors have been elected and qualified. Our officers serve at the discretion of our board of directors, until their death, or until they resign or have been removed from office. Executive Officers and Directors Martin Kay, Director and Chief Executive Officer Martin Kay has served as a Director of the Company since May 2022 and as our Chief Executive Officer since January 2023. He was formerly a Managing Director at Accenture Strategy, a position he held from October 2015 until December 2022 and holds a BA in physics from Oxford University and an and MBA from Stanford University Graduate School of Business. Mr. Kay is an experienced C- suite advisor and digital media entrepreneur, working at the intersection of business and technology. His experience includes oversight of our funding portal when he served on the board of managers of Neteapital Systems LLC from 2017 – 2021. Cecilia Lenk, Director and CEO of Neteapital Advisors Inc. Cecilia Lenk has served as a director since July 2017. She served as our Chief Executive Officer from July 2017 to January 2023 and currently serves as the Chief Executive Officer of our wholly owned subsidiary, Neteapital Advisors Inc. Prior to that, she worked as a self- employed business consultant and a town councilor in Watertown, MA for five years. 38 Ms. Lenk has specialized in technology and health care. Formerly Vice President of Technology and Digital Design at Decision Resources Inc., a global company serving the biopharmaceutical market, she

oversaw the implementation of new technologies, products, and business processes. Prior to joining Decision Resources, Cecilia founded a technology firm that built a patented platform for online research. She has managed large-scale technology projects for leading corporations **corporate**, universities, government agencies, and major non-profit organizations. Ms. Lenk has a Ph.D. in Biology from Harvard University and a B.A. from Johns Hopkins University in Geography and Environmental Engineering. She has served on a number of non-profit boards, including Chair of the Johns Hopkins Engineering Alumni. She is currently on the Alumni Advisory Board for the Hopkins School of Engineering. Ms. Lenk brings to our Board key leadership experience in high-growth technology companies and possesses a strong mix of strategic, finance, and operating skills.

Avi Liss, Director and Secretary Avi Liss has served as a Director and Secretary of the Company since August 2010. From August 2009 to present, he has served as the President of Liss Law, LLC, a law firm specializing in real estate conveyances. Prior to founding Liss Law, he worked as a judicial law clerk for the Honorable Stephen S. Mitchell, a bankruptcy court judge for the Eastern District of Virginia. Mr. Liss is well qualified to serve as a director of the company due to his knowledge and working experience with legal governance matters.

Steven Geary, Director Steven Geary has served as a Director of the Company since June 2006. Since 2009, he has served in several management positions at Statera and is currently the Vice President of Strategy and Business Development. From 2008 to 2009, he was the Chief Executive Officer of ImproveSmart, Inc. From April 2006 to June 2008, he served as our President and Chief Operating Officer, and as our Chief Executive Officer from June 2008 to December 2009. Mr. Geary has significant business development and brand marketing expertise in consumer products and services.

Arnold Scott, Director Arnold Scott has served as a Director of the Company since December 2022. In addition, Mr. Scott currently serves as a founding member of the Boston Chapter of the Private Directors Association, a position he has held since 2020. Previously, he served as a director of ChipBrain, a position he held from 2021-2022, a director and Vice Chairman of First Commons Bank from 2008-2017, as a director of Perillon Software from 2015-2019 and as a manager on the board of managers of Neteapital Systems LLC from 2017-2020, an affiliate and shareholder of Neteapital Inc. In addition, he previously has served as a member of the board of trustees of Alderson Broaddus University from 2013 to 2020. He has also served on several advisory boards including Vestmark, Successimo, ai Resources, and The Capital Network.

Coreen Kraysler, CFA, Chief Financial Officer Coreen Kraysler has served as the Chief Financial Officer of the Company since September 2017. Ms. Kraysler is a CFA Charterholder with over 30 years of investment experience. Formerly a Senior Vice President and Principal at Independence Investments, she managed several 5-star rated mutual funds as well as institutional accounts and served on the Investment Committee. She also worked at Eaton Vance as a Vice President, Equity Analyst on the Large and Midcap Value teams. A specialist in financial services, household and consumer products, she guest lectures at local colleges and universities. She received a B.A. in Economics and French, cum laude, from Wellesley College and a Master of Science in Management from MIT Sloan.

Jason Frishman, Founder of Neteapital Funding Portal Inc. Jason Frishman is the Founder and former Chief Executive Officer of our funding portal subsidiary, Neteapital Funding Portal Inc. Mr. Frishman founded Neteapital Funding Portal Inc. to help reduce the systemic inefficiencies early-stage companies face in securing capital. He currently holds advisory positions at leading organizations in the financial technology ecosystem and has spoken as an external expert at Morgan Stanley, University of Michigan, YPO, and others. Mr. Frishman has a background in the life sciences and previously conducted research in medical oncology at the Dana Farber Cancer Institute and cognitive neuroscience at the University of Miami, where he graduated summa cum laude with a B.S. in Neuroscience.

39 Term of Office All our directors will hold office until their successors have been elected and qualified or appointed or the earlier of their death, resignation or removal. Executive officers are appointed and serve at the discretion of the Board.

Family Relationships There are no family relationships among our directors or officers.

Board Composition Our bylaws provide that the size of our Board will be determined from time to time by resolution of our Board. Currently, the Board comprises five members, three of whom qualify as "independent" directors under any applicable standard. Election of Directors Our bylaws provide that members of our board or directors will be elected by a majority vote of our stockholders.

Director Independence Our common stock is currently quoted on the Nasdaq Capital Market. Nasdaq Rule 5065 (b) requires that "[a] majority of the board of directors must be comprised of Independent Directors as defined in Rule 5065 (a) (2)." Pursuant to these requirements, Avi Liss, Arnold Scott, and Steven Geary are independent members of our Board.

Arrangements between Officers and Directors Except as set forth herein, to our knowledge, there is no arrangement or understanding between any of our officers or directors and any other person pursuant to which the officer or director was selected to serve as an officer or director.

Involvement in Certain Legal Proceedings We are not aware of any of our directors or officers being involved in any legal proceedings in the past ten years relating to any matters in bankruptcy, insolvency, criminal proceedings (other than traffic and other minor offenses), or being subject to any of the items set forth under Item 401 (f) of Regulation S-K.

Board Meetings and Committees; Management Matters Board Committees The Company's Board has three standing Nasdaq compliance committees: Audit, Compensation, and Nominating and Corporate Governance. Our audit committee consists of Avi Liss, Arnold Scott, and Steven Geary. Each of the committees operates pursuant to its charter. The committee charters are reviewed annually by the Nominating and Corporate Governance Committee. If appropriate, and in consultation with the chairs of the other committees, the Nominating and Corporate Governance Committee may propose revisions to the charters. The responsibilities of each committee are described in more detail below.

Our Board committees took actions by written consent on three occasions during the fiscal year ended April 30, 2023. No fees are paid to directors for attendance at meetings or for agreeing to a unanimous consent of the Board.

40 Compensation Committee Our Compensation Committee consists of Avi Liss, Arnold Scott, and Steven Geary. The Compensation Committee oversees our compensation policies, plans and programs, and to review and determine the compensation to be paid to our executive officers and directors. In addition, the Compensation Committee has the authority to act on behalf of the Board in fulfilling the Board's responsibilities with respect to compensation-based and related disclosures in filings as required by the Securities and Exchange Commission. This committee took action by written consent on two occasions during the fiscal year ended April 30, 2023. Our Nominating and Governance Committee consists of Avi Liss, Arnold Scott, and Steven Geary. The

Nominating and Corporate Governance Committee (i) oversees our corporate governance functions on behalf of the Board; (ii) makes recommendations to the Board regarding corporate governance issues; (iii) identifies and evaluates candidates to serve as our directors consistent with the criteria approved by the Board and reviews and evaluates the performance of the Board; (iv) serves as a focal point for communication between director candidates, non-committee directors and management; (v) selects or recommends to the Board for selection candidates to the Board, or, to the extent required below, to serve as nominees for director for the annual meeting of shareholders; and (vi) makes other recommendations to the Board regarding affairs relating to our directors. This committee took actions by written consent on fifteen occasions during the fiscal year ended April 30, 2023. No fees are paid to directors for attendance at meetings or for agreeing to a unanimous consent.

Audit Committee Our Audit Committee members consist of Arnold Scott, Avi Liss and Steven Geary. Each of the members of our Audit Committee is an independent director under the Nasdaq listing rules, satisfies the additional independence criteria for Audit Committee members and satisfies the requirements for financial literacy under the Nasdaq listing rules and Rule 10A-3 of the Exchange Act, as applicable. Our board has also determined that Mr. Geary qualifies as an Audit Committee financial expert within the meaning of the applicable rules and regulations of the SEC and satisfies the financial sophistication requirements of the Nasdaq listing rules. Our Audit Committee oversees our corporate accounting and financial reporting process and assists our Board in monitoring our financial systems and our legal and regulatory compliance. Our Audit Committee also:

- oversees the work of our independent auditors;
- approves the hiring, discharging and compensation of our independent auditors;
- approves engagements of the independent auditors to render any audit or permissible non-audit services;
- reviews the qualifications, independence and performance of the independent auditors;
- reviews our financial statements and our critical accounting policies and estimates;
- reviews the adequacy and effectiveness of our internal controls;
- reviews our policies with respect to risk assessment and risk management;
- reviews and monitors our policies and procedures relating to related person transactions; and
- reviews and discusses with management and the independent auditors the results of our annual audit, our quarterly financial statements and our publicly filed reports.

41 Our Audit Committee operates under a written charter approved by our Board and that satisfies the applicable rules and regulations of the SEC and the listing requirements of Nasdaq. The charter is available on the corporate governance section of our website, which is located at www.netcapitalinc.com.

Code of Ethics We have adopted a Code of Ethics and Business Conduct applicable to our directors, officers and employees, in accordance with Section 406 of the Sarbanes-Oxley Act, the rules of the SEC promulgated thereunder, and the Nasdaq listing rules. We have filed a copy of our form of the Code of Ethics and Business Conduct as an exhibit to the registration statement on Form S-1/A filed on April 8, 2022. You will be able to review this document by accessing our public filings at the SEC's website at www.sec.gov. In addition, a copy of the Code of Ethics and Business Conduct will be provided without charge upon request from us. If we make any amendments to our Code of Ethics and Business Conduct other than technical, administrative or other non-substantive amendments, or grant any waiver, including any implicit waiver, from a provision of the Code of Ethics and Business Conduct applicable to our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions requiring disclosure under applicable SEC or Nasdaq rules, we will disclose the nature of such amendment or waiver in a Current Report on Form 8-K. We also intend to post any amendments to our Code of Ethics and Business Conduct, or any waivers of its requirements, on our website, www.netcapitalinc.com.

Limitation of liability and indemnification matters Our articles of incorporation contain provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by Utah law. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, unless the director engaged in gross negligence, willful misconduct or intentional infliction of harm on the corporation or its shareholders, or an intentional violation of criminal law. We have entered and expect to continue to enter into agreements to indemnify our directors, executive officers and other employees as determined by our Board. With specified exceptions, these agreements provide for indemnification for related expenses including, among other things, attorneys' fees, judgments, fines and settlement amounts incurred by any of these individuals in any action or proceeding. We believe that these provisions in our articles of incorporation and the indemnification agreements are necessary to attract and retain qualified persons as directors and officers. The limitation of liability and indemnification provisions included in our articles of incorporation may discourage stockholders from bringing a lawsuit against our directors and officers for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and our stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage.

Section 16 (a) Beneficial Ownership Reporting Compliance Section 16 (a) of the Exchange Act of 1934, requires our directors and executive officers, and persons who own more than ten percent of a registered class of our equity securities ("10% Shareholders"), to file with the Commission initial reports of ownership and reports of changes in ownership of our common stock and other equity securities. Officers, directors and 10% Shareholders are required by Commission regulation to furnish us with copies of all Section 16 (a) forms they file. To our knowledge, based solely upon a review of Form 3, 4, and 5 filed with the SEC during the fiscal year ended April 30, 2023, we believe that, except as set forth below, our directors, executive officers, and greater than 10% Shareholders have complied with all applicable filing requirements for the fiscal year ended April 30, 2023.

- Avi Liss failed to timely report one transaction on a Form 4, which report has now been filed.
- Steven Geary failed to timely report two transactions on a Form 4, which reports have now been filed.
- Arnold Scott failed to timely report one transaction on a Form 4, which report has now been filed.
- Cecilia Lenk failed to timely report one transaction on a Form 4, which report has now been filed.

42 **ITEM 11. EXECUTIVE COMPENSATION.** Summary Compensation Table The following table sets forth, for the fiscal years indicated, all compensation awarded to, earned by or paid to Martin Kay, our CEO (since January 3, 2023); Cecilia Lenk, our former chief executive officer (until January 3, 2023); Coreen Kraysler, our CFO; Carole Murko, our former Chief Marketing Officer and Jason Frishman, Founder and former Chief Executive Officer of our wholly owned subsidiary Neteapital Funding Portal, Inc., or, collectively, the Named Executive Officers, or NEOs. We have no other executive officers.

Summary Executive Compensation Table Non-equity Change in pension value and nonqualified Name incentive deferred and Stock Option plan compensation All other principal Salary Bonus awards awards compensation earnings compensation Total position Fiscal Year (\$)(\$)(\$)(1)(\$)(\$)(\$)(\$)(\$) Martin Kay, CEO (Since January 3, 2023) 94, 615 — 81, 309 — 175, 924 Cecilia Lenk CEO (until January 3, 2023 and CEO of Neteapital Advisors since January 3, 2023) 142, 500 — 4, 833 — 147, 333 96, 000 — 40, 608 5, 825 — 142, 433 Coreen 164, 135 25, 000 25, 927 215, 062 Kraysler, CFO 96, 000 40, 608 11, 649 148, 257 Carole Murko, former CMO (until January 7, 2022) (2) 73, 688 — 109, 547 — 183, 235 Jason Frishman, Founder, (and former CEO of Neteapital Funding Portal, until February 9, 2023) 166, 173 25, 000 — 25, 927 — 217, 100 96, 000 11, 649 — 107, 649 43 (1) Represents the dollar amount of vested equity awards during the fiscal year. (2) Ms. Murko received severance of \$ 7, 384. 50 and her 8, 885 unvested shares vested upon termination, both pursuant to a separation agreement. Outstanding Equity Awards At End Of 2023 The following table provides information about outstanding stock options issued by the Company held by each of our NEOs as of April 30, 2023. None of our NEOs held any other equity awards from the Company as of April 30, 2023. Option Awards Stock Awards Name Number of Securities Underlying Unexercised Options (#) Exercisable Number of Securities Underlying Unexercised Options (#) Unexercisable Option Exercise Price (\$) Option Expiration Date Number of Shares of Stock That Has Not Yet Vested Market Value of Stock that has not Yet Vested Martin Kay 83, 332 916, 668 1. 43 1 / 3 / 2033 Cecilia Lenk 19, 583 1. 40 4 / 25 / 2033 3, 120 6, 880 10. 50 2 / 9 / 2032 Coreen Kraysler 16, 668 183, 332 1. 43 1 / 3 / 2033 6, 255 13, 745 10. 50 2 / 9 / 2032 Jason Frishman 16, 668 183, 332 1. 43 1 / 3 / 2033 6, 255 13, 745 10. 50 2 / 9 / 2032 44 Director Compensation We have not paid any cash compensation to our directors in their capacity as such. On February 9, 2022, we issued to each of our then three independent board members, options to purchase 5, 000 shares of common stock under the 2021 Equity Incentive Plan which will be exercisable at a per share exercise price of \$ 10. 50, that was out-of-the-money at time of issuance and expires ten years after the date of grant. On April 25, 2023, we granted to each of our three current independent board members, options to purchase 20, 000 shares of common stock under the 2023 Omnibus Equity Incentive Plan which will be exercisable at a per share exercise price of \$ 1. 40, that was out-of-the-money at time of issuance and expires ten years after the date of grant. We issued Avi Liss 10, 000 shares of our common stock valued at \$ 7. 50 per share on November 18, 2021 in consideration of his services as a director of the Company. Officer Compensation We pay each of our Named Executives Officers a combination of a cash salary and equity awards for their services. Employment Agreements We currently have employment agreements with Martin Kay and Coreen Kraysler. Prior to the resignations of Cecilia Lenk on January 3, 2023 and Jason Frishman on February 9, 2023, we and our Neteapital Funding Portal subsidiary had employment agreements with each of them, respectively. Cecilia Lenk is currently the Chief Executive Officer of our wholly owned subsidiary and Jason Frishman holds the position of Founder of Neteapital Inc. The former employment agreements of Cecilia Lenk and Jason Frishman are described below. Prior to the termination of Carole Murko on January 7, 2022, we had an employment agreement with her as described below: Employment Agreement with Martin Kay We entered into an employment agreement with Martin Kay on January 3, 2023, pursuant to which we employ Mr. Kay as our Chief Executive Officer. Under the Employment Agreement, Mr. Kay is eligible to (a) receive an annual base salary of \$ 300, 000; (b) receive an option grant to purchase 100, 000 fully vested shares of the Company pursuant to the 2023 Plan and an option grant to purchase 1, 000, 000 shares of the Company, which vest monthly over four (4) years pursuant to an option award agreement, described below, and in each case subject to the 2023 Plan; (c) receive periodic bonuses or additional salary in the discretion of the Board or compensation committee; (d) receive .005 times the gross revenue paid in cash annually so long as the Company reports positive earnings after the bonus is paid; (d) participate in the Company's fringe benefits, health and welfare plans, and pension and / or profit sharing plans provided to executives; (e) receive reimbursement for all reasonable business expenses; and f) receive sick leave, sick pay, and disability benefits in accordance with Company policy. Mr. Kay's employment agreement, which has a three-year term, may be terminated upon the occurrence of the death of Mr. Kay, at any time by Mr. Kay, by the Company due to disability, by the Company for "cause", and by Mr. Kay for "good reason". Mr. Kay's employment agreement also contains provisions regarding, among other things, a six (6) month non-competition provision, confidential information, governing law, and covenants governing Mr. Kay's conduct. Employment Agreement with Cecilia Lenk We entered into an employment agreement with Cecilia Lenk on June 23, 2022 pursuant to which we employed Ms. Lenk as CEO of our wholly owned subsidiary. The term of her agreement ends on June 23, 2025. The agreement provided for an annual base salary during the term of the agreement of \$ 96, 000, which was increased to \$ 150, 000 upon completion of a public offering in July 2022. Ms. Lenk was eligible for periodic bonuses or for additional salary in addition to her base salary, as may be determined by our board of directors or the compensation committee. The agreement also contained the following material provisions: eligible to participate in all employee fringe benefits and any pension and / or profit share plans; eligible to participate in any medical and health plans; entitled to sick leave, sick pay and disability benefits; entitled to reimbursement for all reasonable and necessary business expenses. Ms. Lenk agreed to non-compete and non-solicit terms under her agreement. 45 Employment Agreement with Coreen Kraysler We entered into an employment agreement with Coreen Kraysler on June 23, 2022 pursuant to which we employ Ms. Kraysler as our Chief Financial Officer. The term of her agreement ends on June 23, 2025. The agreement provides for an annual base salary during the term of the agreement of \$ 96, 000, which was increased to \$ 150, 000 upon completion of a public offering in July 2022, and increased to \$ 225, 000 in January 2023. Ms. Kraysler is eligible for periodic bonuses or for additional salary in addition to her base salary, as may be determined by our board of directors or the compensation committee. The agreement also contains the following material provisions: eligible to participate in all employee fringe benefits and any pension and / or profit share plans; eligible to participate in any medical and health plans; entitled to sick leave, sick pay and disability benefits; entitled to reimbursement for all reasonable and necessary business expenses. Ms. Kraysler agreed to non-compete and non-solicit terms under her agreement. Employment Agreement with Jason Frishman We entered into an employment agreement with Jason Frishman on June 23 2022 pursuant to which we employed Mr. Frishman, our Founder, as Chief Executive Officer of Neteapital Funding Portal, Inc. The term of his agreement ends on June

23, 2025. The Agreement provided for an annual base salary during the term of the agreement of \$ 96, 000, which was increased to \$ 150, 000 upon completion of a public offering in July 2022, and increased to \$ 225, 000 in January 2023. Mr. Frishman is eligible for periodic bonuses or for additional salary in addition to his base salary, as may be determined by our board of directors or the compensation committee. The agreement also contained the following material provisions: eligible to participate in all employee fringe benefits and any pension and / or profit share plans; eligible to participate in any medical and health plans; entitled to sick leave, sick pay and disability benefits; entitled to reimbursement for all reasonable and necessary business expenses. Mr. Frishman agreed to non- compete and non- solicit terms under his agreement. Employment Agreement with Carole Murko We entered into an employment agreement with Carole Murko on March 10, 2020 pursuant to which we employed Ms. Murko as our Director of Business Development. The agreement was for an initial term of four years. The agreement provided for an annual base salary during the term of the agreement of \$ 1. 00 plus a commission of 20 % of the cash collected from revenues generated directly by Ms. Murko plus an unvested grant of stock- based compensation of 12, 500 shares (after giving effect to the November 2020 1- for- 2000 reverse stock split) of restricted stock. The stock vested over a 48 month period in equal installments of 260 shares per month. Ms. Murko was eligible for periodic bonuses or for additional salary in addition to her base salary. The agreement also contained the following material provisions: eligible to participate in all employee fringe benefits and any pension and / or profit share plans; eligible to participate in any medical and health plans; entitled to up to eight weeks of paid time off; entitled to sick leave, sick pay and disability benefits; entitled to reimbursement for all reasonable and necessary business expenses. If Ms. Murko was to be terminated for any reason other than “ cause ” prior to the end of her term, then the Company will have no claim on the unvested portion of her 12, 500 shares. If Ms. Murko resigned without “ good reason ” or retired before the end of her term, the unvested shares would have been returned to the Company. Ms. Murko agreed to non- compete and non- solicit terms under her agreement. Potential Payments Upon Termination Or Change In Control In the event that Ms. Kraysler’s employment is terminated by us for any reason other than “ cause ” or by Ms. Kraysler for “ good reason, ” then we will have no claims to the 20, 000 and 200, 000 shares of common stock underlying the stock option grant (and all unvested options under such grant shall immediately and fully vest) issued to Ms. Kraysler in February 2022 and January 2023, respectively. The following table sets forth quantitative information with respect to potential payments to be made to Ms. Kraysler upon termination in various circumstances. The potential payments are based on the terms of each of the employment agreements discussed above. For a more detailed description of Ms. Kraysler’s employment agreement, see the “ Employment Agreements ” section above. 46 Name Potential Payment Upon Termination Option Awards (#) Coreen Kraysler 197, 077 (1) (1) Represents the number of unvested options at April 30, 2023. Ms. Kraysler’s options vest equally over a 48- month period. At April 30, 2023, there were 33 months remaining in her vesting schedule for the options granted in February 2022 and 44 months remaining in her vesting schedule for the options granted in January 2023. The potential payment of shares subject to Ms. Kraysler’s unvested options will reduce every month as her options vest and the value of her unvested options will be based on our market price at such time. Pay Versus Performance As required by Section 953 (a) of the Dodd- Frank Wall Street Reform and Consumer Protection Act of 2010 and Item 402 (v) of Regulation S- K, we are providing the following information about the relationship between executive compensation and certain financial performance metrics. The disclosure included in this section is prescribed by SEC rules and does not necessarily align with how we or the compensation committee view the link between financial performance and the compensation actually received or realized by our named executive officers. All information provided above under the “ Pay Versus Performance ” heading will not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing, except to the extent the Company specifically incorporates such information by reference. The table below presents information on the compensation of CEO and other named executive officers in comparison to certain performance metrics for 2023 and 2022. Martin Kay has been our CEO since January 3, 2023 and Cecilia Lenk was CEO for all of 2022 and through January 3, 2023. These metrics are not those that the compensation committee uses when setting executive compensation. The use of the term Compensation Actually Paid (CAP) is required by the rules and regulations of the SEC, and under such rules, CAP was calculated by adjusting the Summary Compensation Table, or SCT. Total values for the applicable year as described in the footnotes to the table. Year Summary Compensation Table Total for First PEO (Cecilia Lenk) (1) Summary Compensation Table Total for Second PEO (Martin Kay) (1) Compensation Actually Paid to First PEO (1) Compensation Actually Paid to Second PEO (1) Average Summary Compensation Table Total for Non- PEO Name Executive Officers (1) (2) Average Compensation Actually Paid to Non- PEO Name Executive Officers (3) Value of Initial Fixed \$ 100 Investment Based on Total Shareholder Return Net Income (a) (b) (a) (b) (c) (d) \$ 93, 461 175, 924 \$ 43, 059 \$ 1, 045, 940 \$ 193, 165 \$ 256, 879 \$ \$ 2, 954, 972 \$ 142, 433 \$ — \$ 154, 095 \$ — \$ 146, 380 \$ 166, 022 \$ 3, 503, 530 47 (1) The Principal Executive Officer (“ PEO ”) information reflected in columns (a) and (b) relates to our CEO, Cecilia Lenk (until January 3, 2023), or First PEO, and Martin Kay (from January 3, 2023 until April 30, 2023), or Second PEO. The non- Principal Executive Officer (“ non- PEO ”) NEOs information reflected in columns (c) and (d) above relates to our CFO Coreen Kraysler and founder of our Neteapital Funding Portal Subsidiary, Jason Frishman. (2) The amounts shown in this column are the average total compensation reported for the non- PEO NEOs, as applicable, for each corresponding year in the “ Total ” column of the Summary Compensation. Please refer to “ Executive Compensation — Compensation Tables — Summary Compensation Table. ” (3) The amounts shown have been calculated in accordance with Item 402 (v) of Regulation S- K and do not reflect compensation actually realized or received by the Company’s PEO and non- PEO NEOs. In accordance with the requirements of Item 402 (v) of Regulation S- K, adjustments were made to Ms. Lenk’s and Mr. Kay’s total compensation, as applicable, or the average total compensation of the non- PEO NEOs, as applicable, as described in the tables below. First PEO (Cecilia Lenk) SCT Total to CAP Reconciliation Year Summary Compensation Total Less Stock Awards Less Option Awards Fair Value Adjustments to SCT Total CAP \$ 93, 461 \$ — \$ (4, 833) \$ (45, 569) \$ 43, 059 142, 433 (40, 608) (5, 825) 58, 095 154, 095

Second PEO (Martin Kay) SCT Total to CAP Reconciliation Year Summary Compensation Total Less Stock Awards Less Option Awards Fair Value Adjustments to SCT Total CAP \$ 175, 924 \$ — \$ (81, 309) \$ 951, 325 \$ 1, 405, 940 — Average Non-PEO NEOs SCT Total to CAP Reconciliation Year Summary Compensation Total Less Stock Awards Less Option Awards Fair Value Adjustments to SCT Total CAP \$ 193, 165 \$ — \$ (17, 285) \$ 80, 999 \$ 256, 879 146, 380 (50, 052) (7, 766) 77, 459 166, 022 48 First PEO (Cecilia Lenk) Equity Component of CAP Year Fair Value of Current Year Equity Awards at December 31, Change in Fair Value of Prior Years' Awards Unvested at December 31, Change in Fair Value of Prior Years' Awards Vested through the Year Ended December 31, Change in Fair Value of Prior Years' Awards Failed to Vest through the Year Ended December 31, Equity Value Included in CAP (a) (b) (c) (d) (e) = (a) (b) (c) (d) \$ — \$ (33, 417) \$ — \$ (12, 152) \$ (45, 569) 54, 464 — 3, 631 — 58, 095 Second PEO (Martin Kay) Equity Component of CAP Year Fair Value of Current Year Equity Awards at December 31, Change in Fair Value of Prior Years' Awards Unvested at December 31, Change in Fair Value of Prior Years' Awards Vested through the Year Ended December 31, Change in Fair Value of Prior Years' Awards Failed to Vest through the Year Ended December 31, Equity Value Included in CAP (a) (b) (c) (d) (e) = (a) (b) (c) (d) 2023 \$ 872, 048 \$ — \$ 79, 277 \$ — \$ 951, 325 2022 — Average Non-PEO NEOs Equity Component of CAP Year Fair Value of Current Year Equity Awards at December 31, Change in Fair Value of Prior Years' Awards Unvested at December 31, Change in Fair Value of Prior Years' Awards Vested through the Year Ended December 31, Change in Fair Value of Prior Years' Awards Failed to Vest through the Year Ended December 31, Equity Value Included in CAP (a) (b) (c) (d) (e) = (a) (b) (c) (d) \$ 130, 998 \$ (44, 556) \$ 10, 759 \$ (16, 202) \$ 80, 999 72, 618 — 4, 841 — 77, 459 49 2021 Equity Incentive Plan and 2023 Omnibus Equity Incentive Plan The following table shows information regarding our equity compensation plans as of April 30, 2023. Plan Category Number of securities to be issued upon exercise of outstanding options, warrants and rights (a) Weighted average exercise price of outstanding options, warrants and rights (b) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (c)) Equity compensation plans approved by security holders (1) 1, 950, 000 \$ 1. 42 50, 000 Equity compensation plans not approved by security holders (2) 252, 000 \$ 10. 50 48, 000 Total 2, 202, 000 \$ 2. 46 98, 000 (1) 2023 Omnibus Equity Incentive Plan. On January 3, 2023, the Board of Directors of the Company approved and adopted the Netcapital Inc., 2023 Omnibus Equity Incentive Plan (the "2023 Plan"), subject to the approval of the 2023 Plan by the Company's stockholders. The total number of Shares of Common Stock authorized for issuance under the 2023 Plan is (i) 2, 000, 000 Shares of Common Stock plus (ii) an annual increase on the first day of each calendar year beginning with May 1, 2024 **Proxy Statement** and ending with the last May 1 during the initial ten-year term of the 2023 Plan, equal to the lesser of (A) five percent (5 %) of the Shares of Common Stock outstanding (on an as-converted basis, which shall include Shares issuable upon the exercise or conversion of all outstanding securities or rights convertible into or exercisable for Shares of Common Stock, including without limitation, preferred stock, warrants and employee options to purchase any Shares of Common Stock) on the final day of the immediately preceding calendar year and (B) such lesser number of Shares of Common Stock as determined by the Board; provided, that, Shares of Common Stock issued under the 2023 Plan with respect to an Exempt Award shall not count against such share limit. No more than 2, 000, 000 Shares, and as increased on an annual basis, on the first day of each calendar year beginning with May 1, 2024 and ending with the last May 1 during the initial ten-year term of the Plan, by the lesser of (A) five percent (5 %) of the shares of Common Stock outstanding (on an as-converted basis, which shall include Shares of Common Stock issuable upon the exercise or conversion of all outstanding securities or rights convertible into or exercisable for shares of Common Stock, including without limitation, preferred stock, warrants and employee options to purchase any shares of Common Stock) on the final day of the immediately preceding calendar year; (B) 300, 000 shares of Common Stock, and (C) such lesser number of shares of Common Stock as determined by the Board, shall be issued pursuant to the exercise of ISOs. As of April 30, 2023, we had awarded an aggregate of 1, 950, 000 options to purchase shares of common stock to directors and there remain 50, 000 shares for grant under the 2023 Plan. Administration. The 2023 Plan will be administered by the Board or a committee to which the Board delegates such responsibility (the "Administrator"). The 2023 Plan will be administered by the Administrator in accordance with Rule 16b-3 of the Securities Exchange Act of 1934, as amended. The Administrator may interpret the 2023 Plan and may prescribe, amend and rescind rules and make all other determinations necessary or desirable for the administration of the 2023 Plan. The 2023 Plan permits the Administrator to select the eligible recipients who will receive awards ("Awards"); to determine the terms and conditions of those awards, including but not limited to the exercise price or other purchase price of an award, the number of shares of common stock or cash or other property subject to an award, the term of an award and the vesting schedule applicable to an award, to determine the terms and conditions of written instruments evidencing such awards (an "Award Agreement") and to amend the terms and conditions of outstanding awards. 50 Eligibility. Employees, directors and independent contractors of the Company or any of its affiliates of the Company will be eligible to receive Awards under the 2023 Plan, subject to certain limitations to avoid accelerated taxation and / or tax penalties under Section 409A of the Code. The participants in the 2023 Plan shall be selected from time to time by the Administrator, in its sole discretion, from those individuals that qualify as eligible recipients. Consideration for Awards. The purchase price for any Award granted under the 2023 Plan or the Common Stock to be delivered pursuant to any such Award, as applicable, may be paid by means of any lawful consideration as determined by the Administrator, including, without limitation, one or a combination of the following methods: ● services rendered by the recipient of such Award; ● cash, check payable to the order of the Company, or electronic funds transfer; ● notice and third party payment in such manner as may be authorized by the Administrator; ● the delivery of previously owned and fully vested Shares of Common Stock; ● by a reduction in the number of Shares otherwise deliverable pursuant to the Award; or ● subject to such procedures as the Administrator may adopt, pursuant to a "cashless exercise" with a third party who provides financing for the purposes of (or who otherwise facilitates) the purchase or exercise of Awards. Awards. The 2023 Plan permits the grant of: (a) stock options, which may be intended as incentive stock options ("ISOs") or as nonqualified stock options (options not meeting the requirements to qualify as ISOs); (b) stock appreciation rights ("SARs");

(e) restricted stock; (d) restricted stock units; (e) cash incentive awards; or (f) other awards, including: (i) stock bonuses, performance stock, performance units, dividend equivalents, or similar rights to purchase or acquire Shares, whether at a fixed or variable price or ratio related to the Common Stock, upon the passage of time, the occurrence of one or more events, or the satisfaction of performance criteria or other conditions, or any combination thereof; or (ii) any similar securities with a value derived from the value of or related to the Common Stock and / or returns thereon. Adjustments. To the extent necessary to preserve the economic intent of an Award or of the 2023 Plan, following a “Change in Capitalization”, such other equitable substitutions or adjustments shall be made as may be determined by the Administrator, in its sole discretion. A “Change in Capitalization” means any of the following: (i) merger, consolidation, reclassification, recapitalization, spin-off, spin-out, repurchase or other reorganization or corporate transaction or event, (ii) special or extraordinary dividend or other extraordinary distribution (whether in the form of cash, Common Stock or other property), stock split, reverse stock split, share subdivision or consolidation, (iii) combination or exchange of shares or (iv) other change in corporate structure, which, in any such case, the Administrator determines, in its sole discretion, affects the Shares such that an adjustment would be appropriate. Options. Options granted under the 2023 Plan shall be designated as nonqualified stock options or ISOs. Each participant (“Participant”) who is granted an option (“Option”) shall enter into an Award Agreement with the Company, containing such terms and conditions as the Administrator shall determine, in its sole discretion, including, among other things, the Exercise Price (as defined in the 2023 Plan) of the Option, the term of the Option and provisions regarding exercisability of the Option, and whether the Option is intended to be an ISO or a nonqualified stock option (and in the event the Award Agreement has no such designation, the Option shall be a nonqualified stock option). The provisions of each Option need not be the same with respect to each Participant. More than one Option may be granted to the same Participant and be outstanding concurrently hereunder. The Exercise Price of Shares purchasable under an Option shall be determined by the Administrator in its sole discretion at the time of grant, but in no event shall the exercise price of an Option be less than one hundred percent (100%) of the Fair Market Value of a Share of Common Stock on the date of grant. The maximum term of each Option shall be fixed by the Administrator, but no Option shall be exercisable more than ten (10) years after the date such Option is granted. The Administrator shall have the authority to accelerate the exercisability of any outstanding Option at such time and under such circumstances as the Administrator, in its sole discretion, deems appropriate. Each Option shall be exercisable at such time or times and subject to such terms and conditions, including the attainment of performance goals, as shall be determined by the Administrator in the applicable Award Agreement. 51 The Administrator may also provide that any Option shall be exercisable only in installments, and the Administrator may waive such installment exercise provisions at any time, in whole or in part, based on such factors as the Administrator may determine in its sole discretion. The Administrator shall have the authority to accelerate the exercisability of any outstanding Option at such time and under such circumstances as the Administrator, in its sole discretion, deems appropriate. Notwithstanding anything to the contrary in the 2023 Plan, if an ISO is granted to a participant who owns Shares representing more than ten percent (10%) of the voting power of all classes of Shares of the Company at the time of grant, its “parent corporation” (as such term is defined in Section 424 (c) of the Code) or a subsidiary of the Company, the term of the ISO shall not exceed five (5) years from the time of grant of such ISO and the Exercise Price shall be at least one hundred and ten percent (110%) of the Fair Market Value of the Shares on the date of grant. A Participant shall have no rights to dividends, dividend equivalents or distributions or any other rights of a stockholder with respect to the Shares subject to an Option until the Participant has given written notice of the exercise thereof, and has paid in full for such Shares and has satisfied the requirements of the 2023 Plan. Treatment of an Option upon termination of employment of a Participant shall be provided for by the Administrator in the Award Agreement. An Option shall be affected, both with regard to vesting schedule and termination, by leaves of absence, including unpaid and un-protected leaves of absence, changes from full-time to part-time employment, partial disability or other changes in the employment status or service status of a Participant, in the discretion of the Administrator. Stock Appreciation Rights. The Administrator will be authorized to award SARs under the 2023 Plan. SARs will be subject to the terms and conditions established by the Administrator and reflected in the Award Agreement. A SAR is a contractual right that allows a participant to receive, in the form of either cash, Shares or any combination of cash and Shares, the appreciation, if any, in the value of a Share over a certain period of time. An option granted under the 2023 Plan may include SARs, and SARs may also be awarded to a participant independent of the grant of an option. SARs granted in connection with an option shall be subject to terms similar to the option corresponding to such SARs. Restricted Stock and Restricted Stock Units (RSUs). The Administrator will be authorized to award restricted stock or RSUs under the 2023 Plan. Awards of restricted stock and RSUs will be subject to the terms and conditions established by the Administrator at its sole discretion. Other Stock-Based Awards. Other Stock-Based Awards may be issued under the 2023 Plan. Subject to the provisions of the 2023 Plan, the Administrator shall have sole and complete authority to determine the individuals to whom and the time or times at which such Other Stock-Based Awards shall be granted. An example of an Other Stock-Based Award is a performance bonus payable as Company Common Stock. Change in Control. In the event that a change in control occurs, as defined in the 2023 Plan to include, among other things, the acquisition by a person of more than 50% of the voting power of the Company, the Administrator may, at its sole discretion, modify any unvested and un-exercisable portion of any Award to make it fully-vested and exercisable. Amendment and Termination. The Board may amend, alter or terminate the 2023 Plan at any time, but no amendment, alteration or termination shall be made that would impair the rights of a participant under any Award theretofore granted without such participant’s consent. The Board shall obtain approval of the Company’s stockholders for any amendment that would require such approval in order to satisfy the requirements of any rules of the stock exchange on which the Common Stock is traded or other applicable law. The foregoing description of the 2023 Plan does not purport to be complete and is qualified in its entirety by reference to the full text of the 2023 Plan, a copy of which is filed as Exhibit 10.1 to this Quarterly Report on Form 10-Q and is incorporated herein by reference. **ITEM 11 (2) 2021 Equity Incentive Plan.**

EXECUTIVE COMPENSATION In November 2021, our Board adopted the 2021 Equity Incentive Plan, or the 2021 Plan.

An aggregate of 300,000 shares of our common stock is reserved for issuance and available for awards under the Plan, including incentive stock options granted under the 2021 Plan. The **information required** 2021 Plan administrator may grant awards to any employee, director, consultant or other person providing services to us or our affiliates. As of April 30, 2023, we had awarded an aggregate of 252,000 options to purchase shares of common stock to directors and there remain 48,000 shares for grant under the 2021 Plan. 52 The 2021 Plan is administered by **this item regarding executive compensation** our Board. The 2021 Plan administrator has the authority to determine, within the limits of the express provisions of the 2021 Plan, the individuals to whom awards will be granted, the nature, amount and terms of such awards and the objectives and conditions for earning such awards. Our Board may at any time amend or terminate the 2021 Plan, provided that no such action may be taken that adversely affects any rights or obligations with respect to any awards previously made under the 2021 Plan without the consent of the recipient. No awards may be made under the 2021 Plan after the tenth anniversary of its effective date. Awards under the 2021 Plan may include **included in** incentive stock options, nonqualified stock options, stock appreciation rights (“SARs”), restricted shares of common stock, restricted stock units, performance share awards, stock bonuses and other stock-based awards and cash-based incentive awards. Stock Options. The 2021 Plan administrator may grant to a participant options to purchase our common stock that qualify as incentive stock options for purposes of Section 422 of the Internal Revenue Code (“incentive stock options”), options that do not qualify as incentive stock options (“non-qualified stock options”) or **our 2024 Proxy Statement** a combination thereof. The terms and **is incorporated herein** conditions of stock option grants, including the quantity, price, vesting periods, and other conditions on exercise will be determined by **reference** the 2021 Plan administrator. The exercise price for stock options will be determined by the 2021 Plan administrator in its discretion, but non-qualified stock options and incentive stock options may not be less than 100% of the fair market value of one share of our company’s common stock on the date when the stock option is granted. Additionally, in the case of incentive stock options granted to a holder of more than 10% of the total combined voting power of all classes of our stock on the date of grant, the exercise price may not be less than 110% of the fair market value of one share of common stock on the date the stock option is granted. Stock options must be exercised within a period fixed by the 2021 Plan administrator that may not exceed ten years from the date of grant, except that in the case of incentive stock options granted to a holder of more than 10% of the total combined voting power of all classes of our stock on the date of grant, the exercise period may not exceed five years. At the 2021 Plan administrator’s discretion, payment for shares of common stock on the exercise of stock options may be made in cash, shares of our common stock held by the participant or in any other form of consideration acceptable to the 2021 Plan administrator (including one or more forms of “cashless” or “net” exercise). Stock Appreciation Rights. The 2021 Plan administrator may grant to a participant an award of SARs, which entitles the participant to receive, upon its exercise, a payment equal to (i) the excess of the fair market value of a share of common stock on the exercise date over the SAR exercise price, times (ii) the number of shares of common stock with respect to which the SAR is exercised. The exercise price for a SAR will be determined by the 2021 Plan administrator in its discretion; provided, however, that in no event shall the exercise price be less than the fair market value of our common stock on the date of grant. Restricted Shares and Restricted Units. The 2021 Plan administrator may award to a participant shares of common stock subject to specified restrictions (“restricted shares”). Restricted shares are subject to forfeiture if the participant does not meet certain conditions such as continued employment over a specified forfeiture period and /or the attainment of specified performance targets over the forfeiture period. The 2021 Plan administrator also may award to a participant units representing the right to receive shares of common stock in the future subject to the achievement of one or more goals relating to the completion of service by the participant and /or the achievement of performance or other objectives (“restricted units”). The terms and conditions of restricted share and restricted unit awards are determined by the 2021 Plan administrator. Stock Bonuses. Stock bonuses may be granted as additional compensation for service or performance and may be settled in the form of common stock, cash or a combination thereof, and may be subject to restrictions, which may vest subject to continued service and /or the achievement of performance conditions. Performance Awards. The 2021 Plan administrator may grant performance awards to participants under such terms and conditions as the 2021 Plan administrator deems appropriate. A performance award entitles a participant to receive a payment from us, the amount of which is based upon the attainment of predetermined performance targets over a specified award period. Performance awards may be paid in cash, shares of common stock or a combination thereof, as determined by the 2021 Plan administrator. 53 Other Stock-Based Awards. The 2021 Plan administrator may grant equity-based or equity-related awards, referred to as “other stock-based awards,” other than options, SARs, restricted shares, restricted units, or performance awards. The terms and conditions of each other stock-based award will be determined by the 2021 Plan administrator. Payment under any other stock-based awards will be made in common stock or cash, as determined by the 2021 Plan administrator. Board Diversity Matrix Our Nominating and Corporate Governance Committee is committed to promoting diversity on our Board of Directors. We have surveyed our current directors and asked each director to self-identify their race, ethnicity, and gender using one or more of the below categories. The results of this survey as of July 26, 2023 are included in the matrix below. Board Diversity Matrix (As of July 26, 2023) Total Number of Directors: 5 Part I: Gender Identity Female Male Non-Binary Did Not Disclose Gender Directors Part II: Demographic Background African American or Black Alaskan Native or Native American Asian Hispanic or Latinx Native Hawaiian or Pacific Islander White Two or More Races or Ethnicities LGBTQ Did Not Disclose Demographic Background 54 ITEM 12.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS. The following table sets forth information with respect to the beneficial **required by this item regarding security** ownership of **certain** shares of our common stock as of July 26, 2023 by: ● each person whom we know beneficially owns more than 5% of any class of equity security; ● each of our directors individually; ● each of our named executive officers individually; and ● all of our current directors and executive officers as a group. We have determined beneficial ownership in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting or investment power with respect to such securities. In addition, pursuant to such

rules, we deemed outstanding shares of common stock subject to options or warrants held by that person that are currently exercisable or exercisable within 60 days of July 26, 2023. We did not deem such shares outstanding, however, for the purpose of computing the percentage ownership of any other person. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the beneficial owners named in the table below have sole voting and investment power with respect to all shares of our common stock that they beneficially own, subject to applicable community property laws. The inclusion in the table below of any shares deemed beneficially owned does not constitute an **and management will be included in our** admission of beneficial ownership of those shares. Name and Address Amount of Shares and Nature of Beneficial Owner (1) of Beneficial Ownership of Common Stock Percent of Common Stock * Neteapital Systems LLC (2) 1, 711, 261 18.2 % Bard Associates LLC (3) 1, 494, 838 15.5 % Martin Kay (4) 187, 500 2.0 % Arnold Scott (5) 88, 640 * * % Coreen Kraysler (6) 68, 333 * * % Cecilia Lenk (7) 32, 318 * * % Steven Geary (8) 14, 883 * * % Avi Liss (8) 15, 583 * * % Officers and Directors as a group (6 persons) 407, 257 4.2 % * Based on 9, 415, 382 shares outstanding as of July 26, 2023 **2024 Proxy Statement and** * * Less than 1 % (1) Unless otherwise noted, the business address of each member of our Board is **incorporated herein** e / o Neteapital Inc. 1 Lincoln Street, Boston Massachusetts 02111. (2) The natural person with investment control over the securities held by **reference** Neteapital Systems LLC is Jason Frishman. Neteapital Systems LLC has agreed to vote its shares of common stock to support the resolutions of the Board of Neteapital Inc. on any matters that are brought to a shareholder vote. (3) Based solely on a Schedule 13D / A filed with the SEC on May 26, 2023, Bard Associates Inc. is an investment manager and beneficially owns 1, 494, 835 shares of our common stock (including 233, 525 shares of common stock under presently exercisable warrants), including sole voting power over 73, 000 shares, sole dispositive power over 73, 000 shares, shared dispositive power over 1, 421, 835 shares; and Timothy Johnson has sole dispositive power over 101, 000 shares. The address for Bard Associates Inc. and Timothy Johnson is 135 South LaSalle Street, Suite 3700, Chicago, IL 60603. (4) Includes 187, 500 shares of common stock subject to stock options that are presently exercisable or exercisable within 60 days after July 26, 2023. 55 (5) Includes 2, 500 shares of common stock subject to stock options that are presently exercisable or exercisable within 60 days after July 26, 2023. (6) Includes 45, 833 shares of common stock subject to stock options that are presently exercisable or exercisable within 60 days after July 26, 2023. (7) Includes 6, 667 shares of common stock subject to stock options that are presently exercisable or exercisable within 60 days after July 26, 2023. (8) Includes 4, 583 shares of common stock subject to stock options that are presently exercisable or exercisable within 60 days after July 26, 2023. ITEM 13. CERTAIN RELATIONSHIPS AND, RELATED **PERSON** TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The information required by this item regarding Policies and Procedures for Transactions with Related Parties Our Chief Executive Officer or our Chief Financial Officer must review and approve certain **relationships and related** transactions between us and **director independence** Related Parties (as defined below). A “Related Party Transaction” is defined as a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which we (including any of our subsidiaries) were, are or will be **included in a participant**. For the purposes of our **2024 Proxy Statement and** Related Party Transactions, a “Related Party” is **incorporated herein by reference** defined as: any person who is.....

594 began on December 17, 2022. ITEM 14. PRINCIPAL ACCOUNTING ACCOUNTANT FEES AND SERVICES. Fruei & Associates II, PLLC **The information required by this item regarding principal accounting fees and services will be included in our 2024 Proxy Statement and** is **incorporated herein** the Company’s independent registered public accounting firm. The following table presents fees for professional audit services rendered by **reference** our independent registered public accounting firm during the past two fiscal years. Fiscal 2023 Fiscal 2022 Audit fees \$ 84, 113 \$ 53, 325 Audit related fees Tax fees All other fees Total \$ 84, 113 \$ 53, 325 57 Policy on Audit Committee Pre- **47** Approval of Audit and Permissible Non-Audit Services of Independent Auditors Consistent with SEC policies regarding auditor independence, our board of directors has responsibility for appointing, setting compensation and overseeing the work of the independent auditor. In recognition of this responsibility, the board of directors has established a policy to pre-approve all audit and permissible non-audit services provided by the independent auditor. Prior to engagement of the independent auditor for the next year’s audit, management will submit an aggregate of services expected to be rendered during that year for each of four categories of services to the board of directors for approval. 1. Audit services include audit work performed in the preparation of financial statements, as well as work that generally only the independent auditor can reasonably be expected to provide, including comfort letters and reviews of our financial statements included in our Quarterly Reports on Form 10-Q. 2. Audit-Related services are for assurance and related services that are traditionally performed by the independent auditor, including due diligence related to mergers and acquisitions; employee benefit plan audits, and special procedures required to meet certain regulatory requirements. 3. Tax services include all services performed by the independent auditor’s tax personnel except those services specifically related to the audit of the financial statements, and includes fees in the areas of tax compliance, tax planning, and tax advice. 4. Other services are those associated with services not captured in the other categories. We generally do not request such services from the independent auditor. 58 PART IV ITEM 15. FINANCIAL STATEMENTS AND EXHIBITS. Exhibit Number Description 1- **Description 1**

. 1 Underwriting Agreement between the registrant and ThinkEquity LLC incorporated --- **incorporated** by reference to Exhibit 1. 1 to our Current Report on Form 8- K dated July 12, 2022. 1. 2 Underwriting Agreement dated July 19, 2023 between the Registrant and ThinkEquity LLC, incorporated by reference **to Exhibit 1. 1** to our Current Report on Form 8- K dated July 19, 2023. 2. 1 Asset Purchase Agreement dated November 23, 2010 between ValueSetters, Inc. and NetGames. com, incorporated by reference to Exhibit 2. 1 to our Form 10 / A dated July 25, 2014. 2 Agreement and Plan of Merger by and Among Neteapital Funding Portal Inc., ValueSetters Inc. and Neteapital Acquisition Vehicle Inc., incorporated by reference to our Current Report on Form 8- K dated August 23, 2020. 3. 1 Articles of Incorporation filed on April 25, 1984, incorporated by reference to Exhibit 3. 1 to our Form 10 dated September 3, 2013. 2 Amendment to Articles of Incorporation filed on September 7, 1999, incorporated by reference to Exhibit 3. 2 to our Form 10 dated September 3, 2013. 3 Amendment to Articles of Incorporation filed on December 4, 2003, incorporated by reference to Exhibit 3. 2 to our Form 10 dated September 3, 2013. 4 Amendment to

Articles of Incorporation filed on April 13, 2015, incorporated by reference to Exhibit 3. 1. 3 to our Form S- 1 dated February 14, 2023. 5 Amendment to Articles of Incorporation filed on September 29, 2020, incorporated by reference to Exhibit 3. 1 to our Form 8- K dated November 5, 2020. 6 By- Laws of ValueSetters, Inc, incorporated by reference to Exhibit 3. 4 to our Form 10 dated September 3, 2013. 1 Specimen stock certificate evidencing shares of common stock, incorporated by reference to Exhibit 4. 1 to our Form S- 1 / A dated April 8, 2024. 2 Form of Unsecured Convertible Notes, incorporated by reference to Exhibit 4. 3 to our Form S- 1 dated February 14, 2022- **2022. 4** . 3 Form of Representative' s Warrant incorporated by reference to Exhibit 4. 1 to our Current Report on Form 8- K dated July 15, ~~2022~~ **2024** . 4 - ~~4~~ **Form of Warrant Agent Agreement , dated July 15, 2022 between Netcapital Inc. and Equity Stock Transfer LLC** incorporated by reference to ~~Exhibit 4. 4~~ **Exhibit 4. 4** to our Form S- 1 / A dated June 28, 2024. 5 Form of Public Warrant, incorporated by reference to Exhibit 4. 1 to our Current Report on Form 8- K dated July 15, 2024. ~~6~~ **5** Form of **Public Pre- Funded Warrant** , incorporated by reference to **our Current Report on Form 8- K dated July 15, 2024**. 6 **Form of Unsecured Convertible Notes incorporated by reference to our Current Report on Form 8- K dated July 15, 2024**. 7 **Form of Representative Warrant incorporated by reference to our Current Report on Form 8- K dated December 16, 2024**. 8 **Form of Placement Agent Warrant, incorporated by reference to Exhibit 4. 6** ~~1~~ **to our Current Report on Form 8- K dated May 23, 2024**. 9 **Form of Representative Warrant incorporated by reference to Exhibit 4. 1** ~~to our Current Report on Form 8- K dated July 19, 2024~~. 10 **Form of Pre- Funded Warrant incorporated by reference to Exhibit 4. 1 to our Current Report on Form 8- K dated December 27, 2023**. 4. 11 **Form of Series A - 1 Common Warrant incorporated by reference to Exhibit 4. 2 to our Current Report on Form 8- K dated June 28** ~~December 27, 2024~~ **2023** . 7-4. 13 **Form of Representative Series A- 2 Common Warrant incorporated by reference to Exhibit 4. 3 to our Current Report on Form 8- K dated December 27, 2023**. 4. 12 **Form of Placement Agent' s Warrant incorporated by reference to Exhibit 4. 4** ~~to our Current Report on Form 8- K dated July 15~~ ~~December 27, 2022~~ **2023** . 4. 8-13 **Form of Unsecured Convertible Notes- New Series A- 3 Warrant, incorporated by reference to Exhibit 4. 1** ~~to our Current Report on Form 8- K dated July 15~~ ~~May 24, 2022~~ **2024** . 4. 9-14 **Form of Representative- New Series A- 4 Warrant , (included as Exhibit A to Exhibit 1. 1)** incorporated by reference **to Exhibit 4. 2** ~~to our Current Report on Form 8- K dated December 16~~ ~~May 24, 2022~~ **2024** . 59-4. 10-15 **Form of Placement Agent Warrant, incorporated by reference to Exhibit 4. 3** ~~to our Current Report on Form 8- K dated May 23~~ ~~24, 2023~~ **2024** . -48-4. 16 ~~11~~ **Form of Representative Warrant, incorporated by reference to Exhibit 4. 1 to our Current Report on Form 8- K dated July 19, 2023**. 4. 12 * Description of capital stock 10. 1 2021 Equity Incentive Plan, filed as Exhibit 4. 1 to the registrant' s registration statement on Form S- 8 on January 27, 2022, and incorporated herein by reference. 10. 2 Employment Agreement with Carole Murko, incorporated by reference to Exhibit 10. 12 to our Form S- 1 dated February 14, 2022 10. 3 Separation Agreement with Carole Murko, incorporated by reference to Exhibit 10. 13 to our Form S- 1 dated February 14, 2022 10. 4 Form of Note Purchase Agreement, incorporated by reference to Exhibit 10. 14 to our Form S- 1 dated February 14, 2022 10. 5 License Agreement between Netcapital Systems LLC, a Delaware limited liability company, and Netcapital Funding Portal Inc., filed as Exhibit 10. 1 to our Current Report on Form 8- K dated April 18, 2022 and filed on June 28, 2022 and incorporated by reference herein. 10. 6 Employment Agreement with Cecilia Lenk, filed as Exhibit 10. 2 to our Current Report on Form 8- K dated April 18, 2022 and filed on June 28, 2022 and incorporated by reference herein. 10. 7 Employment Agreement with Coreen Kraysler, filed as Exhibit 10. 3 to our Current Report on Form 8- K dated April 18, 2022 and filed on June 28, 2022 and incorporated by reference herein. 10. 8 Employment Agreement with Jason Frishman, filed as Exhibit 10. 4 to our Current Report on Form 8- K dated April 18, 2022 and filed on June 28, 2022 and incorporated by reference herein. 10. 9 Netcapital Inc 2023 Omnibus Equity Incentive Plan incorporated by reference to our Current Report on Form 8- K dated January 5, 2023. 10. 10 Employment Agreement with Martin Kay dated January 3, 2023 incorporated by reference to our Current Report on Form 8- K dated January 5, 2023. 10. 11 Form of Stock Option Agreement incorporated by reference to our Current Report on Form 8- K dated January 5, 2023. 10. 12 Software License and Services Agreement between Templum, Inc. and Netcapital Systems LLC dated January 2, 2023 incorporated by reference to our Current Report on Form 8- K dated January 6, 2023. 10. 13 Form of Securities Purchase Agreement between Netcapital Inc. and certain institutional investors dated May 23, 2023, incorporated by reference to Exhibit 10. 1 to our Current Report on Form 8- K dated May 23, 2023. **10. 14 Form of Securities Purchase Agreement incorporated by reference to Exhibit 10. 1 to our Current Report on Form 8- K dated December 27, 2023**. 10. 15 **Stock Purchase Agreement dated April 24, 2024 between Netcapital Inc. and Steven Geary, incorporated by reference to Exhibit 10. 1 to our Current Report on Form 8- K dated April 24, 2024** 10. 16 **Stock Purchase Agreement dated April 24, 2024 between Netcapital Inc. and Paul Riss incorporated by reference to Exhibit 10. 1 to our Current Report on Form 8- K dated April 24, 2024**. 10. 17 **Form of Inducement Letter dated May 24, 2024, incorporated by reference to our Current Report on Form 8- K dated May 24, 2024**. 14. 1 Code of Ethics, incorporated by reference to Exhibit 14. 1 to our Form S- 1 / A dated April 8, ~~2022~~ ~~2022~~ **2021** . 1 * **Subsidiaries** 23. 1 * Consent of Independent Registered Public Accounting Firm 31. 1 * Certification by the Principal Executive Officer pursuant to Section 302 of the Sarbanes- Oxley Act of 2002 (Rule 13a- 14 (a) or Rule 15d- 14 (a)). 31. 2 * Certification by the Principal Financial Officer pursuant to Section 302 of the Sarbanes- Oxley Act of 2002 (Rule 13a- 14 (a) or Rule 15d- 14 (a)). 32. 1 * Certification by the Principal Executive Officer pursuant to 18 U. S. C. 1350 as adopted pursuant to Section 906 of the Sarbanes- Oxley Act of 2002. 32. 2 * Certification by the Principal Financial Officer pursuant to 18 U. S. C. 1350 as adopted pursuant to Section 906 of the Sarbanes- Oxley Act of 2002. **97. 1 * Clawback Policy** 101. **INS * Inline XBRL Instance Document** 101. **SCH * Inline XBRL Taxonomy Schema** 101. **CAL * Inline XBRL Taxonomy Calculation Linkbase** 101. **DEF * Inline XBRL Taxonomy Definition Linkbase** 101. **LAB * Inline XBRL Taxonomy Label Linkbase** 101. **PRE * Inline XBRL Taxonomy Presentation Linkbase** 104 * **Cover Page Interactive Data File (embedded within the Inline XBRL document)** * Filed herewith. Indicates a management contract or compensatory plan or arrangement. ~~60~~ **ITEM 16. FORM 10- K SUMMARY- 49** -SIGNATURES Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its

behalf by the undersigned, thereunto duly authorized. NETCAPITAL INC. Date: July 26-29, 2023-2024 By: / s / Martin Kay
Martin Kay Chief Executive Officer and Director (Principal Executive Officer) Pursuant to the requirements of the Securities
Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the
capacities and on the dates indicated. Name Title Date / s / Martin Kay Chief Executive Officer and Director July 26-29, 2023-
2024 Martin Kay (Principal Executive Officer) / s / Coreen Kraysler Chief Financial Officer, July 26-29, 2023-2024 Coreen
Kraysler (Principal Accounting and Financial Officer) / s / Avi Liss Director July 26-29, 2023-2024 Avi Liss / s / Cecilia Lenk
Director July 26-29, 2023-2024 Cecilia Lenk / s / Arnold Scott Director July 26-29, 2023-2024 Arnold Scott / s / Steven Geary
Director July 26-29, 2023-2024 Steven Geary 61

50- NETCAPITAL INC. YEARS ENDED APRIL 30, 2024 AND 2023
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REGISTERED PUBLIC ACCOUNTING FIRM To the Board of Directors and Shareholders of Netcapital Inc. and Subsidiaries
Opinion on the Financial Statements We have audited the accompanying consolidated balance sheets of Netcapital Inc. and
Subsidiaries (“ the Company ”) as of April 30, 2024 and 2023 , and 2022 , and the related consolidated statements of operations,
changes in stockholders’ equity, and cash flows for each of the years in the two- year period ended April 30, 2023-2024 , and
the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in
all material respects, the financial position of the Company as of April 30, 2024 and 2023 , and 2022 , and the results of its
operations and its cash flows for **each of** the years in the two- year period ended April 30, 2023-2024 , in conformity with
accounting principles generally accepted in the United States of America. **Going Concern The accompanying financial**
statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 13 to
the financial statements, the Company has a negative working capital, net operating losses, and negative cash flows
from operations. These factors, among others, raise substantial doubt about the Company’ s ability to continue as a
going concern. Management’ s plans in regard to these matters are also described in Note 13. The financial statements do
not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion These financial statements are the responsibility of the Company’ s management. Our responsibility is to express an opinion on the Company’ s
financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting
Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with
the U. S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the
PCAOB. We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and
perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement,
whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal
control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over
financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company’ s internal control over
financial reporting. Accordingly, we express no such opinion. Our audits included performing procedures to assess the risks of
material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those
risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial
statements. Our audits also included evaluating the accounting principles used and significant estimates made by management,
as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis
for our opinion. Critical Audit Matters The critical audit matters communicated below are matters arising from the current
period audit of the financial statements that were communicated or required to be communicated to the audit committee and that:
(1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging,
subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the
financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate
opinions on the critical audit matters or on the accounts or disclosures to which they relate. Valuation of Investments
Description of the Critical Audit Matter As discussed in Note 10-12 to the consolidated financial statements, the Company has
investments in several entities which require the Company to initially value based on offering prices that are not considered
observable and to periodically evaluate potential impairment by assessing whether the carrying value of the investments exceeds
the estimated fair value, or by monitoring observable price changes from orderly transactions to measure estimated fair value.
Auditing management’ s analysis includes tests that are complex and highly judgmental due to the estimation required to
determine the fair value of each of the underlying investees. In particular, fair value estimates are sensitive to significant
assumptions and factors such as expectations about future market and economic conditions, revenue growth rates, strategic
plans, and historical operating results, among others. How the Critical Audit Matter Was Addressed in the Audit Our principal
audit procedures to evaluate management’ s valuation of investments consisted of the following, among others: 1. Obtain and
test management assumptions and analysis, including review of third- party market data, public **filings-filings** , and funding
activities of investee entities. 2. Confirmed investee shares held by the Company, relative ownership percentages, and active
reported share prices , **and the occurrence of additional capital raises involving sales of investee shares** . 3. Performed a
recalculation of significant inputs used in the valuation for reasonableness. 4. **Assess management’ s key indicators of the**
investee operations, including analysis of operational growth, public filings, and future strategic and funding plans. Fruci &
Associates **II** , PLLC – PCAOB ID # 5525-05525 We have served as the Company’ s auditor since 2017. Spokane, Washington

YEARS ENDED APRIL July 29, 2024 F- 3 CONSOLIDATED BALANCE SHEETS April 30, 2024 April 30, 2023 AND
2022 INDEX TO CONSOLIDATED FINANCIAL STATEMENTS CONTENTS Page Consolidated Financial Statements
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F-5 Consolidated Statements of Cash Flows F-6 Notes to Consolidated Financial Statements F-7 F-25 Assets: April 30, 2023
April 30, 2022 Cash and cash equivalents \$ 863, 182 \$ 569, 441 \$ 473, 925 Related party receivable 668 Accounts receivable
-net 134, 849 1, 388, 500 2-Note receivable 20, 433-000- Interest receivable 1, 900-200- Prepaid expenses 23, 304 583, 030
5, 694 Total current assets 1, 042, 535 2, 540, 971 2, 914, 187 Deposits 6, 300 6, 300 Note Notes receivable — related parties
202, 000 202, 000 Purchased technology, net 14, 733, 005 15, 875, 297 15, 536, 704 Investment in affiliate 240, 080 240, 080
Equity securities at fair value 25, 333, 386 22, 955, 445 12, 861, 253 Total assets \$ 41, 557, 306 \$ 41, 820, 093 \$ 31, 760, 524
Liabilities and Stockholders' Equity Current liabilities: Accounts payable Trade \$ 793, 325 \$ 578, 331 \$ 536, 508 Related party
- 75, 204 378, 077 Accrued expenses 310, 300 285, 065 229, 867 Stock subscription payable - 10, 000 33, 400 Deferred revenue
466 661 2, 532 Interest payable 92, 483 98, 256 Current 222, 295 Income taxes payable - 174, 000 — Deferred tax liability,
net - 1, 657 - 1, 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, 890 885, 727 800 Loan payable- bank 34, 324 34, 324 Convertible notes payable — 300, 000 Total
current liabilities 3, 116, 698 5, 163, 641 6, 027, 590 Long- term liabilities: Long- term SBA loans, less current portion 500, 000
495 500, 073 000 Total Liabilities liabilities 3, 616, 698 5, 663, 641 6, 552, 663 Commitments and contingencies —
Stockholders' equity: Common stock, \$. 001 par value; 900, 000, 000 shares authorized, 22, 880, 680 and 6, 440, 527 and 2,
934, 344 shares issued and outstanding 22, 880 6, 441 2 Shares to be issued 122, 934 124 183, 187 Capital in excess of par
value 37, 316, 041 30, 500, 944 22, 479, 769 Shares to be issued 183, 187 244, 250 Retained earnings 479, 563 5, 465, 880 2,
510, 908 Total stockholders' equity 37, 940, 608 36, 156, 452 25, 237, 861 Total liabilities and stockholders' equity \$ 41, 557,
306 \$ 41, 820, 093 \$ 31, 760, 524 See Accompanying Notes to the Consolidated Financial Statements NETCAPITAL INC.
Consolidated Statements of Operations CONSOLIDATED STATEMENTS OF OPERATIONS Year Ended Year Ended
April 30, 2023 2024 April 30, 2022 2023 Revenues \$ 4, 951, 435 \$ 8, 493, 985 \$ 5, 480, 835 Costs of services 108, 060 85, 038
110, 115 Gross profit 4, 843, 375 8, 408, 947 5, 370, 720 Costs and expenses: Consulting expense 610, 209 589, 349 892, 567
Marketing 333, 771 85, 482 95, 753 Rent 76, 117 75, 052 47, 670 Payroll and payroll related expenses 3, 838, 640 3, 646, 490 3,
763, 845 General and administrative costs 3, 427, 026 1, 740, 698 1, 602, 031 Total costs and expenses 8, 285, 763 6, 137, 071
6, 401, 866 Operating income (loss) (3, 442, 388) 2, 271, 876 (1, 031, 146) Other income (expense): Interest expense (45, 990) (
93, 842) (126, 372) Debt forgiveness — 1, 904, 296 Gain on debt conversion - 224, 260 — Amortization of intangible assets (
93, 862) (96, 407) — Impairment expense (1, 048, 430) Other income 1, 200 51, 645 Unrealized gain (loss) on equity
securities (2, 696, 135) 1, 857, 500 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 (expense) (3, 883, 217) 1, 537, 096 5, 078, 676 Net
income (loss) before taxes (7, 325, 605) 3, 808, 972 4, 047, 530 Income tax expense (benefit) (2, 339, 288) 854, 000 544, 000
Net income (loss) \$ (4, 986, 317) \$ 2, 954, 972 \$ 3, 503, 530 Basic earnings (loss) per share \$ (0. 41) \$ 0. 63 \$ 1. 31 Diluted
earnings (loss) per share \$ (0. 41) \$ 0. 63 \$ 1. 27 Weighted average number of common shares outstanding: Basic 12, 105, 577
4, 677, 214 2, 666, 173 Diluted 12, 105, 577 4, 677, 464 CONSOLIDATED STATEMENTS OF CHANGES 2, 748, 480
NETCAPITAL INC- IN STOCKHOLDERS- Consolidated Statements of Stockholders' Equity EQUITY For the Years
Ended April 30, 2024 and 2023 and 2022 Capital in Retained Shares Amount Issued Par Value Earnings Equity Common
Stock Shares To- to Be Capital in Excess of Earnings Retained Total Shares Amount Be- Issued Par Value Earnings (Deficit)
Equity Balance, April 30, 2021 2, 178, 766 \$ 2, 178 \$ — \$ 15, 168, 987 \$ (992, 622) \$ 14, 178, 543 Stock- based compensation
937 2 — 14, 054 — 14, 056 Sale of common stock 176, 934 176 — 1, 592, 219 — 1, 592, 395 Shares issued to acquire funding
portal 361, 736 362 — 3, 523, 100 — 3, 523, 462 Net income, July 31, 2021 — — — 1, 457, 410 1, 457, 410 Balance, July
31, 2021 2, 718, 373 2, 718 — 20, 298, 360 464, 788 20, 765, 866 Stock- based compensation 937 1 — 10, 072 — 10, 073 Net
loss, October 31, 2021 — — — (274, 156) (274, 156) Balance, October 31, 2021 2, 719, 310 2, 719 — 20, 308, 432 190, 632
20, 501, 783 Stock- based compensation 55, 312 55 — 553, 967 — 554, 022 Purchase of equity interest 50, 000 50 — 499, 950
— 500, 000 Purchase of MSG Development Corp. 50, 000 50 244, 250 488, 450 — 732, 750 Sale of common stock 22, 222 22
— 199, 978 — 200, 000 Net income, January 31, 2022 — — — 1, 821, 006 1, 821, 006 Balance, January 31, 2022 2, 896
934, 844 344 \$ 2, 896 934 \$ 244, 250 \$ 22, 050 479, 777 769 \$ 2, 011, 638 24, 309, 561 Stock- based compensation
29, 030 — 29, 030 Purchase of equity interest 37, 500 38 — 399, 962 — 400, 000 Net income, April 30, 2022 — — — 499,
270 499, 270 Balance, April 30, 2022 2, 934, 344 2, 934 244, 250 22, 479, 769 2, 510, 908 \$ 25, 237, 861 Shares issued for debt
conversion 133, 333 134 — 379, 852 — 379, 986 Sale of common stock 1, 205, 000 1, 205 — 3, 947, 912 — 3, 949, 117
Vesting of stock options — — — 32, 953 — 32, 953 Net income for July 31, 2022 — — — quarter — 64, 477 64, 477
Balance, July 31, 2022 4, 272, 677 4, 273 244, 250 26, 840, 486 2, 575, 385 29, 664, 394 Sale of common stock 2, 600 3 —
23, 397 — 23, 400 Purchase of equity interest 37, 500 37 — 366, 338 — 366, 375 Vesting of stock options — — — 32,
953 — 32, 953 Net income for Oct. 31, 2022 — — — quarter — 183, 138 183, 138 Balance October 31, 2022 4, 312, 777
4, 313 244, 250 27, 263, 174 2, 758, 523 30, 270, 260 Sale of common stock 1, 434, 000 1, 434 — 1, 620, 025 — 1, 621, 459
Purchase of equity interest 18, 750 19 — 171, 105 — 171, 124 Purchase of intellectual property 300, 000 300 — 434, 700
— 435, 000 Reduction in shares to be issued 6, 250 6 (61, 063) 61, 057 — Vesting of stock options — — — 63, 057
— 63, 057 Net income January for Jan. 31, 2023 quarter — 1, 696, 499 1, 696, 499 Balance January 31, 2023 6, 071, 777 6,
072 183, 187 29, 613, 118 4, 455, 022 34, 257, 399 Purchase of equity interest 18, 750 19 — 195, 233 — 195, 252 Vesting of
stock options — — — 132, 943 — 132, 943 Stock- based compensation 350, 000 350 — 559, 650 — 560, 000 Net
income Q4 — 1, 010, 858 1, 010, 858 Balance April 30, 2023 6 — — — 1, 010 440, 527 6, 441 183, 187 30, 500, 944 5,
465, 880 36, 156, 452 Vesting of stock options — 139, 371- 139, 371 Stock- based compensation 100, 000 100- 143, 900-
144, 000 Sale of common stock 2, 825, 000 2, 825- 2, 272, 375- 2, 275, 200 Purchase of equity interest 18, 750 18- 183, 170-
183, 188 Stock- based settlement 49, 855 50- 858- 58 985- 456 779- 58, 829 Net loss July 31, 2023 quarter — (491, 655)
(491, 655) Balance July 31, 2023 9, 434, 132 9, 434 183, 187 33, 298, 539 4, 974, 225 38, 465, 385 Vesting of stock options —
139, 371- 139, 371 Reduction in shares to be issued 6, 250 6 (61, 063) 61, 057 -- Purchase of equity interest 18, 750 19- 183,

170- 183, 189 Net income October 31, 2023 quarter---- 339, 616 339, 616 Balance October 31, 2023 9, 459, 132 9, 459 122, 124 33, 682, 137 5, 313, 841 39, 127, 561 Vesting of stock options--- 139, 371- 139, 371 Sale of common stock 4, 800, 000 4, 800- 3, 255, 639- 3, 260, 439 Warrant exercise 2, 972, 000 2, 972--- 2, 972 Net loss January 31, 2024 quarter---- (2, 227, 542) (2, 227, 542) Balance January 31, 2024 17, 231, 132 17, 231 122, 124 37, 077, 147 3, 086, 299 40, 302, 801 Balance 17, 231, 132 17, 231 122, 124 37, 077, 147 3, 086, 299 40, 302, 801 Vesting of stock options--- 139, 371- 139, 371 Stock- based settlement 681, 548 681- 99, 523- 100, 204 Warrant exercise 4, 968, 000 4, 968--- 4, 968 Net loss April 30, 2023-2024 6 quarter---- (2, 440 606) (527 \$-6 736) (2, 606 441 \$-183, 187 \$-30 736) Net income (loss)---- (2, 500 606) (944 \$-5 736) (2, 465 606, 736) Balance 22, 880, 680 \$ 22, 880 \$ 122, 124 \$ 37, 36 316, 156 041 \$ 479, 452 NETCAPITAL INC. 563 \$ 37, 940, 608 See Accompanying Notes to the Condensed Consolidated Financial Statements of Cash Flows CONSOLIDATED STATEMENTS OF CASH FLOWS Year Ended Year Ended April 30, 2023-2024 Year Ended April 30, 2022-2023 OPERATING ACTIVITIES Net income (loss) \$ (4, 986, 317) \$ 2, 954, 972 \$ 3, 503, 530 Adjustment to reconcile net income (loss) to net cash used in operating activities: Stock- based compensation 1, 324, 917 269, 577 Receipt of equity in lieu of -, 176, 058 Non- cash revenue from the receipt of equity (3, 427, 699) (8, 110, 000) Unrealized (gain) loss on equity securities 2, 387 696, 135 (1, 857, 500) Allowance Gain on debt conversion- (224, 260) Provision for credit losses- bad debts 267, 500 5, 443 76, 630 Debt forgiveness --- (1, 904, 302) Amortization of intangible assets 96, 407 --- Realized loss on investment - 406, 060 Changes in deferred taxes --- Gain on debt conversion (224, 260) --- Unrealized gain on equity securities- (1, 857 657, 500 000) (3, 275, 745) Changes in deferred taxes- 680, 000 544 Amortization of intangible assets 93, 000 862 96, 407 Impairment of assets 1, 048, 430- Changes in non- cash working capital balances: Accounts receivable (293, 849) 1, 039, 957 Prepaid expenses (4, 878) (25, 007) Interest receivable (1, 200 153, 598-) Related party receivable - 668 (668) Prepaid expenses (25, 007) 16, 290 Accounts payable and accrued expenses 240, 229 97, 020 281 Accounts payable- related party- (8 904 819) Income taxes payable (174, 000) 174, 000 Deferred revenue (195) (1, 871) 1, 910 Income taxes payable 174, 000 --- Accrued interest payable (113 5, 773 847) 124, 314 Accounts payable - related party (8, 819-) (9 113, 490 847) Net cash used in operating activities (4, 617 879, 200 838) (3 4, 006 617, 667 200) INVESTING ACTIVITIES Note receivable (20, 000)- Proceeds from sale of investment - 200, 000 --- Loans to affiliate --- (202, 000) Investment in affiliate --- (117, 166) Net cash provided by (used in) investing activities (20, 000) 200, 000 (319, 166) FINANCING ACTIVITIES Payment to secured lender (350, 000) (1, 050, 000) Proceeds from exercise of warrants 4, 968- Payment of related party note - (7, 860) --- Proceeds from sale of common stock 5, 538, 611 5, 570, 576 Net --- Proceeds from (payments to) secured lender (1, 050, 000) 400, 000 Proceeds from stock subscriptions --- 625, 799 Proceeds from convertible notes --- 300, 000 Cash cash flow provided by financing activities 5, 193, 579 4, 512, 716 1, 325, 799 Net increase (decrease) in cash 293, 741 95, 516 (2, 000, 034) Cash and cash equivalents, beginning of the period 569, 441 473, 925 2, 473, 959 Cash and cash equivalents, end of the period \$ 863, 182 \$ 569, 441 \$ 473, 925 Supplemental disclosure of cash flow information: Cash paid for taxes \$ --- \$ --- Cash paid for interest \$ 50, 265 \$ 207, 690 \$ 2, 064 Supplemental Non- Cash Investing and Financing Information: Common stock issued as prepaid compensation to pay promissory notes \$ - 552, 329 \$ --- 266, 272 Common stock issued to purchase 10 % interest in Caesar Media Group Inc. \$ 366, 377 \$ 732, 751 Common stock issued to pay related party payable \$ 90, 204 \$ 113, 714 \$ 3, 523, 462 Common stock issued as prepaid compensation to pay promissory notes \$ - 266, 272 \$ --- 552, 329 Common stock issued to purchase intellectual property \$ - \$ 435, 000 \$ --- Common stock issued to purchase 10 % interest in Caesar Media Group Inc. \$ 732, 751 \$ 900, 000 Common stock for the purchase of MSG Development Corp. \$ --- \$ 732, 750 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED APRIL 30, 2024 AND 2023 AND 1. Description of Business and Summary of Accounting Principles Description of Business and Concentrations Netcapital Inc. (“ Netcapital,” “ we,” “ our,” or the “ Company ”) 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, Netcapital Advisors, provides marketing and strategic advice and takes equity positions in select companies with disruptive technologies. The Netcapital funding portal 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. The consolidated financial statements are presented in United States dollars and have been prepared in accordance with generally accepted accounting principles in the United States of America. The Company’ s fiscal year ends April 30. Principles of Consolidation The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries after the elimination of significant intercompany balances and transactions. The wholly owned subsidiaries are Netcapital Funding Portal Inc., an equity- based funding portal registered with the SEC, Netcapital Advisors Inc., which provides marketing and strategic advice to select companies, and MSG Development Corp, a business valuation company, which was acquired in November 2021, and provides business valuation. Netcapital Securities Inc., which was organized in 2024 and has applied to FINRA to operate as a broker dealer. Segment Reporting The Company operates in a single operating segment, which is the provision of fintech services. This determination is based on the following factors: 1. Centralized Decision- Making: The Company’ s Chief Executive Officer, who is the Chief Operating Decision Maker (CODM), makes strategic and resource allocation decisions across all subsidiaries and entities within the Company. This centralized approach ensures that the operations are managed as a single, cohesive unit. 2. Integrated Operational Ecosystem: The Company’ s subsidiaries and entities operate within a unified fintech ecosystem, sharing resources, technology, and objectives. This integration reflects a singular operational framework focused on delivering cohesive fintech solutions. 3. Uniform Review Process: The performance of all entities and subsidiaries is reviewed as a whole by the CODM. This holistic review process supports the identification of the Company as a single operating segment rather than discrete financial segments. The Company accounts for income taxes under the asset and liability method in accordance with ASC 740. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating

loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income and the reversal of deferred tax liabilities during the period in which related temporary differences become deductible. The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon settlement with the tax authorities. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest related to unrecognized tax benefits in interest expense and penalties in income tax expense. The Company has determined that it had no significant uncertain tax positions requiring recognition or disclosure.

Revenue Recognition under ASC 606 The Company recognizes service revenue from its consulting contracts, funding portal and game website using the five-step model as prescribed by ASC 606: • Identification of the contract, or contracts, with a customer; • Identification of the performance obligations in the contract; • Determination of the transaction price; • Allocation of the transaction price to the performance obligations in the contract; and • Recognition of revenue when or as the Company satisfies a performance obligation. The Company identifies performance obligations in contracts with customers, which primarily are professional services, listing fees on our funding portal, and a portal fee of 4.9% of the money raised on the funding portal. **Beginning in fiscal year 2024, the funding portal also receives a fee of 1% of the equity sold by an issuer that utilized the funding portal's services.** The transaction price is determined based on the amount the Company expects to be entitled to receive in exchange for transferring the promised services to the customer. The transaction price in the contract is allocated to each distinct performance obligation in an amount that represents the relative amount of consideration expected to be received in exchange for satisfying each performance obligation. Revenue is recognized when performance obligations are satisfied. The Company usually bills its customers before it provides any services and begins performing services after the first payment is received. Contracts are typically one year or less. For larger contracts, in addition to the initial payment, the Company may allow for progress payments throughout the term of the contract.

Judgments and Estimates The estimation of variable consideration for each performance obligation requires the Company to make subjective judgments. The Company enters into contracts with customers that regularly include promises to transfer multiple services, such as digital marketing, web-based videos, offering statements, and professional services. For arrangements with multiple services, the Company evaluates whether the individual services qualify as distinct performance obligations. In its assessment of whether a service is a distinct performance obligation, the Company determines whether the customer can benefit from the service on its own or with other readily available resources, and whether the service is separately identifiable from other services in the contract. This evaluation requires the Company to assess the nature of each individual service offering and how the services are provided in the context of the contract, including whether the services are significantly integrated, highly interrelated, or significantly modify each other, which may require judgment based on the facts and circumstances of the contract. F-8-9 When agreements involve multiple distinct performance obligations, the Company allocates arrangement consideration to all performance obligations at the inception of an arrangement based on the relative standalone selling prices (SSP) of each performance obligation. Where the Company has standalone sales data for its performance obligations which are indicative of the price at which the Company sells a promised service separately to a customer, such data is used to establish SSP. In instances where standalone sales data is not available for a particular performance obligation, the Company estimates SSP by the use of observable market and cost-based inputs. The Company continues to review the factors used to establish list price and will adjust standalone selling price methodologies as necessary on a prospective basis.

Service Revenue Service revenue from subscriptions to the Company's game website is recognized over time on a ratable basis over the contractual subscription term beginning on the date that the platform is made available to the customer. Payments received in advance of subscription services being rendered are recorded as a deferred revenue. Professional services revenue is recognized over time as the services are rendered. When a contract with a customer is signed, the Company assesses whether collection of the fees under the arrangement is probable. The Company estimates the amount to reserve for uncollectible amounts based on the aging of the contract balance, current and historical customer trends, and communications with its customers. These reserves are recorded as operating expenses against the contract asset (accounts receivable). Contract Assets Contract assets are recorded for those parts of the contract consideration not yet invoiced but for which the performance obligations are completed. The revenue is recognized when the customer receives services. Contract assets are included in other current assets in the consolidated balance sheets and will be recognized during the succeeding twelve-month period. Deferred Revenue Deferred revenues represent billings or payments received in advance of revenue recognition and is recognized upon transfer of control. Balances consist primarily of annual plan subscription services and professional services not yet provided as of the balance sheet date. Deferred revenues that will be recognized during the succeeding twelve-month period are recorded as current deferred revenues in the consolidated balance sheets, with the remainder recorded as other non-current liabilities in the consolidated balance sheets. Costs to Obtain a Customer Contract Sales commissions and related expenses are considered incremental and recoverable costs of acquiring customer contracts. These costs are capitalized as other current or non-current assets and amortized on a straight-line basis over the life of the contract, which approximates the benefit period. The benefit period was estimated by taking into consideration the length of customer contracts, technology lifecycle, and other factors. All sales commissions are recorded as consulting fees within the Company's consolidated statement of operations. Remaining Performance Obligations The Company's subscription terms are typically less than one year. All of the Company's revenues in the years ended April 30, **2024 and 2023** and 2022, which amounted to \$ **4,951,435 and \$ 8,493,985** and \$ **5,480,835**, respectively, are considered contract revenues. Contract revenue as of April 30, **2024 and 2023** and 2022, which has not yet been recognized, amounted to \$ **466 and \$ 661** and \$ **2,532**, respectively, and is recorded on the balance sheet as deferred revenue. The Company expects to recognize revenue on all of its

remaining performance obligations over the next 12 months. F- 9-10 Disaggregation of Revenue Our revenue is from U. S.- based companies with no notable geographical concentrations in any area. A distinction exists in revenue source; our revenues are either generated online or from personal services. Revenues disaggregated by revenue source consist of the following:

Schedule of Disaggregation of Revenue	Year Ended April 30, 2023	2024	Year Ended April 30, 2022	2023
Consulting services	\$ 3,633,900	\$ 7,560,320	\$ 3,878,233	\$ 933,665
Fees from online services	\$ 1,317,536	\$ 1,602,602	\$ 1,602,602	\$ 1,602,602
Total revenues	\$ 4,951,436	\$ 9,162,922	\$ 5,480,835	\$ 3,538,267
Costs of Services	\$ 8,493,985	\$ 5,480,835	\$ 5,480,835	\$ 5,480,835

Costs of services consist of direct costs that we pay to third parties to provide the services that generate revenue. Earnings Per Share Basic net income per share is computed by dividing net income available to common stockholders by the weighted average number of vested, unrestricted common shares outstanding during the period. Diluted net income per share is computed based on the weighted average number of shares of common stock outstanding plus the effect of dilutive potential common shares outstanding during the period using the if- converted method. Cash and Cash Equivalents The Company considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. The Company did not have any cash equivalents during fiscal 2024 and 2023 and 2022. The Company uses three financial institutions for its cash balances and has maintained cash balances that exceed federally insured limits.

Accounts Receivable The Company extends credit to its customers in the normal course of business and performs ongoing credit evaluations of its customers, maintaining an allowance for potential credit losses. Accounts receivable is reported net of the allowance for doubtful accounts. The allowance for doubtful accounts is based on management's estimate of the dollar amount of accounts receivable that will not be collected. This estimate is determined through a detailed review process, which includes several factors:

- 1. Historical Loss Experience:** The Company analyzes its historical write-offs to establish a baseline for expected credit losses.
- 2. Aging of Receivables:** Accounts receivable are categorized based on the age of the outstanding balance. Older balances generally have a higher likelihood of being uncollectible.
- 3. Customer Creditworthiness:** The Company performs credit evaluations on its customers to assess their financial health and payment history.
- 4. Economic Conditions:** Current and forecasted economic conditions are considered, as they may impact the ability of customers to pay their invoices.
- 5. Industry Trends:** Trends and conditions specific to the industry in which the Company operates are evaluated.

Based on management's comprehensive review, the Company recorded an allowance for doubtful accounts of \$ 353,455 and \$ 91,955 and \$ 136,955 as of April 30, 2024 and 2023 and 2022, respectively. F-10 Notes Receivable The Company lends money to companies in limited instances, performs ongoing credit evaluations of its notes receivable and establishes an allowance for potential credit losses when appropriate. The methodology for determining the allowance for notes receivable includes:

- 1. Credit Evaluations:** The Company assesses the creditworthiness of the borrower at the inception of the loan and on an ongoing basis.
- 2. Historical Loss Experience:** Historical data on loan defaults is analyzed to estimate potential credit losses.
- 3. Loan Performance Monitoring:** Regular monitoring of loan performance, including payment history and current financial condition of the borrower.
- 4. Collateral Valuation:** If the notes are secured, the Company evaluates the value and condition of the collateral.
- 5. Economic Conditions:** The impact of current and anticipated economic conditions on the borrower's ability to repay the loan. Adjustments to the allowance are made based on these evaluations.

F- 11 Intangible Assets Intangible assets with defined useful lives are generally measured at cost less straight- line amortization. The useful life is determined using the period of the underlying contract or the period of time over which the intangible asset can be expected to be used. Impairments are recognized if the recoverable amount of the asset is lower than the carrying amount. The recoverable amount is the higher of either the fair value less costs to sell or the value in use. The value in use is determined on the basis of future cash inflows and outflows, and the weighted average cost of capital. Intangible assets with indefinite useful lives, such as trade names and trademarks, that have been acquired as part of acquisitions are measured at cost and tested for impairment annually, or if there is an indication that their value has declined. Authoritative guidance requires that certain assets be reviewed for impairment and, if impaired, remeasured at fair value whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Impairment loss estimates are primarily based upon management's analysis and review of the carrying value of long- lived assets at each balance sheet date, utilizing an undiscounted future cash flow calculation. The Company recorded did not recognize an impairment loss of \$ 1,048,430 and \$ 0 in fiscal 2024 and 2023 .

Stock Subscription Payable The Company recognizes a stock subscription payable when the Company receives payment from and- an investor under a stock subscription agreement, and the investor has yet to fulfill all conditions necessary for the issuance of stock, such as providing required information to the transfer agent. A stock subscriptions payable is classified as a liability until the stock is issued or the subscription is otherwise settled. This classification reflects the company's obligation to issue equity to the subscriber upon fulfillment of the remaining conditions. The liability is measured at the cash or fair value of other consideration received, in accordance with the terms of the subscription agreement. The subscribers do not have the right to cancel their subscription once payment is made, which reinforces the non- refundable nature of the subscription payment and the commitment to issue stock once all the conditions of the subscription agreement are met. Upon receipt of all required information from the subscriber, the stock subscriptions payable liability will be settled, and equity will be issued. The issuance of common stock is reflected in the equity section of the Company's balance sheet, and the stock subscriptions payable liability is removed. Stock subscriptions payable amounted to \$ 0 and \$ 10,000 as of April 30, 2022-2024 and 2023, respectively. In fiscal 2024, the Company issued 250 shares of common stock as payment of the \$ 10,000 stock subscription liability.

Stock- Based Compensation The Company accounts for employee stock- based compensation in accordance with the guidance of FASB ASC Topic 718, Compensation – Stock Compensation which requires all share- based payments to employees, including the vesting of restricted stock grants to employees, to be recognized in the financial statements based on their fair values. The fair value of the equity instrument is charged directly to compensation expense and credited to common stock and capital in excess of par value during the period during which services are rendered. The Company follows ASC Topic 505- 50, formerly EITF 96- 18, "Accounting for Equity Instruments that are Issued to Other

than Employees for Acquiring, or in Conjunction with Selling Goods and Services,” for common stock issued to consultants and other non-employees. These shares of common stock are issued as compensation for services provided to the Company and are accounted for based upon the fair market value of the common stock. The fair value of the equity instrument is charged directly to compensation expense, or to prepaid expenses in instances where stock was issued under a contractual arrangement to a consultant who agreed to provide services over a period of time.

F-11-Advertising Expenses Advertising and marketing expenses are recorded separately in the Consolidated Statements of Operations and are expensed as incurred. Equity Securities All investments in equity securities are initially measured at cost. Cost is based upon either the cost of the investment, the fair value of the services provided or the estimated market value of the investment at the time it was acquired, whichever can be more clearly determined.

If The Company has elected the measurement alternative for equity securities without readily determinable fair values. Under this alternative, if the Company identifies an observable price change in an orderly transaction for an identical or similar investment of the same issuer, the Company measures the equity security at fair value as of the date that the observable transaction occurred. **. Any adjustments resulting from observable price changes are recognized in earnings. The Company monitors these investments for changes in observable prices from orderly transactions and assesses them for impairment. If an equity security is deemed to be impaired, an impairment loss is recognized in earnings, measured as the difference between the investment’s cost and its fair value at the impairment assessment date**

. Use of Estimates In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The most significant estimate relates to investments, the allowance for doubtful accounts and the calculation of stock-based compensation for the stock options. On a continual basis, management reviews its estimates, utilizing currently available information, changes in facts and circumstances, historical experience and reasonable assumptions. After such reviews, and if deemed appropriate, those estimates are adjusted accordingly. Actual results could differ from those estimates.

F- 12 Recent Accounting Pronouncements In June 2016, the FASB issued ASU No. 2016- 13 Financial Instruments- Credit Losses. The new guidance provides better representation about expected credit losses on financial instruments. This update requires the use of a methodology that reflects expected losses and requires consideration of a broader range of reasonable and supportive information to inform credit loss estimates. This ASU is effective for reporting periods beginning after December 15, 2022. **. The adoption of this standard did not have a material impact on the Company’s financial statements. In March 2023, the FASB issued ASU 2023- 01, which provides additional guidance on the accounting for leasehold improvements associated with leases and clarifies certain lessor transactions. The standard is effective for fiscal years beginning after December 15, 2023. The Company has evaluated the potential impact of this ASU on its financial statements and related disclosures. As the Company does not have any leases, we do not anticipate that the adoption of ASU 2023- 01 will have a material impact on our financial position, results of operations, or cash flows. In June 2022, the FASB issued ASU 2022- 03, which clarifies the guidance on the fair value measurement of equity securities that are subject to contractual sale restrictions. The standard provides specific guidance on measuring the fair value of these securities and requires additional disclosures. This ASU is effective for fiscal years beginning after December 15, 2023 , with early adoption permitted. The company-Company has evaluated the impact of ASU 2022- 03 and determined that it does not currently hold any equity securities subject to contractual sale restrictions. Therefore, the adoption of this standard is studying the not expected to have a material impact of adopting the ASU in fiscal year 2023, and what effect it could have. The Company believes the accounting change would not have a material effect on the our financial statements position, results of operations, or cash flows**. Management does not believe that any other recently issued, but not yet effective, accounting standards could have a material effect on the accompanying financial statements. As new accounting pronouncements are issued, we will adopt those that are applicable under the circumstances. **Note 2 -- Concentrations** For the year ended April 30, **2023-2024** , the Company had one customer that constituted 25 % of its revenues, **a second customer that constituted 22 % of its revenues, and a third customer that constituted 22 % of its revenues. For the year ended April 30, 2023, the Company had one customer that constituted 25 % of its revenues,** and four customers that each constituted 14 % of its revenues. **For Note 3 – Earnings Per Common Share** Net income per common and diluted share were calculated as follows for the year ended April 30, **2022-2024 and 2023:** Schedule of Earnings Per Share Year Ended April 30 , **the Company had one customer-2024 Year Ended April 30, 2023** Net income (loss) attributable to common stockholders – basic \$ (4, 986, 317) \$ 2, 954, 972 Adjustments to net income — — Net income (loss) attributable to common stockholders – diluted \$ (4, 986, 317) \$ 2, 954, 972 **Weighted average common shares outstanding- basic 12, 105, 577 4, 677, 214 Effect of dilutive securities — 250 Weighted average common shares outstanding – diluted 12, 105, 577 4, 677, 464 Earnings (loss) per common share- basic \$ (0. 41) \$ 0. 63 Earnings (loss) per common share- diluted \$ (0. 41) \$ 0. 63 shares of common stock that were issuable pursuant to constituted 22 % of its revenues, a second customer that constituted 22 % stock subscription agreement are included in the calculation of its revenues diluted earnings per share for the year ended April 30 , 2023. Outstanding vested warrants to purchase 38, 142, 932 and a-1, 469, 982 shares of common stock are not included in the calculation of earnings per share for the years ended April 30, 2024 and 2023, respectively, because third- their effect customer that constituted 18 % of its- is revenues anti- dilutive. Outstanding vested options to purchase 764, 219 and 293, 625 shares of common stock are not included in the calculation of earnings per share for the years ended April 30, 2024 and 2023, respectively, because their effect is anti- dilutive** . **F- 12-3. Debt-13 Note 4 – Principal Financing Arrangements** The following table summarizes components debt as of April 30, **2024 and 2023 and 2022:** Schedule of Debt **April 30, 2024 April 30, 2023 2022**-Interest Rate Secured lender \$ — \$ 350, 000 \$ 1, 400, 000 **8. 0 % — 12. 0 %** Notes payable – related parties — 15, 000 **22, 860 0 . 0 %** Convertible promissory notes — 300, 000 **8. 0 %** U. S. SBA loan 500, 000 **500, 000 3. 75 %** U. S. SBA loan 1, 885, 800 **1, 885, 800 1. 0 %** Loan payable – bank 34, 324 **34, 324 10-11 . 0-2 %** Total debt **Debt 2, 420, 124 2, 785, 124**

4,142,984 Less: current portion of long-term debt 1,920,124 2,285,124 3,647,911 Total long-term debt \$ 500,000 \$ 495,000 \$ 673,000 As of April 30, 2024 and 2023 and 2022, the Company owed its principal lender \$ 0 and (“Lender”) \$ 350,000 and \$ 1,400,000, respectively, under an amended loan and security agreement (“Loan”) dated April 28, 2011, that was amended on July 26, 2014 and, amended several times thereafter and paid in full in May to extend the maturity date to October 31, 2023. In connection with the financing, the Company has agreed to certain restrictive covenants, including, among others, that the Company may not convey, sell, lease, transfer or otherwise dispose of any part of its business or property, except as permitted in the agreement, dissolve, liquidate or merge with any other party unless, in the case of a merger, the Company is the surviving entity, incur any indebtedness except as defined in the agreement, create or allow a lien on any of its assets or collateral that has been pledged to the Lender, make any loans to any person, except for prepaid items or deposits incurred in the ordinary course of business, or make any material capital expenditures. To secure the payment of all obligations to the Lender, the Company granted the Lender a continuing security interest and first lien on all of the assets of the Company. As of April 30, 2024 and 2023 and 2022, the Company’s related-party unsecured notes payable totaled \$ 0 and \$ 15,000 and \$ 22,860, respectively. As The Company owes \$ 34,324 as of April 30, 2024 and 2023 and 2022, the company owed \$ 0 and \$ 300,000 in convertible notes payable. On July 14, 2022, the Company issued 93,432 shares of common stock valued at \$ 266,272 to retire the \$ 300,000 in convertible promissory notes plus accrued interest of \$ 10,192. The Company also owes \$ 34,324 as of April 30, 2023 and 2022 to Chase Bank. For the loan from Chase Bank, the Company pays interest only on a monthly basis, which represents is calculated at a rate of 10-11.0-2 % per annum as of April 30, 2023-2024. On May 6-June 17, 2020, the Company borrowed \$ 1-500,000 885,800 (the “May-June 2020 Loan”), on June 17, 2020 the Company borrowed \$ 500,000 (the “June Loan”), and on February 2, 2021, the Company borrowed \$ 1,885,800 (the “February 2021 Loan”) from a U. S. Small Business Administration (“SBA”) loan program. The May loan bore interest at a rate of 1 % per annum and the SBA postponed any installment payments until September 6, 2021. In November 2021 the May Loan was forgiven in its entirety, including accrued interest of \$ 18,502. As a result, the Company recognized debt forgiveness of \$ 1,904,296 in the year ended April 30, 2022. The June 2020 Loan required installment payments of \$ 2,594-437 monthly, beginning on June 17, 2021, over a term of thirty years. However, the SBA postponed the first installment payment for 18 months, and the first payment became due on December 17, 2022. The monthly payments of \$ 2,594-437 are first applied to accrued interest payable. The monthly payments will not be applied to any of the outstanding principal balance until August of 2026. Consequently, the entire loan balance of \$ 500,000 is classified as a long term liability. Interest accrues at a rate of 3.75 % per annum. The Company agreed to grant a continuing security interest in its assets to secure payment and performance of all debts, liabilities, and obligations to the SBA. The June 2020 Loan was personally guaranteed by the Company’s Chief Financial Officer. The February 2021 loan-Loan bears interest at a rate of 1 % per annum and the due date of the first payment has been postponed-postponed by the SBA because the Company has applied for forgiveness of the February 2021 Loan in its entirety. As of April 30, 2023-2024, future payments under debt obligations over each of the next five years and thereafter were as follows: Schedule of future Future payments Payments under Under debt Debt obligations Twelve Obligations Twelve months ended April 30: 2024 2025 \$ 2-1,285-920, 124 2025—2026 — 2027 9,837 2028 13,971-972 2029 14,475 Thereafter 476-461, 192-716 Minimum future payments of principal \$ 2,785-420, 124 F- 14 13 4. Fair Value Measurements The..... of current or future value. See Note 1 for a description of valuation methodologies used for assets and liabilities recorded at fair value and for estimating fair value where it is practicable to do so for financial instruments not recorded at fair value (disclosures required by the Fair Value Measurements Topic of the FASB Accounting Standards Codification). 5 -- Income Taxes Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company’s deferred tax assets and liabilities as of April 30, 2023 and 2022 were as follows: Schedule of Income Taxes 2023 Deferred tax assets, net: Net operating loss carryforwards \$ — \$ 322,000 Bad debt allowance 27,000 40,000 Stock-based compensation 433,000 357,000 Deferred tax assets 460,000 719,000 Deferred tax liability Unrealized gain 2,117,000 1,696,000 Total deferred tax liability 2,117,000 1,696,000 Total net deferred tax assets (liabilities) \$ (1,657,000) \$ (977,000) F- 14 For fiscal 2023, our income tax expense was \$ 854,000, with an effective tax rate of 22 %. Our effective tax rate and the resulting provision for income taxes were impacted by tax benefits related to a net operating loss carryforward of \$ 1.6 million. For fiscal 2022-2024, our-we recorded an income tax expense was benefit of \$ 544-2,000-339, with 288, resulting in an effective tax benefit rate of 13-32 %. Our effective Included in the income tax rate benefit is and an employee retention credit (“ERC”) of \$ 508,292, as provided under the resulting provision Coronavirus Aid, Relief and Economic Security Act. The ERC is a tax incentive available to the Company for income taxes were impacted retaining employees during the economic challenges posed by the COVID tax benefits related to a net operating loss carryforward of \$ 1.1 million and non- 19 pandemic taxable debt forgiveness of \$ 1.9 million. The Company did not have any material unrecognized tax benefits as of April 30, 2024 and 2023 and 2022. The Company does not expect the unrecognized tax benefits to significantly increase or decrease within the next twelve months. The Company recorded no interest and penalties relating to unrecognized tax benefits as of and during the years ended April 30, 2024 and 2023 and 2022. The Company is subject to U. S. federal income tax, as well as taxes by various state jurisdictions. The Company is currently open to audit under the statute of limitations by the federal and state jurisdictions for the years ending April 30, 2020-2021 through 2024. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company’s deferred tax assets and liabilities as of April 30, 2024 and 2023 were as follows: Schedule of Income Taxes 2024 2023 Deferred tax assets, net: Net operating loss carry forwards \$ 2,532,000 \$- Impairment loss on assets 298,000- Bad debt allowance 103,000 27,000 Stock-based compensation 595,000 433,000 Deferred tax assets 3,528,000 460,000 Deferred tax liability: Unrealized gains (3,395,000) (2,117,000) Net deferred tax assets (liabilities) 133,000 (1,657,000) Valuation allowance (133,000)- Net deferred tax assets (liabilities) \$ — \$ (1,657,

000) The valuation allowance increased to \$ 133, 000 as of April 30, 2024 from \$ 0 at April 30, 2023. Note 6 – Related Party Transactions Netcapital Systems LLC, a Delaware limited liability company (“ Systems DE ”), of which Jason Frishman, Founder, owns a 29 % interest, owns 1, 711, 261 shares of common stock, or 7. Commitments 5 % of the Company’s 22, 880, 680 outstanding shares as of April 30, 2024. The company paid Systems DE \$ 175, 000 and Contingencies Litigation \$ 430, 000 in the years ended April 30, 2024 and 2023, respectively, for use of the software that runs the website www. netcapital. com. and owes Systems DE \$ 20, 000 in unpaid invoices as of April 20, 2024. The Company provided professional services to Systems DE in the year ended April 30, 2023 and recorded revenue of \$ 4, 660. Cecilia Lenk, the Chief Executive Officer of Netcapital Advisors Inc., (“ Advisors ”), our wholly owned subsidiary, is a member subject to legal proceedings and claims that arise in the ordinary course of its business. the board of directors of KingsCrowd In Inc the opinion. As of management April 30, 2024 and 2023 the amount of ultimate liability, if any the Company owned 3, 209, 685 shares of KingsCrowd Inc., valued at \$ 513, 550 and \$ 3, 209, 685, respectively. Cecilia Lenk, the Chief Executive Officer of Advisors is not likely to have a member material effect on the financial condition, results of the board operations or liquidity of directors of Deuce Drone LLC. As of April 30, 2024 and 2023, the Company : However owns 2, 350 as the outcome of litigation or legal claims is difficult to predict, significant changes in the estimated exposures could occur-000 membership interest units of Deuce Drone LLC, valued at \$ 2, 350, 000 There are no known legal complaints or claims against the Company. The Company utilizes virtual has notes receivable aggregating to \$ 152, 000 from Deuce Drone LLC as of April 30, 2024 and 2023. Compensation to office-officers space in Boston the year ended April 30, Massachusetts, 2024 consisted of stock- based compensation valued at a cost of approximately \$ 5-369, 700-545 and cash salary of \$ 936, 111. Compensation to officers in the year ended April 30, 2023 consisted of stock- based compensation valued at \$ 137, 994 and cash salary of \$ 598, 077. F- 15 Compensation to a related party consultant, John Fanning Jr., son of our CFO, in the years ended April 30, 2024 and 2023 consisted of cash wages of \$ 54, 880 and \$ 60, 039, respectively. This consultant is also the controlling shareholder of Zelgor Inc. and \$ 33, 000 and \$ 66, 000 of the Company’s revenues in the years ended April 30, 2024 and 2023, respectively, were from Zelgor Inc. As of April 30, 2024 and 2023, the Company owned 1, 400, 000 shares which are valued at \$ 1, 400, 000. As of April 30, 2024 and 2023, the Company has invested \$ 240, 080 in an affiliate, 6A Aviation Alaska Consortium, Inc., in conjunction with a land lease in an airport in Alaska. Cecilia Lenk, the Chief Executive Officer of Advisors is also the Chief Executive Officer of 6A Aviation Alaska Consortium, Inc. We owed Steven Geary, a director, \$ 0 and \$ 31, 680 as of April 30, 2024 and 2023, respectively. This obligation was paid in full by the issuance on April 24, 2024 of 239, 274 shares of our common stock at a price per month under share of \$ 0. 1324 We owed Paul Riss, a membership agreement that ends director of our Netcapital Funding Portal Inc., \$ 0 and \$ 58, 524, as of April 30, 2024 and 2023. This obligation was paid in full by the issuance on September April 24, 2024 of 442, 024 shares of our common stock at a price per share of \$ 0. 1324 During the year ended April 30, 2023, we paid \$ 12,019 to Paul Riss to retire a note payable purchase shares of our common stock at an exercise price of \$ 3,200 1.40 per share. The options vest monthly on a straight- line basis over a 4- year period and expire in 10 years expenses payable of \$ 8,819. In January 2023 we granted stock options to purchase an aggregate of 1,600,000 shares of our common stock to four related parties as follows: Our our Chief Executive Officer, Martin Kay, 1,000,000 shares; our Chief Financial Officer, Coreen Kraysler 200,000 shares; our Founder, Jason Frishman, 200,000 shares; and a director of one of our subsidiaries Netcapital Funding Portal, Inc., Paul Riss, 200,000 shares. The options have an exercise price of \$ 1. 43, vest monthly on a straight- line basis over a 4- year period and expire in 10 years. On April 25, 2023, the Company also granted an aggregate of 80, 000 options, or 20, 000 options each to the following board membership--- members: Cecilia Lenk agreement includes a deposit of \$ 6. Avi Liss 300. A novel strain of coronavirus, Steven Geary and Arnold Scott, to purchase shares of our COVID- common stock at an exercise price of \$ 1. 40 per share. The options vest monthly on a straight- 19 line basis over a 4- year period and expire in 10 years. Coreen Kraysler, our Chief Financial Officer, has spread throughout personally guaranteed a \$ 500, 000 promissory note from the world U. S. Small Business Administration. The note bears interest at and- an annual rate of 3. 75 %, has been declared to be a 30 pandemic by the World Health Organization. As of the date this report was issued, our operations have not been significantly impacted by the COVID- 19 outbreak. The number year term, and monthly payments of people establishing accounts \$ 2, 437 began on December 17 our website Neteapital. com more than doubled during the pandemic. Most of our employees work remotely from a home office to access our technology, which runs 24 hours a day on the internet. However, we cannot at this time predict the specific extent, duration, or full impact that the COVID- 19 outbreak will have on our financial condition, operations, and business plans for fiscal year 2023-2022. Note Our operations have adapted social distancing practices, and the next expected milestones of our product may be impacted, and we may experience delays in anticipated timelines and milestones. 7 - Stockholders’ Equity The Company is authorized to issue 900, 000, 000 shares of its common stock, par value \$ 0. 001. As 22, 880, 680 and 6, 440, 527 shares were outstanding as of April 30, 2024 and 2023 and 2022, there were 6, 440, 527 and 2, 934, 344 shares outstanding, respectively. In fiscal 2022, 57, 186 shares of common stock were issued for stock- based compensation, 361, 736 shares of common stock were issued to settle related party liabilities in conjunction with the purchase Neteapital Funding Portal Inc., 199, 156 shares of common stock were sold in a private placement to accredited investors at a price of \$ 9 per share, 50, 000 shares of common stock were issued to purchase MSG Development Corp. and 87, 500 shares were issued in conjunction with the purchase of a 10 % interest in Caesar Media Group Inc. On January 27, 2022, the Company filed a Form S- 8 registration statement for securities to be offered in employee benefit plans, to register 300, 000 shares of common stock from the Company’s 2021 Equity Incentive Plan. On February 2, 2022, the Company granted an aggregate of 272, 000 options to purchase shares of common stock of the company at a price of \$ 10. 50 per share. The options were granted to employees, consultants, and members of the board of directors. The options vest monthly on a straight- line basis over a 4- year period and expire in 10 years. As of April 30, 2023 and 2022, 252, 000 and 271, 000 options, respectively, were

~~outstanding.~~ ~~F-15~~ During the quarter ended July 31, 2022, the Company issued 39,901 shares of common stock with a value of \$ 113,714 to settle a related party payable of \$ 294,054. The Company also issued 93,432 shares of common stock valued at \$ 266,272 to retire \$ 300,000 of convertible promissory notes plus accrued interest of \$ 10,192. The convertible note holders also received warrants to purchase shares of common stock at a per share exercise price of \$ 5.19, that are exercisable immediately, and expire five years from the date of issuance. These equity issuances resulted in a gain from the conversion of debt totaling \$ 224,260, which is recorded as other income in the income statement **for the year ended April 30, 2023**. On July 15, 2022, the Company completed an underwritten public offering of 1,205,000 shares of the Company's common stock and warrants to purchase 1,205,000 shares of the Company's common stock at a combined public offering price of \$ 4.15 per share and warrant. The gross proceeds from the offering were \$ 5,000,750 prior to deducting underwriting discounts, commissions, and other offering expenses, which resulted in net proceeds of \$ 3,949,117. The warrants have a per share exercise price of \$ 5.19, are exercisable immediately, and expire five years from the date of issuance. ~~F-16~~ In addition, the Company granted the underwriter a 45-day option to purchase up to an additional 180,750 shares of common stock and / or up to 180,750 additional warrants to cover over-allotments, if any. In connection with the closing of the offering, the underwriter partially exercised its over-allotment option and purchased an additional 111,300 warrants, and the Company issued an aggregate of **60,250** warrants to ~~purchase 60,250~~ **20 shares individual representatives** of our common stock to the underwriter ~~and its designees~~. On December 16, 2022 the Company completed an underwritten public offering of 1,247,000 shares of the Company's common stock, at a price to the public of \$ 1.40 per share. Pursuant to the terms of an underwriting agreement, the Company also granted the underwriters a 45-day option to purchase up to an additional 187,000 shares of common stock solely to cover over-allotments, at the same price per share of \$ 1.40, less the underwriting discounts and commissions. In conjunction with this offering, the Company issued the underwriter and its designees warrants to purchase 62,350 shares of our common stock at an exercise price of \$ 1.75. The underwriters exercised their over-allotment option and on January 5, 2023, the Company issued an additional 187,000 shares of its common stock. The Company received net proceeds of \$ 1,621,459 for the issuance of a total of 1,434,000 shares of common stock for both the initial and over-allotment offering. In conjunction with the exercise of the over-allotment, the Company issued the underwriter and its designees warrants to purchase 9,350 shares of our common stock with an exercise price of \$ 1.75. ~~The Securities were offered~~ **During the year ended April 30, 2023, in addition to the public offerings, the Company issued 75,000 shares of common stock, valued at \$ 732,751, in conjunction with the purchase of a 10 % equity stake in Caesar Media Group, Inc., 300,000 shares of common stock, valued at \$ 435,000 to purchase the website and intellectual property of a real-time video conferencing website, 2,600 shares of common stock in conjunction with a stock subscription agreement with accredited investors, valued at \$ 23,400, and 6,250 shares of common stock in conjunction with and an sold acquisition agreement that requires shares to be issued by the public pursuant** Company. On January 5, 2023, the Company approved the adoption of the Netcapital Inc. 2023 Omnibus Equity Incentive Plan (the "Plan"), which was subsequently approved by a vote of the shareholders. **In January 2023, the Company granted stock options to four individuals to purchase an aggregate of 1,600,000 of the Company's shelf registration statement common stock at a price of \$ 1.43 per share and on Form S-1 April 25, 2023 also granted 350,000 stock options under the Plan to employees, consultants, and directors at an exercise price of \$ 1.40 per share. All stock options in the Plan vest monthly on a straight-line basis over a 4-year period and expire in 10 years. In May 2023, the Company issued 100,000 shares of its common stock, valued at \$ 144,000, in conjunction with a consulting agreement with a business. On May 23, 2023, the Company entered into securities purchase agreements with certain institutional investors, pursuant to which the Company agreed to issue and sell to such investors, in a registered direct offering (File No. 333-267921) previously filed with the Securities and Exchange Commission (the "Commission-May 2023 Offering"), 1,100,000 shares of the Company's common stock, par value \$ 0.001 per share, at a price of \$ 1.55 per Share, for aggregate gross proceeds of \$ 1,705,000, before deducting the placement agent's fees and other offering expenses payable by the Company. The Offering closed on ~~October 18~~ **May 25, 2022-2023**. Also, in connection with the May 2023 Offering, on May 23, 2023, the Company entered into a placement agency agreement with ThinkEquity LLC, pursuant to which, the Company issued warrants to purchase up to 55,000 shares of common stock at ~~and an declared effective accrued interest exercise price of \$ 17.194~~, which were issued on **May 25, 2023** ~~to retire all outstanding obligations to Vaxstar LLC~~. In July 2023, the Company issued 49,855 shares of its common stock in consideration of a release from an unrelated third party in conjunction with the settlement of an outstanding debt between such third party and Netcapital Systems LLC. ~~F-17~~ On July 24, 2023 the Company completed an underwritten public offering of 1,725,000 shares of the Company's common stock, at a price to the public of \$ 0.70 per share for aggregate gross proceeds of \$ 1,207,500, before deducting underwriting discounts and offering expenses payable ~~by the by the Commission~~ Company. **In conjunction with this offering, the Company issued the underwriter, and its designees, warrants to purchase 86,250 shares of the Company's common stock at an exercise price of \$ 0.875. On July 31, 2023 and on October 26, 2022-2023 and related prospectus supplements dated, the Company issued 18,750 shares of its common stock in conjunction with the purchase of a 10 % interest in Caesar Media Group Inc. October 26, 2023, the Company issued 6,250 shares of its common stock in conjunction with its purchase of MSG Development Corp. ("MSG"), a wholly owned subsidiary. As a result of the issuance to MSG, the equity account for shares to be issued decreased by \$ 61,063 from \$ 183,187 to \$ 122,124. The Company did not receive any proceeds for the issuance of these shares. On ~~December 13-27, 2022-2023~~, the Company completed a public offering of (i) 4,800,000 shares of common stock, par value \$ 0.001 per share, of the Company (the "Common Share"); (ii) 11,200,000 prefunded warrants (the "Prefunded Warrants") to purchase 11,200,000 shares of Common Stock of the Company (the "Prefunded Warrant Shares"); (iii) 16,000,000 Series A-1 warrants (the "Series A-1 Common Warrants") to purchase 16,000,000 shares of Common Stock of the Company (the "Series A-1 Common Warrant Shares") and (iv) 16,000,000 Series A-2 warrants (the "****

Series A- 2 Common Warrants,” together with the Series A- 1 Warrants, the “ Common Warrants ”) to purchase 16,000,000 shares of Common Stock of the Company (the “ Series A- 2 Common Warrant Shares,” together with the Series A- 1 Common Warrant Shares, the “ Common Warrant Shares ”). The offering price of each Common Share and accompanying Series A- 1 Common Warrant and Series A- 2 Common Warrant was \$ 0. 25, and the offering price of each Prefunded Warrant and accompanying Series A- 1 Common Warrant and Series A- 2 Common Warrant was \$ 0. 249. The Common Shares, Prefunded Warrants, Prefunded Warrant Shares, Series A- 1 Common Warrants, Series A- 1 Common Warrant Shares, Series A- 2 Common Warrants, Series A- 2 Common Warrant Shares are collectively referred to as amended the “ Securities. ” Each Common Warrant has an exercise price of \$ 0. 25 per share. The Common Warrants became exercisable on February 23, 2024. The Series A- 1 Common Warrants expire on February 23, 2029. The Series A- 2 Common Warrants expire on August 23, 2025. A holder may not exercise any portion of the Common Warrants to the extent the Purchaser would own more than 4. 99 % of the outstanding Common Stock immediately after exercise. A holder may increase or decrease this percentage with respect to either the Series A- 1 Common Warrants or the Series A- 2 Common Warrants to a percentage not in excess of 9. 99 %, except that any such increase shall require at least 61 days’ prior notice to the Company. The Prefunded Warrants were immediately exercisable and may be exercised at a nominal exercise price of \$ 0. 001 per share of Common Stock at any time until all of the Prefunded Warrants are exercised in full. A holder may not exercise any portion of the Prefunded Warrants to the extent the Purchaser would own more than 4. 99 % of the outstanding Common Stock immediately after exercise. The holder may increase or decrease this percentage with respect to Prefunded Warrants to a percentage not in excess of 9. 99 %, except that any such increase shall require at least 61 days’ prior notice to the Company. As compensation to H. C. Wainwright & Co., LLC as the exclusive placement agent in connection with the offering of the Securities (the “ Placement Agent ”), the Company paid the Placement Agent a cash fee of 7. 5 % of the aggregate gross proceeds raised in the offering, plus a management fee equal to 1. 0 % of the gross proceeds raised in the offering and reimbursement of certain expenses and legal fees. The Company also issued warrants to designees of the Placement Agent (the “ Placement Agent Warrants ”) to purchase up to 1, 200, 000 shares of Common Stock. The Placement Agent Warrants have substantially the same terms as the Common Warrants, except that the Placement Agent Warrants have an exercise price equal to \$ 0. 3125 per share and expire on December 16-27, 2022-2028 . On January 19, 2024, the Company issued 1, 390, 000 shares of common stock upon the exercise of Prefunded Warrants and receipt of the exercise price of \$ 1, 390. On January 31, 2024, the Company issued 1, 582, 000 shares of common stock upon the exercise of 1, 582, 000 Prefunded Warrants and receipt of the exercise price of \$ 1, 582. On February 20, 2024 the Company received a warrant exercise notice of Prefunded Warrants to purchase 1, 390, 000 Warrant Shares and issued 1, 390, 000 shares of its common stock upon the receipt of the exercise price of \$ 1, 390. On March 8, 2024 the Company received a warrant exercise notice of Prefunded Warrants to purchase 1, 390, 000 Warrant Shares and issued 1, 390, 000 shares of its common stock upon the receipt of the exercise price of \$ 1, 390. On March 20, 2024 the Company received a warrant exercise notice of Prefunded Warrants to purchase 1, 758, 000 Warrant Shares and issued 1, 758, 000 shares of its common stock upon the receipt of the exercise price of \$ 1, 758. On April 2, 2024 the Company received a warrant exercise notice of Prefunded Warrants to purchase 430, 000 Warrant Shares and issued 430, 000 shares of its common stock upon the receipt of the exercise price of \$ 430, 000. On April 24, 2024, the Company issued 239, 274 shares of its common stock at a price per share of \$ 0. 1324 to pay in full a \$ 31, 680 obligation that the Company owed to its director, Steven Geary. On that date, the Company also issued 442, 024 shares of its common stock at a price per share of \$ 0. 1324 to pay in full a \$ 58, 524 obligation that the Company owed to Paul Riss, a director of our subsidiary, Netcapital Funding Portal Inc. On April 29, 2024, the Company issued 250 shares of its common stock to fulfill a stock subscription payable of \$ 10, 000 . F- 16-18

The following tables summarize information about warrants outstanding as of April 30, 2024 and 2023 and 2022: Schedule of Warrants Outstanding

Warrants Outstanding	Warrants Exercisable	Weighted- Average Exercise Price	Weighted- Range of Remaining Average Exercise Number Contractual Exercise Number Exercise Prices Outstanding Life (Years) Price Outstanding Price As of April 30, 2024	\$ 1. 75- \$ 5. 19	38, 142, 932	3. 06 \$ 0. 43	38, 142, 932 \$ 0. 43	As of April 30, 2023	\$ 1. 75- \$ 5. 19	1, 541, 682	4. 25 \$ 5. 03	1, 469, 982 \$ 5. 19	As of April 30, 2022	\$ —	\$ —																			
Schedule of Warrants Outstanding activity	Activity	Number of Shares	Exercise Price Per Share	Average Exercise Price	Outstanding	May 1, 2021	\$ —	Issued during year ended April 30, 2022	\$ —	Exercised / canceled during year ended April 30, 2022	\$ —	Outstanding April 30, 2022	\$ —	Issued during year ended April 30, 2023	1, 541, 682 \$ 1. 75- \$ 5. 19	\$ 5. 03	Exercised / canceled during year ended April 30, 2023	\$ —	Outstanding April 30, 2023	1, 541, 682 \$ 1. 75- \$ 5. 19	\$ 5. 03	Issued during year ended April 30, 2024	44, 541, 250	\$ 0. 001- \$ 5. 19	\$ 5. 03	Exercised / canceled during year ended April 30, 2024	(7, 940, 000)	\$ —	Warrants outstanding April 30, 2023-2024	1-38, 541-142, 682-932	\$ 0 \$ 1. 75-001 - \$ 5. 19 \$ 5-0. 03-43	Warrants exercisable, April 30, 2023-2024	1-38, 469-142, 982-932	\$ 0. 001- 5. 19 \$ 5-0. 43

Note 8 – Fair Value The Company uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures of financial instruments on a recurring basis. Cash and cash equivalents, accounts receivable, and accounts payable In general, carrying amounts approximate fair value because of the short maturity of these instruments. F- 19 Fair Value Hierarchy F- 17 As a result of the two offerings, the company has warrants outstanding, with a five-year term, to purchase a total of 1, 469, 982 shares of its common stock at an exercise price of \$ 5. 19 and 71, 700 shares of its common stock at an exercise price of \$ 1. 75. The Fair Value Measurements Topic warrants issued to the underwriter’s representatives and to the underwriter were not part of the FASB Accounting Standards Codification establishes a fair unit, consisting of one share of common stock and one warrant and are valued value based upon hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the

lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. Financial assets measured at fair value on the Nasdaq market. During the year ended a recurring basis are summarized below as of April 30, 2024 and 2023 : Schedule , in addition to the public offerings, the Company issued 75,000 shares of Financial Assets Measured common stock, valued at Fair Value on \$ 732, 751, in conjunction with the purchase of a Recurring Basis Level 1 Level 10 % equity stake in Caesar Media Group, Inc., 300, 000 shares of common stock, valued at \$ 435, 000 to purchase the website and intellectual property of a real-time video conferencing website, 2 Level 3 Total , 600 shares of common stock in conjunction with a stock subscription agreement with accredited investors, valued at \$ 23, 400, and 6, 250 shares of common stock in conjunction with an acquisition agreement that requires shares to be issued by the Company. As a result of this issuance, the value of the balance sheet account for shares to be issued decreased by \$ 61, 063 to \$ 183, 187 as of April 30, 2023 2024 , from a balance of Equity securities at fair value \$ 244, — \$ 250- 25 as of, 333, 386 \$ — \$ 25, 333, 386 April 30, 2022. On January 5, 2023 Equity securities at fair value \$ — \$ 22, 955, 445 \$ — \$ 22, 955, 445

Determination of Fair Value Under the Fair Value Measurements Topic of the FASB Accounting Standards Codification , the Company filed a Current Report bases its fair value on Form 8 - K and announced the price that would be received formation of the Neteapital Inc. 2023 Omnibus Equity Incentive Plan (the " Plan "), which has subsequently been approved by a vote of the shareholders. The purposes of the Plan are to sell (i) provide an asset additional incentive to selected employees, directors, and independent contractors of the Company or paid its affiliates whose contributions are essential to transfer a liability the growth and success of the Company, (ii) strengthen the commitment of such individuals to the Company and its affiliates, (iii) motivate those individuals to faithfully and diligently perform their responsibilities and (iv) attract and retain competent and dedicated individuals whose efforts will result in the long-term growth and profitability of the Company. In conjunction with these purposes, the Company granted stock options to four individuals to purchase an aggregate of 1, 600, 000 of orderly transaction between market participants at the measurement date. It is the Company's to transfer a liability in an orderly transaction between market participants at the measurement date. It is the Company's policy to maximize the use of observable inputs and minimize the use of unobservable inputs when developing fair value measurements, in accordance with the fair value hierarchy. Fair value measurements for assets and liabilities where there exists limited or no observable market data and, therefore, are based primarily upon management's own estimates, are often calculated based on current pricing policy, the economic and competitive environment, the characteristics of the asset or liability and other such factors. Therefore, the results cannot be determined with precision and may not be realized in an actual sale or immediate settlement of the asset or liability. Additionally, there may be inherent weaknesses in any calculation technique, and changes in the underlying assumptions used, including discount rates and estimates of future cash flows, that could significantly affect the results of current or future value. See F- 20 Note 9 – Stock- Based Compensation Plans In addition to cash payments, the Company enters agreements to issue common stock and options to purchase common at a price of \$ 1. 43 per share. See Note 9. The Company also granted 350, 000 stock options under the Plan to employees, consultants, and directors on April 25, 2023 at an and records exercise price of \$ 1. 40 per share. All stock options in the applicable Plan vest monthly on non a straight- cash expense line basis over a 4- year period and expire in 10 years accordance with the authoritative guidance of the Financial Accounting Standards Board . For the years ended April 30, 2024 and 2023 and 2022-, the Company recorded \$ 269, 577 and \$ 1, 176, 058, respectively, in stock- based compensation expense amounted . As of April 30, 2023 and 2022-, there was \$ 552, 329 and \$ 0 of prepaid stock- based compensation expense. The prepaid balance of \$ 552, 329 is the result of the issuance of 350, 000 shares of common stock to a third- party business consultant \$ 1, 324, 917 and \$ 269, 577, respectively . The table below presents the components of stock- based compensation expense for the issuance of shares of common stock and stock options to employees and consultants for the years ended April 30, 2024 and 2023 and 2022-. Schedule of stock Stock - based Compensation Expense Stock - based compensation expense Description expense Year Ended April 30, 2023 2024 Year Ended April 30, 2022 2023 Chief Executive Officer \$ 249 , 972 Neteapital Inc. \$ 81, 309 \$ — Chief Financial Officer 57, 240 25, 927 40, 608 Chief Executive Officer, Neteapital Advisors Inc. 5, 093 4, 833 40, 608 Founder 57, 240 25, 927 — Chief Marketing Officer — 109, 547 Related party consultant — 25, 908 Marketing consultant 144, 000 — 5, 603 Marketing consultant 58, 829 — Employee and 380, 441 Marketing consultant — 118 options 187, 405 939 131, 581 Business consultant 564, 604 — Total 25, 908 Company secretary and director — 100, 000 Business development manager — 300, 000 Employee and director stock options 131- based compensation expense \$ 1 , 324 581 29, 917 030 Total \$ 269, 577 \$ 1, 176, 058 The table below presents the number of shares issued as compensation for the years ended April 30, 2023 and 2022: Year Ended Year Ended Description April 30, 2023 April 30, 2022 Company secretary and director — 10, 000 Business development manager — 30, 000 Chief Marketing Officer — 10, 417 Business consultants 350, 000 469 Total 350, 000 50, 886 F- 18 The following tables summarize information about stock options outstanding as of April 30, 2024 and 2023 and 2022: Schedule of stock Stock options Options outstanding Outstanding Options Outstanding Options Exercisable Weighted- Average Weighted- Weighted- Range of Remaining Average Average Exercise Number Contractual Exercise Number Exercise Prices Outstanding Life (Years) Price Outstanding Price As of April 30, 2023 2024 \$ 1. 40- \$ 10. 50 2, 078, 500 8. 65 \$ 2. 24 764, 219 \$ 3. 23 As of April 30, 2023 \$ 1. 40- \$ 10. 50 2, 202, 000 9. 63 \$ 2. 46 294, 333 \$ 3. 69 F As of April 30, 2022 \$ 10. 50- \$ 10. 50 271- 21 , 000 9. 79 \$ 10. 50 16, 945 \$ 10. 50 Schedule of stock Stock options- Option activity Activity Number of Shares Exercise Price Per Share Average Exercise Price Outstanding April 30, 2021 — \$ — Issued during year ended April 30, 2022 272, 000 \$ 10. 50 \$ 10. 50 \$ 10. 50 Exercised / canceled during year ended April 30, 2022 1, 000 \$ 10. 50 \$ 10. 50 Options outstanding April 30, 2022 271, 000 \$ 10. 50 \$ 10. 50 Issued during year ended April 30, 2023 1, 950, 000 \$ 1. 40- \$ 1. 43 \$ 1. 42 Exercised / canceled during year ended April 30, 2023 (19, 000) \$ 10. 50- \$ 10. 50 \$ 10. 50

Options outstanding April 30, 2023 2, 202, 000 \$ 1. 40- \$ 10. 50 \$ 2. 46 **Issued** Options exercisable, April 30, 2023 294, 333 \$ 1. 40- \$ 10. 50 \$ 3. 69 F-19 8. Earnings Per Common Share Earnings per common share data was computed as follows: Schedule of earnings per share 2023 Net income \$ 2, 954, 972 \$ 3, 503, 530 Weighted average common shares outstanding 4, 677, 214 2, 666, 173 Effect of dilutive securities 250 82, 307 Weighted average dilutive common shares outstanding 4, 677, 464 2, 748, 480 Earnings per common share—basic \$ 0. 63 \$ 1. 31 Earnings per common share—diluted \$ 0. 63 \$ 1. 27 Basic net income per share is computed by dividing net income available to common stockholders by the weighted average number of vested, unrestricted common shares outstanding during the period. Diluted net income per share is computed based on the weighted average number of shares of common stock outstanding plus the effect of dilutive potential common shares outstanding during the period using the if-converted method. Dilutive potential common shares include 250 shares and 82, 307 shares, respectively for the years- **year** ended April 30, 2023-2024 - and 2022. As of April 30, 2022, 39, 901 shares were issuable to satisfy a supplemental consideration liability, in addition to \$ 1 300, 000 in convertible promissory notes plus \$ 5, 326 in accrued interest payable that could convert, at a price per share of \$ 7. 20, into 40- \$ 1. 43 \$ 1. 42 **Exercised / canceled during**, 406 shares of common stock. Outstanding stock options, totaling 2, 202, 000 and 271, 000 for the years- **year** ended April 30, 2023-2024 (123, 500) \$ 10. 50- \$ 10. 50 \$ 10. 50 Options outstanding April 30, 2024 2, 078, 500 \$ 1. 40- \$ 10. 50 \$ 2. 24 Options exercisable, April 30, 2024 764, 219 \$ 1. 40- \$ 10. 50 \$ 3. 23 Note 10 – Deposits and Commitments We utilize and- an office at 1 Lincoln Street in Boston, Massachusetts. We currently pay a membership fee of approximately \$ 6, 400 a month, under a virtual office agreement that expires in March 2022-2025 and , respectively, were not included includes a deposit of \$ 6, 300. Note 11 – Intangible Assets Intangible assets with defined useful lives are generally measured at cost less straight- line amortization. The useful life is determined using the period of the underlying contract or the period of time over which the intangible asset can be expected to be used. The Netcapital Funding Portal acquired brand of \$ 532, 118 is subject to amortization over a 15 year period. The acquired users valued at \$ 14, 271, 836 have an indefinite life. Impairments are recognized if the recoverable amount of the asset is lower than the carrying amount. The recoverable amount is the higher of either the fair value less costs to sell or the value in use. The value in use is determined on the basis of future cash inflows and outflows, and the weighted average cost of capital. Intangible assets with indefinite useful lives, such as trade names and trademarks, that have been acquired as part of acquisitions are measured at cost and tested for impairment annually, or if there is an indication that calculation of dilutive securities because their effect value has declined. As of April 30, 2024, the Company determined that the intangible assets associated with its acquisition of MSG Development Corp. and a website that focused on booking live video calls with retired professional hockey players was anti- dilutive. Vested warrants totaling impaired, and the Company recorded an impairment expense of \$ 1, 469-048. 430 982 and 0 shares, for the years- **year** ended April 30, 2024. The following table sets forth the major categories of the intangible assets as of April 30, 2024 and 2023 and- Schedule of Intangible Assets April 30, 2022-2024 April 30, were also not included in the calculation-2023 Acquired users \$ 14, 271, 836 \$ 14, 288, 695 Acquired brand 532, 118 583, 429 Acquired IP and Website- 435, 000 Professional practice- 556, 830 Literary works and contracts- 107, 750 Total intangible assets 14, 803, 954 15, 971, 704 Less: accumulated amortization 70, 949 96, 407 Net intangible assets \$ 14, 733, 005 \$ 15, 875, 297 As of dilutive securities because April 30, 2024, their-- the effect-weighted average remaining useful life for acquired brand is 13 years. Accumulated amortization amounted to \$ 70, 949 was- as anti- dilutive of April 30, 2024 resulting in net intangible assets of \$ 14, 733, 005. 9. Related Party Transactions The F- 22 Note 12 – Investments Beginning in fiscal 2024, the Company’ s funding portal charges issuers a fee of largest shareholder, Netcapital Systems LLC (“ Systems ”), owns 1 , 711, 261 shares of common stock, or 26. 6% of the Company’ s 6 equity securities sold on the funding portal , along with a fee of 4. 9 % of the cash proceeds from the sale of these securities. The value of the 1 % equity fee ranged from \$ 117, from an issuer that raised approximately \$ 11, 700, to \$ 440- 44. 527 outstanding shares as 945 from an issuer that raised approximately \$ 4, 494, 500. As of April 30, 2023-2024 . As of April, the Company received equity securities from 30 issuers , valued at 2022, the Company accrued a total payable to Systems of \$ 294 97. 054-700, which resulted in non- cash revenue of \$ 97, 700 for supplemental consideration owed in conjunction with its purchase of Netcapital Funding Portal Inc., which was paid in full on July 14, 2022, with the issuance to Systems of 39, 901 shares of the Company’ s common stock. The Company provided professional services to Systems in the years- **year** ended April 30, 2023-2024 and 2022 and recorded revenue of \$ 4, 660 and \$ 15, 000, respectively, for those services. F-20 The Chief Executive Officer of our wholly owned subsidiary, Netcapital Advisors Inc., is a member of the board of directors of KingsCrowd Inc. The Company sold 606, 060 shares of KingsCrowd in June 2022 for proceeds of \$ 200, 000 and recorded a realized loss on the sale of the investment of \$ 406, 060. As of April 30, 2023 and 2022, the Company owned 3, 209, 685 and 3, 815, 745 shares of KingsCrowd Inc., valued at \$ 3, 209, 685 and \$ 3, 815, 745, respectively. F-21 10. Investments In April March 2023-2024 , the Company received 2, 440, 000 units of StockText LLC as a payment for services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 0. 50 per unit based on a sales price of \$ 0. 50 per unit on an online funding portal. The receipt of the units satisfied an accounts receivable balance of \$ 1, 220, 000. As of April 30, 2024, the Company owned 2, 440, 000 units which are valued at \$ 1, 220, 000. In March 2024, the Company received 2, 816, 154 units of Fantize LLC as a payment for services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 0. 39 per unit based on a sales price of \$ 0. 39 per unit on an online funding portal. The receipt of the units satisfied an accounts receivable balance of \$ 1, 110, 000. As of April 30, 2024, the Company owned 2, 816, 154 units which are valued at \$ 1, 110, 000. In February 2024, the Company received 2, 816, 154 units of AceHedge LLC as a payment for services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 0. 39 per unit based on a sales price of \$ 0. 39 per unit on an online funding portal. The receipt of the units satisfied an accounts receivable balance of \$ 1, 110, 000. As of April 30, 2024, the Company owned 2, 816, 154 units which are valued at \$ 1, 110, 000. In May 2023, the Company received 2, 853, 659 units of HeadFarm-RealWorld LLC as a payment for

services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 0. 41 per unit based on a sales price of \$ 0. 41 per unit on an online funding portal. The receipt of the units satisfied an accounts receivable balance of \$ 1, 170, 000. As of April 30, ~~2023~~ **2024**, the Company owned 2, ~~856-853~~ **659** units which are valued at \$ 1, 170, 000. In April 2023, the Company received 2, 853, 659 units of ~~CupCrew-HeadFarm~~ **LLC** as a payment for services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 0. 41 per unit based on a sales price of \$ 0. 41 per unit on an online funding portal. The receipt of the units satisfied an accounts receivable balance of \$ 1, 170, 000. As of April 30, **2024 and** 2023, the Company owned 2, ~~856-853~~ **659** units which are valued at \$ 1, 170, 000. In April 2023, the Company received 2, 853, 659 units of ~~CountSharp-CupCrew~~ **LLC** as a payment for services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 0. 41 per unit based on a sales price of \$ 0. 41 per unit on an online funding portal. The receipt of the units satisfied an accounts receivable balance of \$ 1, 170, 000. As of April 30, **2024 and** 2023, the Company owned 2, ~~856-853, 659~~ **units which are valued at \$ 1, 170, 000. F- 23 In April 2023, the Company received 2, 853, 659 units of CountSharp LLC as a payment for services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 0. 41 per unit based on a sales price of \$ 0. 41 per unit on an online funding portal. The receipt of the units satisfied an accounts receivable balance of \$ 1, 170, 000. As of April 30, 2024 and 2023, the Company owned 2, 853**, 659 units which are valued at \$ 1, 170, 000. In January 2023, the Company received 2, 100, 000 units of Dark LLC as a payment for services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 1. 00 per unit based on a sales price of \$ 1. 00 per unit on an online funding portal. The receipt of the units satisfied an accounts receivable balance of \$ 2, 100, 000. As of April 30, **2024 and** 2023, the Company owned 2, 100, 000 units which are valued at \$ 2, 100, 000. In August 2022, the Company received 1, 911, 765 units of NetWire LLC as a payment for services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 0. 68 per unit based on a sales price of \$ 0. 68 per unit on an online funding portal. The receipt of the units satisfied an accounts receivable balance of \$ 1, 300, 000. As of April 30, **2024 and** 2023, the Company owned 1, 911, 765 units which are valued at \$ 1, 300, 000. In May 2022, the Company received 1, 764, 706 units of Reper LLC as a payment for services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 0. 68 per unit based on a sales price of \$ 0. 68 per unit on an online funding portal. The receipt of the units satisfied an accounts receivable balance of \$ 1, 200, 000. As of April 30, **2024 and** 2023, the Company owned 1, 764, 706 units which are valued at \$ 1, 200, 000. In April 2022, the Company received 3, 000, 000 units of Cust Corp. as a payment for services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 0. 40 per unit based on a sales price of \$ 0. 40 per unit on an online funding portal. The receipt of the units satisfied an accounts receivable balance of \$ 1, 200, 000. As of April 30, **2024 and** 2023 ~~and 2022~~, the Company owned 3, 000, 000 units which are valued at \$ 1, 200, 000. In January 2022, the Company received 1, 700, 000 units of ScanHash LLC as a payment for services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 0. 25 per unit based on a sales price of \$ 0. 25 per unit on an online funding portal. The receipt of the units satisfied \$ 425, 000 of an accounts receivable balance. As of April 30, **2024 and** 2023 ~~and 2022~~, the Company owned 1, 700, 000 units which are valued at \$ 425, 000. In January 2022, the Company received 2, 850, 000 units of Hiveskill LLC as payment for services rendered in conjunction with a crowdfunding offering. The units are valued at \$ 0. 25 per unit based on a sales price of \$ 0. 25 per unit on an online funding portal. The receipt of the units satisfied an accounts receivable balance of \$ 712, 500. As of April 30, **2024 and** 2023 ~~and 2022~~, the Company owned 2, 850, 000 units which are valued at \$ 712, 500. **F- 24** In fiscal 2022, the Company purchased a 10 % interest, or 400 shares of common stock, in Caesar Media Group Inc. (“ Caesar ”) for an initial purchase price of 50, 000 shares of the Company ’ s common stock, valued at \$ 500, 000. Caesar is a marketing and technology solutions provider. The purchase agreement ~~includes~~ **included** additional contractual requirements for the Company and Caesar, including the issuance of an additional 150, 000 shares of common stock of the Company over a two- year period ~~. The Company, which have all been issued~~ **as 37, 500 shares of its common stock in April 2022, 25, 000 shares of its common stock in September 2022, 12, 500 shares of its common stock in October 2022 31**, 18, 750 shares of its common stock in January 2023 and 18, 750 shares of its common stock in April 2023, as part of its contractual payment obligations. As of April 30, 2023 ~~2024~~ **and 2022**, there have been no observable price changes in the value of ~~the~~ **Caesar ’ s common stock and the Company has valued its ownership in Caesar at cost, which amounted to \$ 1, 632-999**, ~~128 751 and \$ 900, 000~~ **as of April 30, 2024, and \$ 1, 632, 752 as of April 30, 2023 and 2022, respectively. F- 22** In August ~~May~~ **2020**, the Company entered a consulting ~~agreement~~ **contract** with ~~Watch Party C- Reveal Therapeutics~~ **LLC (“ WP- CRT ”)**, for a \$ 120, 000 fee over a 12- month period. \$ 50, 000 of the fee was payable in CRT units. As of April 30, 2023 and 2022, the Company owned 5, 000 units, at a value of \$ 50, 000. In May 2020, the Company entered a consulting contract with MustWatch LLC (“ MW ”), which allowed the Company to receive 110, 000 membership interest units of ~~MW- WP~~ **in return for consulting services rendered in conjunction with a crowdfunding offering. The Company earned 97, 500 membership interest units in the quarter ended July 31, 2020, valued at \$ 2-** ~~The WP 14 per unit, or \$ 235, 400. As of April 30, 2023, the MW units are valued at \$ 4-2. 14 per unit based on a sales price of \$ 4-2. 14 per unit on an online funding portal. As of April 30, 2024 and 2023 and 2022, the Company owned 110, 000 MW- WP units, which are valued at \$ 440, 000 and \$ 235, 400, respectively. The \$ 204, 600 increase in value of the MW units owned by the Company is recorded as an unrealized gain in the year ended April 30, 2023.~~ **consulting** services rendered in conjunction with a crowdfunding offering. The Chip units were initially valued at \$ 0. 93 per unit based on a sales price of \$ 0. 93 per unit on an online funding portal. Subsequently, Chip sold identical units for \$ ~~4-2. 74~~ **40** per unit, and as of April 30, **2024 and** 2023 ~~and April 30, 2022~~, the 710, 200 units owned by the Company are valued at \$ 3, 366, 348 ~~and \$ 1, 704, 480, respectively. The \$ 1, 661, 868 increase in value of the Chip units owned by the Company was recorded as an unrealized gain in the year ended April 30, 2023.~~ In May 2020, the Company entered a consulting contract with a related party, Zelgor Inc. (“ Zelgor ”), which allowed the Company to receive 1, 400, 000 shares of common stock of Zelgor in return for ~~consulting~~ **consulting** services rendered in conjunction with a crowdfunding offering. The Zelgor shares are valued at \$ 1. 00

per share based on a sales price of \$ 1.00 per share on an online funding portal. As of April 30, 2024 and 2023 and 2022, the Company owned 1,400,000 shares which are valued at \$ 1,400,000. On January 2, 2020, the Company entered a consulting contract with Deuce Drone LLC (“ Drone ”), which allowed the Company to receive up to 2,350,000 membership interest units of Drone in return for consulting services. The Company earned all 2,350,000 membership interest units in fiscal 2020. The Drone units were originally valued at \$ 0.35 per unit based on a sales price of \$ 0.35 per unit when the units were earned, or \$ 822,500. Drone subsequently sold identical Drone units for \$ 1.00 per unit on an online funding portal and as of April 30, 2024 and 2023 and 2022, the units owned by the Company are valued at \$ 2,350,000. In August 2019, the Company entered into a consulting contract with KingsCrowd LLC (“ KingsCrowd ”), which allowed the Company to receive 300,000 membership interest units of KingsCrowd in return for consulting services rendered in conjunction with a crowdfunding offering. The KingsCrowd units were valued at \$ 1.80 per unit based on a sales price of \$ 1.80 per unit when the units were earned, or \$ 540,000. In December 2020, KingsCrowd converted from a limited liability company to a corporation to facilitate raising capital under Regulation A. KingsCrowd filed a Form 1-A Offering Statement under the Securities Act of 1933 and sold shares at \$ 1.00 per share. In connection with the conversion to a corporation, each membership interest unit converted into 12.71915 shares of common stock, and the Company recorded an unrealized gain of \$ 3,275,745 for the year ended April 30, 2022. The Company sold 606,060 shares of KingsCrowd in June 2022 for proceeds of \$ 200,000 and recorded a realized loss on the sale of the investment of \$ 406,060. KingsCrowd filed a post qualification offering circular amendment on July 21, 2022 and continued to sell shares of common stock to the public for \$ 1.00 per share. On March 1, 2024 and 2023, the Company owned 3,209,685 and 3,815,745 shares of KingsCrowd, respectively. During fiscal 2019, the Company entered into a Form 1 consulting contract with Neteapital Systems LLC, a related party, and earned membership interest units. As of April 30, 2023 and 2022, the Company owned 528 units, at a value of \$ 48,128. In July 2020 the Company entered into a consulting agreement with Vymedic, Inc. for a \$ 40,000 fee over a 5- month period. Half the fee was payable in stock and half was payable in cash. As of April 30, 2023 and 2022, the Company owned 4,000 units, at a value of \$ 11,032 and \$ 20,000, respectively. Based upon recent sales of shares of common stock at a price of Vymedic Inc \$ 0.16, the per share value dropped from \$ 5.00, 2024, KingsCrowd filed a Form C offering shares of its common stock for sale at a price of \$ 0.0016 per share to \$ 2.00 per share, and the Company noted this observable price change and consequently recorded an unrealized loss on equity securities of \$ 8,968 for the year ended April 30, 2023. This unrealized loss of \$ 8,968 is netted with the unrealized gains of \$ 204,600 and \$ 1,661,868 in the MW and Chip securities, respectively, and results in an unrealized gain in equity securities of \$ 1,857,500 in the year ended April 30, 2024 and 2023, the Company owned 3,209,685 shares of KingsCrowd valued at \$ 513,550 and \$ 3,209,685, respectively. During fiscal 2019, the Company entered a consulting contract with Systems DE, which allowed the Company to receive up to 1,000 membership interest units of Systems DE in return for consulting services. The Company earned all 1,000 Systems DE units but sold a portion of the units in fiscal 2020 at a sales price of \$ 91.15 per unit. As of April 30, 2024 and 2023, the Company owned 528 Systems DE, at a value of \$ 48,128. In July 2020 the Company entered a consulting agreement with Vymedic, Inc. for a \$ 40,000 fee over a 5- month period. Half the fee was payable in stock and half was payable in cash. As of April 30, 2024 and 2023, the Company owned 4,000 units, at a value of \$ 11,032. In August 2020 the Company entered a consulting agreement with C- Reveal Therapeutics LLC (“ CRT ”), for a \$ 120,000 fee over a 12- month period. \$ 50,000 of the fee was payable in CRT units. As of April 30, 2024 and 2023, the Company owned 5,000 units, at a value of \$ 50,000. The following table summarizes the components of investments equity securities as of April 30, 2024 and 2023 and 2022:

Investments	April 30, 2024	April 30, 2023	April 30, 2022
Neteapital Systems LLC	48,128	48,128	128
MustWatch LLC	440,000	235,440	400,000
Zelgor Inc.	1,400,000	1,400,000	1,400,000
ChipBrain LLC	3,366,348	3,366,348	3,366,348
Vymedic Inc.	11,032	11,032	20,000
C- Reveal Therapeutics LLC	50,000	50,000	50,000
Deuce Drone LLC	2,350,000	2,350,000	2,350,000
Hiveskill LLC	712,500	712,500	712,500
ScanHash LLC	425,000	425,000	425,000
Caesar Media Group Inc.	1,999,128	1,999,128	1,999,128
Cust Corp.	1,200,000	1,200,000	1,200,000
Kingscrowd Inc.	513,550	3,209,685	3,815,745
Reper LLC	1,200,000	1,200,000	1,200,000
Dark LLC	2,100,000	2,100,000	2,100,000
Netwire LLC	1,300,000	1,300,000	1,300,000
CountSharp LLC	1,170,000	1,170,000	1,170,000
CupCrew LLC	1,170,000	1,170,000	1,170,000
HeadFarm LLC	1,170,000	1,170,000	1,170,000
RealWorld LLC	1,170,000	1,170,000	1,170,000
Acehedge LLC	1,110,000	1,110,000	1,110,000
Fantize LLC	1,110,000	1,110,000	1,110,000
StockText LLC	1,220,000	1,220,000	1,220,000
30 issuers that paid a 1% equity fee to the funding portal	97,700	97,700	97,700
Total	\$ 25,333,386	\$ 22,955,444	\$ 12,445,861
Investment Owned	861	861	861

The above investments in equity securities are within the scope of ASC 321. The Company monitors the investments for any changes in observable prices from orderly transactions. All investments are initially measured at cost and evaluated for changes in estimated fair value. In accordance with ASC 321, the Company uses the measurement alternative for equity securities without readily determinable fair values. The table below summarizes the annual and cumulative adjustments for these investments. The Company evaluates these investments for impairment. No impairment expense was recognized in the years ended April 30, 2023 and 2022. In fiscal 2023, there were carrying amounts based on observable price changes in orderly transactions for identical or similar investments of three securities same issuer. Summarizes The Annual And Cumulative Adjustments For Investment Original Cost Value at April 30, 2024 Value at April 30, 2023 Annual Adjustment 2024 Annual Adjustment 2023 Cumulative Adjustment

Systems DE	\$ 234,080	\$ 48,128	\$ 48,128	\$-	\$ (185,952)
MustWatch LLC	235,400	440,000	440,000	204,600	204,600
Zelgor Inc.	1,400,000	1,400,000	1,400,000	---	---
ChipBrain LLC	660	660	660	---	---
MustWatch LLC	486	3,366,348	3,366,348	---	---
Vymedic Inc.	20,000	11,032	11,032	(8,968)	(8,986)
C- Reveal Therapeutics LLC	50,000	50,000	50,000	---	---
Deuce Drone LLC	822,500	2,350,000	2,350,000	---	---
Hiveskill LLC	712,500	712,500	712,500	---	---
ScanHash LLC	425,000	425,000	425,000	---	---
Caesar Media Group Inc.	1,999,128	1,999,128	1,999,128	---	---
Cust Corp.	1,200,000	1,200,000	1,200,000	---	---
Kingscrowd Inc.	454,231	513,550	3,209,685	(2,696,135)	59,319
Reper LLC	1,200,000	1,200,000	1,200,000	---	---

000 1, 200, 000 1, 200, 000--- Dark LLC 2, 100, 000 2, 100, 000 2, 100, 000--- Netwire LLC 1, 300, 000 1, 300, 000 1, 300, 000--- CountSharp LLC 1, 170, 000 1, 170, 000 1, 170, 000--- CupCrew LLC 1, 170, 000 1, 170, 000 1, 170, 000--- HeadFarm LLC 1, 170, 000 1, 170, 000 1, 170, 000--- RealWorld LLC 1, 170, 000 1, 170, 000--- Acehedge LLC 1, 110, 000 1, 110, 000--- Fantize LLC 1, 110, 000 1, 110, 000--- StockText LLC 1, 220, 000 1, 220, 000--- 30 Issuers as a group 97, 700 97, 700--- Total \$ 21, 031, 025 \$ 25, 333, 386 \$ 22, 955, 445 \$ (2, 696, 135) \$ 1, 857, 500 \$ 4, 302, 361 Note 13 – Going Concern Matters and Realization of Assets The result of accompanying financial statements have been prepared on a going concern basis, which contemplates these--- the price changes was realization of assets an and increase in the satisfaction fair value of liabilities the equity securities totaling \$ 1, 857, 500 in the fiscal ordinary course of business. However, as of April 30, 2024, the Company had negative working capital of \$ 2, 074, 163 and for the year ended April 30, 2023-2024, which was recorded in the income statement as an unrealized gain on equity securities. In fiscal 2022, the Company identified that Kingsrowd Inc. had an observable price change operating loss of \$ 3, 442, 388 and net cash used in operating activities amounted to \$ 4, 879, 838. There can be no assurances that we will be able to achieve a level of revenues adequate to generate sufficient cash flow from operations or additional financing through private placements, public offerings and / or bank financing necessary to support our working capital requirements. The result of the price change was Company has recently reduced its operating expenses an and has turned its focus to its funding portal business increase in the fair value of the equity securities totaling \$ 3, 275, 745 which generates cash revenues and has seen a growth in the fiscal revenues on a year - to - year basis ended April 30, 2022, which was recorded in the income statement as an unrealized gain on equity securities. The 11. Intangible Assets In December 2022, the Company seeks purchased the website, intellectual property, source code and domain names of IONI. FANS and ONEONONE. FANS (the “ Assets ”). Pursuant to operate with lower fixed overhead amounts the guidance of Topic 805, it was determined that the purchase of the Assets did not meet the definition of a business and the asset purchase was accounted for as an and asset acquisition plans to raise money from private placements, public offerings and / or bank financing. The fair value of the consideration, consisting of 300, 000 shares of the Company’s common stock management has determined, based on its recent history valued at \$ 435, 000, was attributed to a single asset and the negative cash flow from operations, that it is classified unlikely that its plan will sufficiently alleviate or mitigate, to a sufficient level, the relevant conditions or events noted above. To the extent that funds generated from any private placements, public offerings and / or bank financing, if available, are insufficient, the Company will have to raise additional working capital. No assurance can be given that additional financing will be available, or if available, will be on acceptable terms. These conditions raise substantial doubt about the Company’s ability to continue as a going concern. Accordingly, the Company’s management has concluded that there is substantial doubt about the Company’s ability to continue as a going concern within one year after the issuance date of these financial statements. There can be no assurance that the Company will be able to achieve its business plan objectives or be able to achieve or maintain cash- flow- positive operating results. If the Company is unable to generate adequate funds from operations or raise sufficient additional funds, the Company may not be able to repay its existing debt, continue to operate its business network, respond to competitive pressures or fund its operations. As a result, the Company may be acquired required intellectual property and website to significantly reduce, reorganize, discontinue or shut down its operations. The financial statements do not include any adjustments that might result from this uncertainty. following table sets forth the major categories of the intangible assets as of April 30, 2023 and 2022 F- 27 Note 24 Schedule of intangible assets April 30, 2023 April 30, 2022 Acquired users \$ 14, 288, 695 \$ 14, 288, 695 Acquired brand 583, 429 583, 429 Acquired intellectual property and website 435, 000 — Professional practice 556, 830 556, 830 Literary works and contracts 107, 750 107, 750 Total intangible assets \$ 15, 971, 704 \$ 15, 536, 704 As of April 30, 2023, the weighted average remaining useful life for technology, trade names, professional practice, literary works and domains is 14. 16 years. Accumulated amortization amounted to \$ 96, 407 as of April 30, 2023, resulting in net intangible assets of \$ 15, 875, 297. 12. Subsequent Events The Company evaluated subsequent events through the date these financial statements were available to be issued. On May 23-24, 2023 the 2024, the Company’s board of directors entered into a securities purchase agreement (the “ Board Purchase Agreement ”) approved an amendment to its articles of incorporation, as amended, to effect a reverse split of the issued shares of our common stock at a ratio that is not less than 1- for- 2 and not greater than 1- for- 100, without reducing the authorized number of shares of its common stock, with the exact ratio certain institutional investors, pursuant to be selected by the Board in its discretion, and to be effected, if at all, in the sole discretion of the Board, which amendment to our articles of incorporation and reverse split are subject to approval by the Company’s shareholders The Company’s shareholders approved agreed to issue and sell to such investors, in a registered direct offering (the reverse split proposal at a special meeting “ Offering ”), 1, 100, 000 shares (the “ Shares ”) of shareholders on July 25, 2024. The primary purpose of this proposal was to regain compliance with Nasdaq Listing Rules related to minimum bid price for the Company’s common stock. On July 25, 2024, our Board approved a reverse split ratio of 1- for- 70 for the reverse split of the issued shares of our common stock. On May 24, 2024, the Company entered inducement offer letter agreements (the “ Inducement Letters ”) with certain investors (the “ Participating Holders ”) that held certain outstanding Series A- 2 warrants to purchase up to an aggregate of 14, 320, 000 shares of the Company’s common stock, par value \$ 0. 001 per share (the “ Common Stock ”), originally issued to the Participating Investors on December 27, 2023 (the “ Existing Warrants ”). The Series A- 2 Warrants had an exercise price of \$ 0. 25 per share. Pursuant to the Inducement Letters, the Participating Investors agreed to exercise for cash the Existing Warrants at a reduced exercise price of \$ 1-0. 55-155 per share share, in partial consideration for the Company’s agreement to issue in a private placement (x) new Series A- 3 Common Stock purchase warrants (the “ New Series A- 3 Warrants ”) to purchase up to 14, 320, 000 shares of Common Stock (the “ New Series A- 3 Warrant Shares ”) and (y) new Series A- 4 Common Stock Purchase Warrants (the “ New Series A- 4 Warrants ”) and, together with the New Series A- 3 Warrants, the “ New

Warrants”) to purchase up to 14,320,000 shares of Common Stock (the “New Series A-4 Warrant Shares” and, together with the New Series A-3 Warrant Shares, the “New Warrant Shares”). The New Warrants are exercisable beginning on the effective dates of stockholder approval of the issuance of the New Warrants and the New Warrant Shares (the “Initial Exercise Date”) with such warrants expiring on (i) the five year anniversary of the Initial Exercise Date for the Series A-3 Warrants and (ii) the eighteen month anniversary of the Initial Exercise Date for the Series A-4 Warrants. The closing of the transactions contemplated pursuant to the Inducement Letters occurred on May 29, 2024. The Company received aggregate gross proceeds of \$ 12,705,219,000-600 from the exercise of the Existing Warrants by the Holders, before deducting the placement agent’s fees and other offering expenses payable by the Company. The Offering closed on May 25, 2023. ~~Company intends to use the net proceeds for general corporate purposes.~~ The Shares were offered and issued and sold pursuant to the Company’s shelf registration statement on Form S-3 ~~engaged H. C. Wainwright & Co., LLC (File 333-267921) (the “Shelf Registration Statement H. C. Wainwright”) to act, filed by the Company with the Securities and Exchange Commission (the “SEC”) under the Securities Act of 1933, as its exclusive agent amended (the “Securities Act”), on October 18, 2022 and declared effective on October 26, 2022. Also in connection with the Offering, on May 23, 2023 transactions summarized above and paid H. C. Wainwright a cash fee equal to 7.5 % of the aggregate gross proceeds from the exercise of the Existing Warrants at the reduced exercise price. In addition, the Company entered into a placement agency agreement (the “Placement Agency Agreement”) with ThinkEquity LLC (the “Placement Agent”), pursuant to which (i) reimbursed H. C. Wainwright for \$ 50,000 of the fees and expenses of H. C. Wainwright’s legal counsel and the other of its out-of-pocket expenses. Placement Agent agreed to act as placement agent on a “best efforts” basis in connection with the Offering, and (ii) reimbursed H. C. Wainwright for its non-accountable expenses in the amount of \$ 25,000. The Company also agreed to pay the Placement Agent an aggregate fee equal to 8.0 % of the gross proceeds raised in the Offering, and to reimburse the Placement Agent for certain expenses, and (iii) the Company agreed to issue ~~issued to the H. C. Wainwright or its designees~~ Placement Agent agent warrants to purchase up to 55,000 shares of common stock at an exercise price of \$ 1.94 (the “Placement Agent Warrants”) to purchase up to 2,148 which were issued on May 25, 2023 ~~000 shares of Common Stock~~. The Placement Agent Warrants have ~~(and the same terms as shares of Common Stock issuable upon the exercise of New Warrants, except that the Placement Agent Warrants have)~~ were not registered under the Securities..... 250 shares of our common stock at an exercise price of equal to \$ 0.875-19375 per share and expire on May 29, 2024. In addition to the 14,320,000 shares issued in conjunction with the Inducement Letters, in May 2024 the Company also issued 3,260,000 shares of Common Stock and received cash proceeds of \$ 3,260, for the exercise of two prefunded warrants. On June 11, 2024, the Company issued 80,000 shares of its Common Stock and received cash proceeds of \$ 12,400, in conjunction with the exercise of a Series A-2 warrant. In July 2024, we announced the launch of our beta version of a secondary trading platform through the Templum ATS to a closed group of users. This secondary trading platform has been designed to provide investors who purchase stock through the Netcapital funding portal with the potential for secondary trading through access to the Templum ATS. There were no other material subsequent events that required recognition or additional disclosure in these financial statements. Exhibit 4. 12~~

16 DESCRIPTION OF CAPITAL STOCK Our articles of incorporation authorize the issuance of up to 900,000,000 shares of common stock, par value of \$ 0.001 per share. As of July 26-29, 2023-2024, there were 9-40, 415-540, 382-680 shares of our common stock outstanding. The following description is only a summary. You should also refer to our articles of incorporation and bylaws, both of which **incorporated by reference** have been filed with the SEC as exhibits to the Annual Report on Form 10-K of which this exhibit forms a part. The holders of shares of our common stock are entitled to one vote per share. In addition, the holders of our common stock will be entitled to receive ratably such dividends, if any, as may be declared by our Board out of legally available funds; however, the current policy of our Board is to retain earnings, if any, for operations and growth. Upon liquidation, dissolution or winding-up, the holders of our common stock will be entitled to share ratably in all assets that are legally available for distribution. The holders of our common stock will have no preemptive rights. As of July 28, 2023-2024, we have warrants to purchase up to 1-20, 541-562, 682-932 shares of our common stock issued and outstanding at an exercise price of \$ 0.61 per share. As of July 29, 2024, we have options to purchase 2,078,500 shares of our common stock issued and outstanding at a weighted average exercise price of \$ 5.03 per share. As of July 28, 2023, we have options to purchase 2,202,000 shares of our common stock issued and outstanding at a weighted average exercise price of \$ 2.46-24 per share. Anti-Takeover Effects of Utah Law and Our Articles of Incorporation and Bylaws The provisions of Utah law, our articles of incorporation and our bylaws may have the effect of delaying, deferring or discouraging another person from acquiring control of our Company. These provisions, which are summarized below, may have the effect of discouraging takeover bids. They are also designed, in part, to encourage persons seeking to acquire control of us to negotiate first with our Board. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms. Articles of Incorporation and Bylaw Provisions Our articles of incorporation and our bylaws include several provisions that could deter hostile takeovers or delay or prevent changes in control of our management team, including the following: • Board of directors’ vacancies. Our articles of incorporation and bylaws provide that newly created directorships resulting from an increase in the number of directors and vacancies occurring in the board for any reason except the removal of directors without cause may be filled by a vote of the majority of directors then in office, although less than a quorum exists. Vacancies occurring by reason of the removal of directors without cause shall be filled by vote of the stockholders. A director elected to fill a vacancy caused by resignation, death or removal shall be elected to hold office for the unexpired term of his predecessor. In addition, the number of directors constituting our Board is permitted to be set only by a resolution adopted by our Board. These provisions prevent a stockholder from increasing the size of our Board and then gaining control of our Board by filling the resulting vacancies with its own nominees. This makes it more difficult to change the

composition of our Board but promotes continuity of management. • Special meeting of stockholders. Our bylaws provide that special meetings of our stockholders may be called only by our president or any two directors, thus prohibiting a stockholder from calling a special meeting. These provisions might delay the ability of our stockholders to force consideration of a proposal or for stockholders controlling a majority of our capital stock to take any action, including the removal of directors. • No cumulative voting. The Utah Business Corporation Act provides that stockholders are not entitled to the right to cumulate votes in the election of directors unless a corporation's articles of incorporation provide otherwise. Our articles of incorporation do not provide for cumulative voting. Limitations of Liability and Indemnification Matters For a discussion of liability and indemnification, please see the section titled "Management — Limitation of Liability and Indemnification." The transfer agent

Exhibit 21. 1 LIST OF SUBSIDIARIES As of the date of this Annual Report, Netcapital, Inc. has the following subsidiaries: 1. Netcapital Advisors, Inc., a Delaware corporation; 2. MSG Development Corp., and an Arizona corporation; 3. Netcapital Systems, registrar for our common stock is Equity Stock Transfer LLC with its business address at 237 W 37th Street, a Utah limited liability company; 4 Suite 602, New York, NY 10018. Its telephone number is Netcapital Securities Inc, a Delaware corporation 5. Netcapital Funding Portal Inc., a Delaware corporation (212 and wholly owned subsidiary of Netcapital Systems, LLC, a Utah limited liability company) 575-5757 and its email address is info@equitystock.com.

Exhibit 23. 1 CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM We consent to the incorporation by reference in the Registration Statements to Form S- 8 (File No. 333- 271120 and, 333- 262373 and 333- 279193) in the Registration Statement on Form S- 3 (File No. 333- 267921) and in the Registration Statement on Form S- 1 (File No. 333- 275210) of our audit report dated July 26-29, 2023-2024, with respect to the consolidated balance sheets of

Netcapital Inc. as of April 30, 2024 and 2023 and 2022, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for each of the years in the two- year period ended April 30, 2023-2024 . Our report relating to those financial statements includes an emphasis of matter paragraph regarding substantial doubt as to the Company' s ability to continue as a going concern . We also consent to the reference to us under the heading " Interest of

Named Experts and Counsel" in such each of the Registration Statements- Statement on Form S- 3 and the Registration Statement on Form S- 1 . Fruci & Associates II, PLLC – PCAOB ID # 05525 Spokane, Washington July 26-29, 2023-2024

EXHIBIT 31. 1 CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO 18 U. S. C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES- OXLEY ACT OF 2002 I, Martin Kay, certify that: 1. I have reviewed this annual report on Form 10- K of Netcapital Inc.; 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report; 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods present in this report; 4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a- 15 (e) and 15d- 15 (e)) and internal control over financial reporting (as defined in Exchange Act Rules 13- a- 15 (f) and 15d- 15 (f)) for the registrant and have: a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; c) Evaluated the effectiveness of the registrant' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and d) Disclosed in this report any change in the registrant' s internal control over financing reporting that occurred during the registrant' s most recent fiscal quarter (the registrant' s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant' s internal control over financial reporting; and

and 5-5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant' s auditors and the audit committee of the registrant' s board of directors (or persons performing the equivalent functions): a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant' s ability to record, process, summarize and report financial information; and b) Any fraud, whether or not material, that involved management or other employees who have a significant role in the registrant' s internal control over financial reporting. Date: July 26-29, 2023-2024 By: / s / Martin Kay Martin Kay Principal Executive Officer, Netcapital Inc. EXHIBIT 31. 2 AS ADOPTED PURSUANT TO SECTION 302 OF-I, Coreen Kraysler, certify that: 1. I have reviewed this annual report on Form 10- K of Netcapital Inc.; 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report; 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods present in this report; 4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a- 15 (e) and 15d- 15 (e)) and internal control over financial reporting (as defined in Exchange Act Rules 13- a- 15 (f) and 15d- 15 (f)) for the registrant and have: a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting

and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; e) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and 5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions): a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and b) Any fraud, whether or not material, that involved management or other employees who have a significant role in the registrant's internal control over financial reporting. Date: July 26-29, 2023-2024 By: / s / Coreen Kraysler Coreen Kraysler Principal Financial Officer and Principal Accounting Officer Netcapital Inc. EXHIBIT 32. 1 CERTIFICATION PURSUANT TO 18-U. S. C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF In connection with this Annual Report of Netcapital Inc. (the " Company "), on Form 10- K for the year ended April 30, 2023-2024, as filed with the U. S. Securities and Exchange Commission on the date hereof, I, Cecilia Lenk, Principal Executive Officer of the Company, certify to the best of my knowledge, pursuant to 18 U. S. C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes- Oxley Act of 2002, that: (1) Such Annual Report on Form 10- K for the year ended April 30, 2023-2024, fully complies with the requirements of section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and (2) The information contained in such Annual Report on Form 10- K for the year ended April 30, 2022-2024, 3fairly- fairly presents, in all material respects, the financial condition and results of operations of the Company. EXHIBIT 32. 2 In connection with this Annual Report of Netcapital Inc. (the " Company "), on Form 10- K for the year ended April 30, 2023-2024, as filed with the U. S. Securities and Exchange Commission on the date hereof, I, Coreen Kraysler, Principal Financial Officer of the Company, certify to the best of my knowledge, pursuant to 18 U. S. C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes- Oxley Act of 2002, that: (3) Such Annual Report on Form 10- K for the year ended April 30, 2023-2024, fully complies with the requirements of section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and (4) The information contained in such Annual Report on Form 10- K for the year ended April 30, 2023-2024, fairly presents, in all material respects, the financial condition and results of operations of the Company. Date: July 26-29, 2023-2024 By: / s / Coreen Kraysler Coreen Kraysler Principal Financial Officer and Principal Accounting Officer Netcapital Inc. EXHIBIT 97. 1 CLAWBACK POLICY I. Purpose and Scope The Board of Directors (the " Board ") of Netcapital Inc. (the " Company ") believes that it is in the best interests of the Company and its shareholders to create and maintain a culture that emphasizes integrity and accountability and that reinforces the Company's pay- for- performance compensation philosophy. The Board has therefore adopted this Clawback Policy (this " Policy "), which provides for the recovery of erroneously awarded Compensation in the event of a Triggering Event (as defined below). II. Administration This Policy is designed to comply with, and shall be interpreted to be consistent with, Section 10D of the Exchange Act, Rule 10D- 1 of the Exchange Act, Nasdaq Listing Rule 5608 and other regulations, rules and guidance of the Securities and Exchange Commission (the " SEC ") thereunder, and related securities regulations and regulations of the stock exchange or association on which Company's common shares are listed (the " Listing Standards "). This Policy shall be administered by the Compensation Committee of the Board (the " Committee "). Any determinations made by the Committee shall be final and binding. In addition, the Company shall file all disclosures with respect to this Policy in accordance with the Listing Standards. The Committee hereby has the power and authority to enforce the terms and conditions of this Policy and to use any and all of the Company's resources it deems appropriate to recoup any excess Compensation subject to this Policy. III. Covered Executives This Policy applies to the Company's current and former Covered Executives, as determined by the Committee in accordance with the Listing Standards. IV. Events That Trigger Recoupment Under This Policy The Board or Committee will be required to recoup any excess Compensation received by any Covered Executive during the three (3) completed fiscal years (together with any interim stub fiscal year period (s) of less than nine (9) months resulting from Company's transition to different fiscal year measurement dates) immediately preceding the date the Company is deemed (as determined pursuant to the immediately following sentence) to be required to prepare a Covered Accounting Restatement (the " Three- Year Recovery Period ") irrespective of any fault, misconduct or responsibility of such Covered Executive for the Covered Accounting Restatement. For purposes of immediately preceding sentence, the Company is deemed to be required to prepare a Covered Accounting Restatement on the earlier of (A) the date upon which the Board or committee, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare a Covered Accounting Restatement; or (B) the date a court, regulator, or other legally authorized body directs the Company to prepare a Covered Accounting Restatement (each a " Triggering Event "). V. Excess Compensation: Amount Subject to Recovery The amount of Compensation to be recovered shall be the excess of the Compensation received by the Covered Executive over the amount Compensation which would have been received by the Covered Executive had the amount of such Compensation been calculated based on the restated amounts, as determined by the Committee. For purposes of this Policy, Compensation shall be deemed " received ", either wholly or in part, in the fiscal year during which any applicable Financial Reporting Measure is attained, even if the payment, vesting or grant of such Compensation occurs after the end of such fiscal year. Amounts required to be recouped under this Policy shall be calculated on a pre- tax basis. The date of receipt of the compensation depends upon the terms of the award. For example: a. If the grant of an award of Compensation is based, either wholly or in part, on the satisfaction of a Financial Reporting Measure performance goal, then the award would be deemed

received in the fiscal period when that measure was satisfied; b. If the vesting of an equity award of Compensation occurs only upon the satisfaction of a Financial Reporting Measure performance condition, then the award would be deemed received in the fiscal period when it vests; c. If the earning of a non- equity incentive plan award of Compensation is based on the satisfaction of the relevant Financial Reporting Measure performance goal, then the non- equity incentive plan award will be deemed received in the fiscal year in which that performance goal is satisfied; and d. If the earning of a cash award of Compensation is based on the satisfaction of a Financial Reporting Measure performance goal, then the cash award will be deemed received in the fiscal period when that measure is satisfied. It is specifically understood that, to the extent that the impact of the Covered Accounting Restatement on the amount of Compensation received cannot be calculated directly from the information in the Covered Accounting Restatement (e. g., if such restatement' s impact on the Company' s share price is not clear), then such excess amount of Compensation shall be determined based on the Committee' s reasonable estimate of the effect of the Covered Accounting Restatement on the share price or total shareholder return upon which the Compensation was received. The Company shall maintain documentation for the determination of such excess amount and provide such documentation to the Nasdaq Stock Market (" Nasdaq ").

VI. Method of Recovery The Committee shall determine, in its sole discretion, the methods for recovering excess Compensation hereunder, which methods may include, without limitation: e. requiring reimbursement of cash Compensation previously paid; f. seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity- based awards; g. offsetting the recouped amount from any compensation otherwise owed by the Company to the Covered Executive; h. cancelling outstanding vested or unvested equity awards; and / or i. taking any other remedial and recovery action permitted by law, as determined by the Committee.

Notwithstanding anything in this Section VI, and subject to applicable law, the Committee may cause recoupment under this Policy from any amount of Compensation approved, awarded, granted, paid, or payable to any Covered Executive prior to, on, or following the Effective Date (as defined below).

VII. Impracticability The Committee shall recover any excess Compensation in accordance with this Policy unless such recovery would be impracticable, as determined by the Committee in accordance with the Listing Standards. It is specifically understood that recovery shall only be deemed impractical if (A) the direct expense paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered (before concluding that it would be impracticable to recover any amount of erroneously awarded Compensation based on expense of enforcement, the Committee shall make a reasonable attempt to recover such erroneously awarded Compensation, document such reasonable attempt (s) to recover, and provide that documentation to Nasdaq); (B) recovery would violate home country law where that law was adopted prior to the November 28, 2022 (before concluding that it would be impracticable to recover any amount of erroneously awarded Compensation based on violation of home country law, the Committee shall obtain an opinion of home country counsel, acceptable to the applicable national securities exchange or association on which Company' s common shares are trading, that recovery would result in such a violation, and must provide such opinion to the exchange or association); or (C) recovery would likely cause an otherwise tax- qualified retirement plan, under which benefits are broadly available to employees of the registrant, to fail to meet the requirements of 26 U. S. C. 401 (a) (13) or 26 U. S. C. 411 (a), and the regulations promulgated thereunder.

VIII. Other Recoupment Rights; Acknowledgement The Committee may require that any employment agreement, equity award agreement, or similar agreement entered into on or after the Effective Date shall, as a condition to the grant of any benefit thereunder, require a Covered Executive to agree to abide by the terms of this Policy. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, equity award agreement, or similar agreement and any other legal remedies available to the Company. The Company shall provide notice and seek written acknowledgement of this Policy from each Covered Executive (such written acknowledgement evidenced in the form attached in Appendix I hereto); provided, that the failure to provide such notice or obtain such acknowledgement shall have no impact on the applicability or enforceability of this Policy to, or against, any Covered Executive.

IX. No Indemnification of Covered Executives Notwithstanding any right to indemnification under any plan, policy or agreement of the Company or any of its affiliates, the Company shall not indemnify any Covered Executives against the loss of any excess Compensation. In addition, the Company shall be prohibited from paying or reimbursing a Covered Executive for premiums of any third- party insurance purchased to fund any potential recovery obligations.

X. Indemnification To the extent allowable pursuant to applicable law, each member of the Board or the Committee and any officer or other employee to whom authority to administer any component of this Policy is designated shall be indemnified and held harmless by the Company from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by such member in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be a party or in which he or she may be involved by reason of any action or failure to act pursuant to this Policy and against and from any and all amounts paid by him or her in satisfaction of judgment in such action, suit, or proceeding against him or her; provided, however, that he or she gives the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such individuals may be entitled pursuant to the Company' s Articles of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

XI. Effective Date This Policy shall be effective as of the effective date of the Listing Standards (the " Effective Date "). This Policy shall apply to any Compensation that is received by Covered Executives on or after the Effective Date, even if such Compensation was approved, awarded, granted, or paid to Covered Executives prior to the Effective Date.

XII. Amendment and Termination; Interpretation The Board may

amend this Policy from time to time in its sole discretion and shall amend this Policy as it deems necessary to reflect and comply with further regulations, rules and guidance of the SEC and Nasdaq. The Board may terminate this Policy at any time. The Committee is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate, or advisable for the administration of this Policy. This Policy is designed and intended to be interpreted in a manner that is consistent with the requirements of the Listing Standards. To the extent there is any inconsistency between this Policy and such regulations, rules and guidance, such regulations, rules and guidance shall control, and this Policy shall be deemed amended to incorporate such regulations, rules and guidance until or unless the Board or the Committee expressly determines otherwise. This Policy shall be applicable, binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives to the fullest extent of the law. For the avoidance of doubt, this Policy shall be in addition to (and not in substitution of) any other clawback policy of the Company in effect from time to time or applicable to any Covered Executive. XIII. Definitions For purposes of this Policy, the following terms shall have the following meanings: 1. " Board " means the Board of Directors of the Company. 2. " Company " means Netcapital Inc., a Delaware corporation, and its subsidiaries and their successors. 3. " Compensation " means any compensation that was approved, awarded or granted to, or earned by a Covered Executive (A) while the Company had a class of securities listed on a national securities exchange or a national securities association (B) following on or after the Effective Date (including any award under any short- or long- term incentive compensation plan of the Company, including any other short- or long- term cash or equity incentive award or any other payment) that, in each case, is granted, earned, or vested based wholly or in part upon the attainment of any Financial Reporting Measure (i. e., any measures that are determined and presented in accordance with the accounting principles used in preparing the Company' s financial statements, and any measure that is derived wholly or in part from such measures, including share price and total shareholder return). Compensation may include (but is not limited to) any of the following: a. Annual bonuses and other short- and long- term cash incentives; b. Stock options; c. Stock appreciation rights; d. Restricted shares; e. Restricted share units; f. Performance shares; and g. Performance units. 4. " Covered Accounting Restatement " means any accounting restatement of the Company' s financial statements due to the Company' s material noncompliance with any financial reporting requirement under U. S. securities laws. A Covered Accounting Restatement includes any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements (commonly referred to as " Big R " restatements) or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (commonly referred to as " little r " restatements). A Covered Accounting Restatement does not include (A) an out- of- period adjustment when the error is immaterial to the previously issued financial statements, and the correction of the error is also immaterial to the current period; (B) a retrospective application of a change in accounting principle; (C) a retrospective revision to reportable segment information due to a change in the structure of an issuer' s internal organization; (D) retrospective reclassification due to a discontinued operation; (E) a retrospective application of a change in reporting entity, such as from a reorganization of entities under common control; or (F) a retrospective revision for stock splits, reverse stock splits, stock dividends or other changes in capital structure. 5. " Covered Executive " means any person who: a. Has received applicable Compensation: i. During the Three- Year Recovery Period; and ii. After beginning service as an Executive Officer; and b. Has served as an Executive Officer at any time during the performance period for such Compensation. 6. " Exchange Act " means the Securities Exchange Act of 1934, as amended. 7. " Executive Officer (s) " means an " executive officer " as defined in Exchange Act Rule 10D- 1 (d) and the Listing Standards and includes any person who is the Company' s president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice president of the issuer in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy- making function, or any other person who performs similar policy- making functions for the Company (with any executive officers of the Company' s parent (s) or subsidiaries being deemed Covered Executives of the Company if they perform such policy making functions for the Company), and such other senior executives or employees who may from time to time be deemed subject to the Policy by the Board in its sole discretion. All executive officers of the Company identified by the Board pursuant to 17 CFR 229. 401 (b) shall be deemed " Executive Officers. " 8. " Financial Reporting Measure (s) " means any measures that are determined and presented in accordance with the accounting principles used in preparing the Company' s financial statements, and any measure that is derived wholly or in part from such measures, including share price and total shareholder return, including, but not limited to, financial reporting measures including " non- GAAP financial measures " for purposes of Exchange Act Regulation G and 17 CFR 229. 10, as well other measures, metrics and ratios that are not non- GAAP measures, like same store sales. Financial Reporting Measures may or may not be included in a filing with the SEC and may be presented outside the Company' s financial statements, such as in Management' s Discussion and Analysis of Financial Conditions and Results of Operations or the performance graph. Financial Reporting Measures include, without limitation, any of the following: a. Company share price; b. Total shareholder return; c. Revenues; d. Net income; e. Earnings before interest, taxes, depreciation, and amortization (EBITDA); f. Funds from operations; g. Liquidity measures such as working capital or operating cash flow; h. Return measures such as return on invested capital or return on assets; and i. Earnings measures such as earnings per share. APPENDIX I Acknowledgment of Clawback Policy I, the undersigned, agree and acknowledge that I am fully bound by, and subject to, all of the terms and conditions of the Netcapital Inc. Clawback Policy (as may be amended, restated, supplemented or otherwise modified from time to time, the " Policy ") of Netcapital, Inc. (the " Company ") if I am a " Covered Executive " or become a " Covered Executive. " In the event of any inconsistency between the Policy and the terms of any agreement to which I am a party, or the terms of any

compensation plan, program or agreement under which any compensation has been, or will be, granted, awarded, earned or paid, the terms of the Policy shall govern. In the event it is determined by the Compensation Committee of the Board of Directors of the Company that any amounts granted, awarded, earned or paid to me must be forfeited or reimbursed to the Company, I will promptly take any action necessary to effectuate such forfeiture and / or reimbursement. Any capitalized terms used in this Acknowledgment without definition shall have the meaning set forth in the Policy. By: Date: Name: Title: