Company Registration No. 12403380

Semper Fortis Esports plc

Annual Report and Financial Statements for the period ended 31 January 2021

COMPANY INFORMATION

Directors	Keith Harris (appointed 14 January 2020) Max Deeley (appointed 30 October 2020) Nolan Bushnell (appointed 22 April 2021) Jassem Osseiran (appointed 22 April 2021) Kevin Soltani (appointed 22 April 2021)
Company Secretary	Max Deeley
Company number	12403380 (England and Wales)
Registered office	1-3 Charter Square Sheffield England S1 4HS
Auditor	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf London E14 4HD
Legal advisers	CMS Cameron McKenna Nabarro Olswang LLP Cannon Place 78 Cannon Street London EC4N 6AF
Corporate Adviser & Broker	Hybridan LLP 2 Jardine House The Harrovian Business Village Bessborough Road Harrow Middlesex HA1 3EX
Registrar	Link Group 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL

CHAIRMAN'S STATEMENT

I am pleased to present our maiden Annual Report and Financial Statements for the period from incorporation on 14th January 2020 to 31st January 2021, a period which pre-dates our listing on AQSE on 26th April 2021.

During the period we finalised the strategy for the business to become a multi-operational esports organisation focusing on gaming technology solutions, brand enhancement and high growth team infrastructures. We also managed to acquire the services of our first team called Top Blokes which competes in the game Rocket League.

As expected, no revenue was generated in the period and a loss before tax of £626,173 was incurred. A significant amount of these costs were Legal and Professional fees in relation to our listing.

The unprecedented disruption caused by COVID-19 had minimal effect on the Company during the period. However, it did accelerate the continued growth and popularity of esports and gaming as they provided entertainment and a format to allow young people to socialise. There was an estimated 27.9 billion total hours watched across Twitch, YouTube Gaming, and Facebook and Mixer in 2020, up 78.5% from 15.63 billion hours in 2019.

Post-period review

On 26th April 2021 we successfully listed on AQSE raising £2.55m by way of a Placing and Subscription in total of 255,500,000 new Ordinary Shares. The Placing and Subscription were oversubscribed.

Top Blokes

Post period following a successful 2020/21 season in the Rocket League European Championship Series, our Top Blokes team finished in 3rd position in its inaugural season with its current squad.

We have now, post period, rebranded the team as "SMPR" bringing the team brand closer to the Company. We believe this new identity will appeal to our growing community and enhance the number of opportunities to bring in sponsors across the organisation.

We look forward to next season with increasing confidence.

Ambassadors

One of the strategies of Semper was to sign well-known personalities who will work with the Company to generate exposure for the Company's esports teams and who will help attract sponsorship opportunities for the Company and its team.

In May 2021 we were delighted to announce that Mr Dominic Calvert-Lewin of Everton Football Club and the national England team and Mr Harry Maguire captain of Manchester United Football Club and the England team had been appointed as brand ambassadors to the Company.

As part of Semper Fortis Esports, the brand ambassadors will interact with online audiences via digital platforms and bring their wealth of experience in traditional sports to an organisation in esports.

Expansion of Audience

Semper have recently appointed an award-winning digital agency with the aim to accelerate growth in audience and engagement in order to help the company manage, build and monitise its digital presence.

Business to Business Consultancy

In September 2021 the Company is due to co-host its first esports and gaming conference. It is intended that the World Esports & Gaming Summit will be the first in a series of esports and gaming conferences that the Company will host or co-host to gain business to business exposure across a number of markets.

We anticipate that these conferences will enhance the Company's offering to potential sponsors and clients and create revenue through dedicated workshops and event sponsors.

Outlook

We are encouraged that since the period end we have already started to implement the initial stages of the business plan and we are excited by the planned expansion of Semper and the esports industry.

Finally, I would like to take this opportunity to thank all our shareholders, our Board, and advisers and last but not least our Top Blokes Team for their support which has positioned Semper for an exciting year ahead and strong growth in the future.

DocuSigned by:

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Keith Harris
Chairman
29 July 2021

DIRECTORS' PROFILES

Keith Harris (Non-executive Chairman) (68)

Keith Harris is an investment banker and financier with over 35 years' experience as a senior corporate finance and takeover adviser, and as chairman and chief executive of private and public companies in a variety of business sectors. He has held senior executive positions at leading financial institutions in the UK and US, including Morgan Grenfell, Drexel Burnham and he was chief executive of HSBC Investment Bank and principal owner and chairman of Seymour Pierce Holdings. Keith has also held a number of non-executive positions in a wide range of industries, including Wembley National Stadium and the Football League (as Chairman) and Everton FC (as Deputy Chairman), Benfield Group and Sellar Property (the developer of The Shard). In his various roles, Keith has been an adviser and principal in many high-profile debt and equity issues as well as complex cross-border merger and acquisition transactions. Since 2013, Keith has concentrated on developing his consultancy business, principally focussing on advising and financing football clubs as well as becoming chairman of a NASDAQ listed gene therapy company and Rural Broadband Solutions Plc, whose shares are admitted to trading on the Apex segment of the Aquis Stock Exchange.

Kevin Soltani (Chief Executive Officer) (33)

Kevin is the founder and CEO of GIMA Group Inc. (an Alternative Investment Advisory based in Newport Beach, California and Dubai, United Arab Emirates), was a co-owner and global general manager of Royal Youth Esports Organization (an esports franchise in the MENA region) and founder of GIMA Esports Agency based in Los Angeles. Kevin has 9 years' experience in building blockchain based systems with a focus on tokenised gaming technologies.

Max Deeley (Finance Director) (41)

Max is the founder and managing director of DTK Capital Limited, which acquires properties in London for development and investment purposes. He was previously the Finance Director of Blue Star Group, a family office specialising in property development, established to develop the interests of the Rose Trust. Max is a qualified Chartered Accountant and qualified with BDO LLP ("BDO") working in both the general audit department (where he specialised in property) and the corporate tax department.

Jassem Osseiran (Chief Operating Officer) (32)

Jassem is the co-founder and Chief Operating Officer of GIMA Group Inc. (an Alternative Investment Advisory based in Newport Beach, California and Dubai, United Arab Emirates) and GIMA Esports Agency. He is a consultant in the financial services sector and has over 10 years' experience in investment management, having previously held positions at Rocket Internet, a European Internet company; and PHD, a company under the Omnicom Media Group umbrella, a global advertising conglomerate. He is an experienced mentor and investor in early stage ventures with expertise in operational strategy, process and business model innovation. Jassem holds a bachelor's degree in International Business from the University of San Francisco.

Nolan Bushnell (Non-executive Director) (79)

Nolan founded the pioneering electronic gaming company, Atari, in 1972 and since then, has gone on to establish more than 20 companies, including Chuck E. Cheese's Pizza Time Theater, Catalyst Technologies (Silicon Valley's first incubator) and Etak, which developed the first commercially available computerised in-car navigation system. Currently, Nolan is the director of a number of technology businesses, including ModalVR which offers wireless, multi-player virtual reality entertainment systems for turn-key commercial use and Virsix Games, an independent game published which focuses on games for the Smart Speaker market. Nolan has been named one of "50 People Who Changed America" by *Newsweek*.

STRATEGIC REPORT

The Directors present their Strategic Report on Semper Fortis Esports plc for the period ended 31 January 2021.

Review of the business and developments during the period

Semper Fortis Esports Plc was incorporated on 14 January 2020 as a private limited company. The Company was re-registered as a public limited company on 4 November 2020. On 26th April 2021, the Company was listed on the Access segment of the AQSE Growth Market raising £2.55m.

During the period, the idea for a new esports organisation was conceived and an executive team with relevant and complimentary experience were bought together and a strategy for the business was finalised.

The initial focus of the Company is on:
(1) establishing esports teams and engaging with esports professionals;
(2) forming partnerships with well-known personalities (for online campaigns and content) and brands (for sponsorship) and strategic technology partners for research into and development of tech products; and
(3) business to business consultancy and advisory services.

During the period the Company acquired the services of its first team called Top Blokes which competes in the game Rocket League. Post period following a successful 2020/21 season in the Rocket League European Championship Series, our Top Blokes team finished in 3rd position in its inaugural season with its current squad. In July 2021 the Company rebranded its Top Blokes esports team as "SMPR" bringing the brand closer to the Company and creating an identity which reflects the culture of gaming.

One of the Company's early targets in the initial period following Admission was to enter into a joint venture agreement with a high profile talent who will work with the Company to generate exposure for its team and who will help attract sponsorship opportunities. In May 2021 we were delighted to announce that Mr Dominic Calvert-Lewin of Everton Football Club and the England team and Mr Harry Maguire captain of Manchester United Football Club and the England team had been appointed as brand ambassadors to the Company.

A key part of the esports industry is that esports players, teams and social media influencers can have a strong online presence through consistent streaming, video blogging and online competitions. In June 2021, the Company appointed an award-winning digital agency with the aim to accelerate growth in audience and engagement in order to help the company manage, build and monetise its digital presence. Viewership and engagement figures will be generated through online broadcasting of team activity and social media. The Company then intends to use viewership power to attain sponsorship opportunities, preferably among a number of different brands.

On 23-24 September 2021 the Company is to co-host the World Esports & Gaming Summit. This will be a 2-day, Asia focused, virtual event and will commence with a start-up competition and competitive esports tournament.

The Company has also started to research possible esports technology applications, potential software partners and products for development that complement the esports industry.

STRATEGIC REPORT (continued)

Section 172(1) Statement – Promotion of the Company for the benefit of members as a whole:

The Directors believe they have acted in the way they considered in good faith, that would most likely to promote the success of the Company for the benefit of its members as a whole, as required by s172 of the Companies Act 2006, and in doing so have had regard to:

- the likely consequences of any decision in the long term;
- The need to act fairly between the members of the Company;
- The desirability of maintaining the Company's reputation for high standards of business conduct;
- Consider the interests of the Company's employees;
- The need to foster the Company's relationships with suppliers, customers and others; and
- the impact of the Company's operations on the community and the environment.

In order to fulfil their duties under section 172, and promote the success of the Company for the benefit of all its stakeholders, the directors need to ensure that the they not only act in accordance with the legal duties but also engage with, and have regard for, all its stakeholders when taking decisions. The Company has a number of key stakeholders that it is committed to maintaining a strong relationship with. Understanding the Company's stakeholders and how they and their interests will impact on the strategy and success of the Company over the long term is a key factor in the decisions that the Board make.

Shareholders The promotion of the success of the Company is ultimately for the benefit of the Company's shareholders who provide the Company's permanent capital. As a company listed on the Access segment of the AQSE Growth Market, the Company is responsible for ensuring that it is aware of shareholder needs and expectations. The Directors attach great importance to maintaining good relationships with all of its shareholders and interested parties and seeks to ensure that they have access to correct and adequate information in a timely fashion. The Directors are aware that as stakeholders, its shareholders play a vital role in the fabric of the Company and therefore regularly engages in dialogue with the Company's shareholders and is available for meetings with institutional and major shareholders following the release of the Company's Annual and Interim Results. The Directors welcome all shareholders to make contact with the Company and provide any feedback or comments that they may have, and contact details are available on the Company's website. The Company's Annual General Meeting is also an important opportunity for shareholders to meet and engage with Directors and ask questions on the Company and its performance.

Employees Our employees are key to the success of the Company and recruiting, retaining and developing our team is one of the Company's most important priorities. The Directors expect a high standard of integrity and accountability from the Company's employees. Directors encourage an open communication forum, aided by the Company's small size and relatively flat hierarchical structure.

Response to the Covid-19 outbreak The focus of the Directors since the Covid-19 outbreak has been on keeping the employees and their families safe. In accordance with the government lockdown restrictions, all employees have been working from home and have been provided with the technology and equipment to do so, where required.

Regulatory Bodies Although the Company is not itself directly regulated, it operates within a regulated environment (e.g. AQSE rules) and therefore actively engages with various regulatory bodies and advisory firms to ensure that compliance standards are maintained and that the Company continues to act with the high standards of business conduct that have established its reputation thus far.

Suppliers and Advisors The Company's suppliers and advisors are integral to the day to day operation of the Company. Relationships with suppliers are carefully managed to ensure that the Company is always obtaining value for money. The Company seeks to ensure that good relationships are maintained with its suppliers and advisors through regular contact and the prompt payment of invoices. Post the period end, the Company has appointed Shakespeare Martineau's company secretarial services to ensure that high standards and timeliness are key to the Board's delivery of its objectives to shareholders.

Other stakeholders and the wider community The Directors are committed to ensuring that none of its activities have a detrimental impact on the wider community and the environment.

Events after the reporting date
On 24 March 2021, the Company raised £50,000 by the allotment of 5,000,000 Ordinary Shares of £0.0001 each at a price of £0.01 per Ordinary Share.

On 26 April 2021, the Company raised approximately £2.55m by way of a placing and subscription of 255,500,000 ordinary shares of 0.01 pence each. On the same date, the Company's shares were admitted to trading on the Access Segment of the Aquis Stock Exchange Growth Market.

Principal Risks and Uncertainties

Reliance on key personnel
The Company is dependent on the Directors, its management and employees including recruiting talented esports players. The future success of the Company depends on the ability of the Company to attract and retain its management and employees. Given the Company's focus on establishing esports teams, talent selection is a key factor for the success of the Company. As team players (including the members of the Company's esports team, Top Blokes) and streamers become more successful in the industry, they may receive competitive offers from other esports businesses which could be more lucrative than what the Company is able to offer.

The unexpected departure or loss of members of the Board could have an adverse impact on the financial condition and results of operations of the Company, and there can be no assurance that the Company will be able to attract or retain suitable replacements for those members of the Board who depart.

Growth of esports industry
The performance of the Company depends on the continued growth of the esports industry in the UK. At the moment, the industry is in its infancy in the UK and is not well developed. While the Directors believe that the industry will continue to grow considerably, there can be no guarantee that it will. If the industry fails to develop, opportunities to grow the business may not materialise and the performance of the Company may be negatively affected.

Due to the industry being in its infancy and the informal online environment in which it operates, contractual arrangements in the esports industry can be informal. Commercial arrangements can be short term, ad hoc and in some cases can be terminated by either party with no notice. Competition for esports players and sponsorship is also increasing as more esports organisations enter the industry. Although the Company will enter into formally negotiated written agreements containing customary contractual protections, there can be no assurance that arrangements negotiated and entered into by the Company will not be terminated or will be renewed at the end of the contractual term agreed by the Company. The Top Blokes Contracts are for an initial short term and there is no guarantee that the players will seek to renew them. The loss of: (i) one or more of the Top Blokes Contracts, (ii) a key commercial arrangement, or (iii) the loss of several smaller commercial arrangements could have a material adverse effect on the Company's business, operations, revenues and financial results.

Competition
The esports industry is competitive and fast moving and it may become more competitive as the popularity of esports increases, particularly in light of the COVID-19 pandemic which has caused user engagement in esports to increase. Some of the Company's competitors are more established with greater financial, marketing and other resources than the Company. These competitors may undertake more extensive marketing and advertising campaigns, attract higher calibre players and host higher profile events than the Company.

Competitors may also be able to solicit players and teams away from the Company by offering them more favourable terms and larger amounts of money. This may have a negative impact on the revenue of the Company in the future. In addition, the Company would face an increase in competition if existing competitors expanded or if there were new entrants in the market.

Player performance
Though the company intends to sign the best esports players available, there is no guarantee that such recruitment will translate into tournament success. If the Company does not perform to a reasonably high level in tournaments, it will not generate the publicity to grow its brand and to attract sponsors and the Company's revenue from prize money and sponsors will be lower than expected, making future or further recruitment more difficult.

Reliance on third party services
The vast majority of esports fans watch leagues and tournaments via free, online live streaming of content on Twitch and YouTube. If Twitch or YouTube were to change their business models and charge for content, the attractiveness of esports to sponsors would be reduced and profile raising opportunities for the Company will be reduced. Furthermore, the esports sector is reliant on the technical infrastructure of Twitch and YouTube; a disruption in services offered by either may have a material adverse effect on the Company.

Key performance indicators ("KPI's")

The key performance indicators currently put in place for the company are set out below:

- the Esports team's traditional social media followers (for example, the number of followers on Twitter and Instagram);
- the Esports team's following on streaming channels (for example, the number of followers on Twitch, Youtube etc.);
- revenue from subscribers, sponsors, advertising and merchandising.

Assessment of business risk

The Board regularly reviews operating and strategic risks. The Company's operating procedures include a system for reporting financial and non-financial information to the Board including:

- reports from management with a review of the business at each Board meeting, focusing on any new decisions/risks arising; and
- consideration of reports prepared by third parties.

Financial risk management

Details of the Company's financial instruments and its policies with regard to financial risk management are contained in note 12 to the financial statements.

Results for the period and dividends

The loss for the period after tax was £626,173. Since the Company does not have any distributable reserves, the Directors are unable to recommend the payment of a dividend.

By order of the Board.

DocuSigned by:
Max Deeley
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Max Deeley
Director
29 July 2021

DIRECTORS' REPORT

The Directors present their report together with the audited financial statements for the period ended 31 January 2021.

Principal Activity

The principal activity of the Company is that of a multi-operational esports organisation. The Directors anticipate that the initial focus of the Company will be on:
(1) establishing esports teams and engaging with esports professionals;
(2) forming partnerships with brands (for sponsorship) and well-known personalities (for online campaigns and content) and strategic technology partners for research into and development of tech products; and
(3) business to business consultancy and advisory services.

Directors

The present members of the Board of Directors together with brief biographies are shown on page 5.

During the period the following directors were appointed:

Keith Harris – appointed 14 January 2020
Max Deeley – appointed 30 October 2020

Subsequent to the period end, there have been the following appointments to the Board:

Jassem Osseiran – appointed 22 April 2021
Kevin Soltani – appointed 22 April 2021
Nolan Bushnell – appointed 22 April 2021

Directors' interests

No Director had a material interest in any contract of significance to the Company or any of its subsidiaries during the period.

The interests of the directors who served at the end of the period in the share capital of the Company at 31 January 2021:

Name	Number of shares	Holding %
Keith Harris	9,300,000	6.0%
Max Deeley	5,700,000	3.7%

Remuneration

None of the Directors received any remuneration in the period ended 31 January 2021 and there were no pension entitlements.

Directors' interests in share options and warrants

At 31 January 2021, no share options or warrants had been granted.

Political donations

The Company did not make any political donations or expenditure in the period.

Going concern

The Company has raised £2.55m by way of a placing and subscription of shares on 26 April 2021. The raising of capital means that, following a review of the Company's cash flow forecast, including severe but plausible downside sensitivities, which take into account any impact of Covid-19, the Directors are of the opinion that the Company has adequate working capital to meet its obligations over the next 12 months. The Directors have therefore made an informed judgement, at the time of approving the financial statements, that there is reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future. As a result, the Directors have adopted the going concern basis of accounting in the preparation of the financial statements.

Significant shareholders

As at 27th July 2021, the parties who are directly or indirectly interested in 3 percent or more of the nominal value of the Company's share capital are as follows:

	Number of Ordinary Shares	**%**
Jim Nominees Limited	91,976,082	22.14%
The Bank of New York (Nominees)	45,804,087	11.02%
HSBC Global Custody Nominee (UK)	45,000,000	10.83%
GIMA Group INC	41,000,000	9.87%
Emma West	30,000,000	7.22%
Aasim Khan	25,000,000	6.02%
Nomura PB Nominees Limited	21,750,000	5.23%
W B Nominees Limited	18,875,000	4.54%

DIRECTORS' REPORT (continued)

Corporate Governance

The Board of Directors is accountable to the Company's shareholders for ensuring good corporate governance and the Directors have agreed to report against the UK Quoted Companies Alliance ("QCA") Corporate Governance Code.

QCA Code Recommendation	***Application by the Company***
Principle 1 **Establish a strategy and business model which promote long-term value for shareholders** • The board must be able to express a shared view of the company's purpose, business model and strategy. • It should go beyond the simple description of products and corporate structures and set out how the company intends to deliver shareholder value in the medium to long-term. • It should demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the company from unnecessary risk and securing its long-term future.	The Company intends to increase the exposure of its esports team by producing content on gaming streaming platforms; distributing content across different platforms; interacting with social media influencers; and collaborating with the company's ambassadors. Initially the Company aims to deliver shareholder value by using this viewership power to attain sponsorship opportunities, preferably among a number of different brands as well as exploring merchandising opportunities for Top Blokes. The Directors believe further value can be created by; establishing or acquiring competitive esports teams under different game categories; providing esports and gaming advisory services to brands and celebrities; and developing and distributing technology applications through strategic partnerships and products that complement the esports industry. The Board of Directors is focused on measuring the Company's activities to ensure that they promote long term value and that these activities are aligned with the plan as communicated to shareholders.

DIRECTORS' REPORT (continued)

Principle 2 **Seek to understand and meet shareholder needs and expectations** • Directors must develop a good understanding of the needs and expectations of all elements of the company's shareholder base. • The board must manage shareholders' expectations and should seek to understand the motivations behind shareholder voting decisions.	The Company understands the importance of communication with its shareholders which it does through its annual report and accounts, interim accounts, and regulatory announcements. The Company maintains a dedicated email address which investors can use to contact the company which is prominently displayed on its website together with the Company's address. As the Company is too small to have a dedicated investor relations department, the Company retains a PR firm (Square1Consulting Ltd) along with its Broker and Corporate Adviser (Hybridan LLP), who will both advise the Chief Operating Officer ("COO") in his review of all communications received from shareholders and determine the most appropriate response following a discussion with the wider Board where appropriate. In addition to these passive measures, the Chief Executive Officer ("CEO") intends to engage with shareholders through a virtual roadshow at least twice a year. The Broker (Hybridan LLP) will engage with shareholders and feedback provided to management to be shared with the wider Board.
Principle 3 **Take into account wider stakeholder and social responsibilities and their implications for long-term success** • Long-term success relies upon good relations with a range of different stakeholder groups both internal (workforce) and external (suppliers, customers, regulators and others). The board needs to identify the company's stakeholders and understand their needs, interests and expectations. • Where matters that relate to the company's impact on society, the communities within which it operates or the environment have the potential to affect the company's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the company's strategy and business model.	The Company regards its teams and employees; advisors; shareholders; as well as the technology, gaming and esports community, to be its wider stakeholder group. The Company needs to ensure that it: • is fully compliant with all regulatory requirements; • is fully compliant with local authorities with regards performance licenses; • takes into account its wider stakeholders' need (some of whom maybe young and still attending school, college, or university; • maintains a good reputation as an operator of esports teams; and • takes into account its social responsibilities and their implications for long-term success. The CEO maintains a close relationship with the Company's esports Team enabling two-way

• Feedback is an essential part of all control mechanisms. Systems need to be in place to solicit, consider and act on feedback from all stakeholder groups.	feedback and the COO monitors industry forums and social media for any comments on the Company. The Broker will organise shareholder update meetings and investor meetings and feedback provided to management to be shared with the wider Board.
Principle 4 **Embed effective risk management, considering both opportunities and threats, throughout the organisation** • The board needs to ensure that the company's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy; companies need to consider their extended business, including the company's supply chain, from key suppliers to end-customer. • Setting strategy includes determining the extent of exposure to the identified risks that the company is able to bear and willing to take (risk tolerance and risk appetite).	The Board has taken into account the QCA Code and associated guidance in formulating the systems and procedures which it has put in place. Each year the Board will review all controls, including financial, operational and compliance controls and risk management procedures. The Company will maintain a register of risks and for each risk we will estimate the impact, likelihood as well as identify mitigating strategies. This register will be reviewed periodically as the Company's situation changes and as a minimum annually. During such reviews, each risk category is considered by the Directors with a view to understanding (i) whether the nature, impact or likelihood of any risks has changed, (ii) whether the mitigating actions taken by the Company should change as a result and (iii) whether any new risks or categories of risk have arisen since the last review. The Company's risk register will be provided to its auditor as part of its annual audit process.

DIRECTORS' REPORT (continued)

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Principle 5

Maintain the board as a well-functioning, balanced team led by the chair

- The board members have a collective responsibility and legal obligation to promote the interests of the company, and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board.
- The board (and any committees) should be provided with high quality information in a timely manner to facilitate proper assessment of the matters requiring a decision or insight.
- The board should have an appropriate balance between executive and non-executive directors and should have at least two independent non-executive directors. Independence is a board judgement.
- The board should be supported by committees (e.g. audit, remuneration, nomination) that have the necessary skills and knowledge to discharge their duties and responsibilities effectively.
- Directors must commit the time necessary to fulfil their roles.

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The Company notes that best practice under the QCA Code is to have an appropriate balance between executive and non-executive directors and should have at least two independent non-executive directors.

The Board of the Company currently comprises three executive directors, one independent non-executive Chairman and one independent non-executive director. The Board will meet 6 times a year and a record will be kept of each Board member's attendance of board meetings. The Company may look to appoint a further non-executive in the future in order that the Board is equally balanced in terms of executive and non-executive directors.

In terms of the executive directors, during the first 12 months of their respective appointments, the CEO and COO are required to commit 90 per cent. of their time to the Company. After the first 12 months, both will be required to commit 100 per cent. of their time to the Company. The Financial Director ("FD") is required to spend such of his time as is necessary to fulfil his duties to the Company but not to exceed 15 hours per calendar month.

Non-executive contracts require that they be able to allocate sufficient time to meet the expectations of their role. This is anticipated to be approximately two days per month. The time commitments will be monitored on an ongoing basis and if more is needed time wise from the FD or NEDs then this will be addressed.

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DIRECTORS' REPORT (continued)

Principle 6 **Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities** • The board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. The board should understand and challenge its own diversity, including gender balance, as part of its composition. • The board should not be dominated by one person or a group of people. Strong personal bonds can be important but can also divide a board. • As companies evolve, the mix of skills and experience required on the board will change, and board composition will need to evolve to reflect this change.	Biographies and expertise of the Directors are available on both the Company's website (in the Board of Directors section) and the Annual Report. In matters related to company law, the Company depends upon the legal expertise of its legal advisers. Where there are issues that exceed the expertise of the Directors, the Company utilises external advisors. The Company has not to date sought external advice on keeping directors' skills up to date, but believes that their blend of past and ongoing experience provides them with the relevant up to date skills needed to act as Board members for a small company. The Board will keep a watch on its collective skills base and annually assess what gaps there may be in skills needed to continue to drive shareholder value.
Principle 7 **Evaluate board performance based on clear and relevant objectives, seeking continuous improvement** • The board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors. • The board performance review may be carried out internally or, ideally, externally facilitated from time to time. The review should identify development or mentoring needs of individual directors or the wider senior management team.	Evaluation of the performance of the Company's Board will be done initially internally in an informal manner. The Company is considering how and when it would be appropriate to evaluate Directors' performance in a more formal manner and will make a further announcement on this when appropriate. On an ongoing basis, Board members will opportunistically monitor the market for when candidates who may be suitable additions to or backup for current Board members.

DIRECTORS' REPORT (continued)

Principle 7 (continued) • It is healthy for membership of the board to be periodically refreshed. Succession planning is a vital task for boards. No member of the board should become indispensable.	
Principle 8 **Promote a corporate culture that is based on ethical values and behaviours** • The board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage. • The policy set by the board should be visible in the actions and decisions of the chief executive and the rest of the management team. Corporate values should guide the objectives and strategy of the company. • The culture should be visible in every aspect of the business, including recruitment, nominations, training and engagement. The performance and reward system should endorse the desired ethical behaviours across all levels of the company. • The corporate culture should be recognisable throughout the disclosures in the annual report, website and any other statements issued by the company.	The Board works towards ensuring that strong values are set and carried out by the Directors across the business. The Board ensures that sound ethical practices and behaviours are deployed at Company Board meetings and are promoted throughout the Company as part of its culture as it is seen as essential to maximise shareholder value. Adherence to these values is a key factor in the evaluation of performance within the company, including during annual performance reviews. In addition, staff and team matters are a standing topic at every board meeting and the CEO reports on any notable examples of behaviours that either align with or are at odds with the Company's stated values.

DIRECTORS' REPORT *(continued)*

Principle 9 **Maintain governance structures and processes that are fit for purpose and support good decision-making by the board** • The company should maintain governance structures and processes in line with its corporate culture and appropriate to its: o size and complexity; and o capacity, appetite and tolerance for risk. • The governance structures should evolve over time in parallel with its objectives, strategy and business model to reflect the development of the company.	The Board of Directors of the Company meets at least six times per year, or more often if required. The matters reserved for the attention of the Board include inter alia: • The preparation and approval of the financial statements and interim reports, together with the approval of dividends, significant changes in accounting policies and other accounting issues; • Board membership and powers, including the appointment and removal of board members, and determining the terms of reference of the Board and establishing and maintaining the Company's overall control framework; • Approval of major communications with shareholders; • Senior management and board appointments and remuneration, contracts, approval of bonus plans, and grant of share options; • Financial matters including the approval of the budget and financial plans, and changes to the Company's capital structure, and business strategy; and • Other matters including regulatory and legal compliance. The Board is supported by the Audit Committee, and the Remuneration Committee. The Audit Committee meets at least twice a year. The committee is responsible for the functions recommended by the QCA Code including the following: • Review of the annual financial statements and interim reports prior to approval, focusing on changes in accounting policies and practices, major judgemental areas, significant audit adjustments, going concern and compliance with accounting standards and legal requirements; • Receive and consider reports on internal financial controls, including reports from the auditors and report their findings to the Board;

	• Consider the appointment of the auditors and their remuneration including the review and monitoring of independence and objectivity; • Meet with the auditors to discuss the scope of their audit, issues arising from their work and any matters the auditors may wish to raise; • Monitor the amount of non-audit services provided by the auditor in order to satisfy itself that this will not compromise their independence; and • Review the Company's corporate review procedures and any statement on internal control prior to endorsement by the Board. The Audit Committee currently comprises Max Deeley and Keith Harris. The Remuneration Committee has been established primarily to determine the remuneration, terms, and conditions of employment of the executive directors of the Company. Any remuneration issues concerning non-executive directors are resolved by this Committee and no director participates in decisions that concern his own remuneration. The Company will give regular consideration as to how best to evolve its governance framework as it grows. Such evolution could include, for example, increase in the size of the Board and external review of Board members performance. The Remuneration committee will act as the Nominations committee in discussing matters such as director appointments and succession planning.

DIRECTORS' REPORT (continued)

Principle 10
 	
Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders
 	
• A healthy dialogue should exist between the board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the company.
• In particular, appropriate communication and reporting structures should exist between the board and all constituent parts of its shareholder base. This will assist:
    o the communication of shareholders' views to the board; and
    o the shareholders' understanding of the unique circumstances and constraints faced by the company.
• It should be clear where these communication practices are described (annual report or website).
	The Company communicates with shareholders through the annual report and accounts, regulatory announcements, and the annual general meeting. A range of corporate information (including all Company announcements and presentations) is also available on the Company's website.
	
	In addition, the Company will seek to maintain dialogue with shareholders through the organisation of virtual roadshows with the CEO and other members of the senior management team at least twice a year.
	
	The Broker will organise shareholder update meetings and investor meetings and feedback provided to management to be shared with the wider Board.

DIRECTORS' REPORT (continued)

Statement of Directors' Responsibilities in respect of the financial statements
The Directors are responsible for preparing the Annual Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Company financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. The Directors are also required to prepare financial statements in accordance with the AQSE Rulebook.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor
In the case of each person who was a Director at the time this report was approved:

- so far as that director is aware there is no relevant audit information of which the Company's auditor is unaware; and
- that director has taken all steps that the director ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent auditor
PKF Littlejohn LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the Company receives notice under section 488(1) of the Companies Act 2006.
By order of the Board

DocuSigned by:
FF9460E1EC6C4D1...
Keith Harris
Chairman
29 July 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEMPER FORTIS ESPORTS PLC

Opinion

We have audited the financial statements of Semper Fortis Esports Plc (the 'company') for the period ended 31 January 2021 which comprise the Income Statement and Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2021 and of its loss for the period then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included reviewing management's working capital model including company's forecasts and challenging key assumptions used in their preparation. Our work included reviewing the working capital report and confirming funds raised post year end as part of significant events, as well as performing downside sensitivities, which demonstrate that the company has sufficient funding for twelve months from the date of signing the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole.

The materiality applied to the company financial statements was £12,520, based on total expenses. We considered the nature and size of the entities activities as well as the number of transactions processed throughout the period. Given the fact that the company is newly incorporated and thus is not yet revenue generating, however expenses have been incurred in the current period for preparation of the listing of the company on the AQSE, it is considered appropriate to use total expenses as a materiality benchmark.

Performance materiality is the application of materiality at the individual account or balance level set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Performance materiality of £8,764 was set at 70% of overall materiality.

We agreed with the Board that we would report to them all individual audit differences identified during the course of our audit in excess of £626 as well as misstatements below this amount that, in our view, warranted reporting from qualitative reasons.

Our approach to the audit

Our audit is risk based and is designed to focus our efforts on the areas at greatest risk of material misstatement, together with areas subject to significant management judgement as well as greatest complexity, risk and size.

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the Directors and considered future events that are inherently uncertain.

We also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

The key audit matters and how these were addressed are outlined below.

Key audit matters

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

Key Audit Matter	How our scope addressed this matter
Management override Under ISA 240 "The Auditor's responsibility to consider fraud in an audit of financial statements", there is a presumed significant risk of management override of the system of internal controls. The primary responsibility for the prevention and detection of fraud rests with management. Their role in the prevention and detection of fraud is an extension of their role in preventing fraudulent activity. They are responsible for establishing a sound system of internal control designed to support the achievement of policies, aims and objectives and to manage the risks facing the organisation; this includes the risk of fraud. Our audit is designed to provide reasonable assurance that the financial statements as a whole are free from material misstatement, whether caused by fraud or error.	We considered the potential for the manipulation of financial results to be a significant fraud risk. Our work in this area included: • Reviewing of journals processed during the period under review and in the preparation of the financial statements to determine whether these were appropriate. • Assessing whether the financial results and accounting records include any significant or unusual transactions where the economic substance is not clear.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research and experience of the sector.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from the Companies Act 2006, IFRS accounting standards and AQSE rules.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the company with those laws and regulations. These procedures included, but were not limited to:
    - enquiries of management and review of minutes of meetings
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; ; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

Use of our report

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

DocuSigned by:

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Jonathan Bradley-Hoare (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
29 July 2021

15 Westferry Circus
Canary Wharf
London E14 4HD

INCOME STATEMENT AND STATEMENT OF COMPRENSIVE INCOME
For the period ended 31 January 2021

	Note	Period ended 31 January 2021
		£
Revenue		-
Operating and administrative expenses	4	(626,173)
Loss before income tax		(626,173)
Income tax	6	-
Loss for the period and total comprehensive loss		(626,173)
Earnings per share attributable to equity owners		
Basic and diluted earnings per share	11	(0.01)

The income statement has been prepared on the basis that all operations are continuing operations.

The accounting policies and notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 31 January 2021

	Note	As at 31 January 2021 £
ASSETS		
Current assets		
Other receivables	7	57,345
Cash and cash equivalents	8	73,158
Total assets		130,503
EQUITY AND LIABILITIES		
Equity attributable to owners		
Share capital	12	50,500
Retained earnings		(356,674)
		(306,174)
Current liabilities		
Trade and other payables	9	436,677
Total equity and liabilities		130,503

The financial statements were approved by the board of directors and authorised for issue on 29 July 2021 and are signed on its behalf by:

DocuSigned by:
Max Deeley
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Max Deeley
Finance Director

Company Registration No.12403380

The accounting policies and notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
As at 31 January 2021

	Share capital £	Share premium £	Retained earnings £	Total £
At incorporation	1	-	-	1
Issue of ordinary shares	50,499	269,499	-	319,998
Reduction in share capital		(269,499)	269,499	-
Total comprehensive loss for the period	-	-	(626,173)	(626,173)
At 31 January 2021	50,500	-	(356,674)	(306,174)

The accounting policies and notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS
For the period ended 31 January 2021

	Note	Period ended 31 January 2021
		£
Cash flows from operating activities		
Loss before income tax		(626,173)
Movement in working capital		
Increase in receivables	7	(57,345)
Increase in payables	9	436,677
Net cash flow from operating activities		(246,841)
Cash flows from financing activities		
Issue of ordinary shares	12	319,999
Net cash flows from financing activities		319,999
Net increase in cash and cash equivalents		73,158
Cash and cash equivalents at beginning of period		-
Cash and cash equivalents at end of period		73,158

The accounting policies and notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL INFORMATION
For the period ended 31 January 2021

1. General information

Semper Fortis Esports Plc (the "**Company**") was incorporated on 14 January 2020 in England and Wales, with registered number 12403380 under the Companies Act 2006. The registered office of the company is 1-3 Charter Square, Sheffield, United Kingdom, S1 4HS.

The principal activity of the Company is an esports business.

2. Basis of preparation

The financial information and accompanying notes are based on the following policies which have been consistently applied:

The financial information of the Company has been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The financial statements are presented in Sterling, which is the Company's functional and presentational currency and has been prepared under the historical cost convention.

The preparation of financial information in conformity with IFRS's requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Information are disclosed in Note 3.

Going Concern

The Company has raised £2.55m by way of a placing and subscription of shares on 26 April 2021. The raising of capital means that, following a review of the Company's cash flow forecast, including severe but plausible downside sensitivities, which take into account any impact of Covid-19, the Directors are of the opinion that the Company has adequate working capital to meet its obligations over the next 12 months. The Directors have therefore made an informed judgement, at the time of approving the financial statements, that there is reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future. As a result, the Directors have adopted the going concern basis of accounting in the preparation of the financial statements.

Adoption of new and revised standards

New standards, amendments and interpretations

The Company has adopted all of the new and amended standards and interpretations issued by the International Accounting Standards Board that are relevant to its operations and effective for accounting periods commencing on or after 14 January 2020.

New standards, amendments and Interpretations in issue but not yet effective or not yet endorsed at 14 January 2020 and not early adopted

Standard	Key requirements	Effective date for annual periods beginning on or after:
IAS 1	Amendments to IAS1, 'Presentation of Financial Statements' regarding the classification of liabilities	1 January 2023
IAS 12	Amendments to IAS12, 'Income Taxes' regarding deferred tax related to assets and liabilities arising from a single transaction	1 January 2023

Standard	Key requirements	Effective date for annual periods beginning on or after:
IAS 1	Amendments to IAS1, 'Presentation of Financial Statements' regarding the amendments of disclosure of accounting policies	1 January 2023
IAS 8	Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' to distinguish between accounting policies and accounting estimates.	1 January 2023
IAS 16	Amendments to IAS 16 'Property, Plant and Equipment' regarding proceeds before intended use	1 January 2022

These standards are not considered to have a material impact on the financial statements.

3. Accounting policies

The accounting policies set out below have, unless otherwise stated, been applied consistently.

There have been no judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial information and estimates with a significant risk of material adjustment in the next year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and short-term deposits with an original maturity of three months or less.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs, or at fair value where no proceeds are received.

Financial instruments

Financial assets

Financial assets are recognised in the statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are subsequently measured at amortised cost, fair value through OCI, or FVPL.

The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- financial assets at amortised cost;

- financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- financial assets at FVPL.

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Interest received is recognised as part of finance income in the statement of profit or loss and other comprehensive income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. IFRS 9.5.4 The Company's financial assets at amortised cost include other receivables and cash and cash equivalents.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either: (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

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

The Company recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For other receivables due in less than 12 months, the Company applies the simplified approach in calculating ECLs, as permitted by IFRS 9. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

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

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- loans and borrowings and trade and other payables;
- after initial recognition, interest-bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised, as well as through the EIR amortisation process;
- amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

This category generally applies to trade and other payables.

Derecognition

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss and other comprehensive income.

Financial risk management

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Financial Risk Factors

The Company's cash holdings are all held with major financial institutions whose financial status is regularly reviewed.

Credit Risk

Credit risk arises from outstanding receivables. Management does not expect any losses from non-performance of these receivables. The amount of exposure to any individual counter party is subject to a limit, which is assessed by the Board.

The Company considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk, which is stated under the cash and cash equivalents accounting policy.

Liquidity risk

The Company's continued future operations depend on its ability to raise sufficient working capital through the issue of share capital and generate revenue.

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders. The Company's capital structure primarily consists of equity attributable to the owners, comprising issued capital, reserves and retained losses.

Current and deferred tax

Current tax

The tax currently payable is based on taxable profit or loss for the period. Taxable profit or loss differs from the profit or loss for the financial period as reported in the statement of total comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit or loss.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the subsidiary intends to settle its current tax assets and liabilities on a net basis.

Deferred tax will be recognised on the losses incurred when the Company has sufficient visibility over the usage of these loses and is forecasting future profits in the short term.

Critical accounting estimates and judgements

The Company makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual results may differ from these estimates and assumptions. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

4. Operating expenses by nature

	2021
	£
Accrued costs	48,333
Professional fees	493,976
Esports team costs	67,047
Sundry expenses	16,817
	626,173

Auditors' remuneration included in the above amounted to £14,800 for audit services and £2,500 for non-audit services.

5. Staff costs

The average monthly number of employees during the period was one.

The directors received no remuneration in the period.

No pension contributions were paid.

6. Taxation

	2021
	£
Current tax	-
Deferred tax	-
Tax charge/(credit) for the period	-

The Company has a potential deferred tax asset arising from unutilised management expenses available for carry forward and relief against future taxable profits. The deferred tax asset has not been recognised in the financial statements in accordance with the Company's accounting policy for deferred tax.

The Company's unutilised tax losses carried forward at 31 January 2021 amounted to £236,177.

6. Taxation (continued)

The standard rate of tax for the current year, based on the UK effective rate of corporation tax is 19%. The actual tax for the current and previous year varies from the standard rate for the reasons set out in the following reconciliation:

	2021
	£
Loss for the period	(626,173)
Tax on ordinary activities at standard rate	(118,973)
Effects of:	
Expenses not deductible for tax purposes	74,099
Tax losses available for carry forward against future profits	44,874
Tax for the period	-

7. Trade and other receivables

	2021
	£
Other receivables	57,345
	57,345

8. Cash and cash equivalents

	2021
	£
Cash at bank	73,158
	73,158

9. Trade and other payables

Amounts falling due within one year:

	2021
	£
Trade payables	183,767
Other payables	252,910
	436,677

10. Earnings per share

The basic earnings per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of shares in issue.

The Company had in issue 154,999,800 ordinary shares at 31 January 2021. The loss attributable to equity holders and weighted average number of ordinary shares for the purposes of calculating diluted earnings per ordinary share are identical to those used for basic earnings per ordinary share.

	2021
	£
Loss for the period attributable to equity holders (£)	626,173
Weighted average number of shares in issue	60,463,747
Basic and diluted earnings per share (£)	(0.01)

11. Share capital and premium

On 14 January 2020 (incorporation), the Company issued 1 ordinary share of £1 for consideration of £1.

On 4 September 2020, the existing one Ordinary Share of £1 was sub-divided into 10,000 ordinary shares of £0.0001 each.

On 4 September 2020, the Company issued 99,990,000 new ordinary shares of £0.0001 each at par. Amounts paid up of £10,000 in respect of the share capital issued was received into the Company's bank account.

On 4 September 2020, the Company issued 35,000 new redeemable deferred shares of £1 each at par. Amounts paid up of £8,750 in respect of the share capital issued was received into the Company's bank account.

On 4 September 2020, the Company issued 54,999,800 new ordinary shares of £0.0001 each at a price of £0.005 per ordinary share creating a share premium of £269,499. Amounts paid up of £274,999 in respect of the share capital issued was received into the Company's bank account.

On 19 October 2020, the Company reduced its share capital by £269,499 by cancelling all of its share premium in order to eliminate a deficit on profit and loss and create distributable reserves.

	Number of shares	Share capital	Share premium	Total
		£	£	£
At incorporation	1	1	-	1.00
Issue of ordinary shares (04/02/2020)	99,990,000	9,999	-	9,999
Issue of ordinary shares (04/09/2020)	54,999,800	5,500	269,499	274,999
Issue of redeemable deferred shares (04/09/2020)	35,000	35,000	-	35,000
Reduction of share capital (19/10/2020)	-	-	(269,499)	(269,499)
		50,500	-	50,500

The ordinary shares have full voting, dividend and capital distribution (including on winding up) rights.

The redeemable deferred shares hold no voting rights or rights to receive dividends.

12. Financial instruments

The Company's financial instruments comprise cash, trade receivables and trade payables that arise from its operations. The main purpose of these financial instruments is to provide finance for the Company's future activities and day to day operational needs.

The main risks faced by the Company are limited to interest rate risk on surplus cash deposits and liquidity risk associated with raising sufficient funding to meet the operational needs of the business.

The Board reviews and agrees policies for managing these risks and they are summarised below.

Financial assets by category

The categories of financial assets included in the statement of financial position and the headings in which they are included are as follows:

	2021
At amortised cost	£
Other receivables	57,345
Cash and cash equivalents	73,158
	130,503

Financial liabilities by category

The categories of financial liabilities included in the statement of financial position and the headings in which they are included are as follows:

	2021
At amortised cost	£
Trade and other payables	436,677

The above trade and other payables are due within six months and represent the undiscounted contractual payments.

Interest rate risk

The Company manages the interest rate risk associated with the Company's cash assets by ensuring that interest rates are as favourable as possible, whilst managing the access the Company requires to the funds for working capital purposes.

The Company's cash and cash equivalents are subject to interest rate exposure due to changes in interest rates. Short-term receivables and payables are not exposed to interest rate risk.

Capital risk management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through optimisation of the debt and equity balance. The capital structure of the Company currently consists cash and cash equivalents, and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings, all as disclosed in the Statement of Financial Position.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument disclosed in Note 3 to the financial statements.

13. Related party transactions

During the period the Company paid £13,355 to GIMA Group Inc related to travel and marketing services provided, in which Kevin Soltani was a Director.

14. Controlling party

The Directors do not consider there to be an ultimate controlling party.

15. Subsequent events

On 24 March 2021, the Company raised £50,000 by the allotment of 5,000,000 Ordinary Shares of £0.0001 each at a price of £0.01 per Ordinary Share.

On 26 April 2021, the Company raised approximately £2.55m by way of a placing and subscription of 255,500,000 ordinary shares of 0.01 pence each. On the same date, the Company's shares were admitted to trading on the Access Segment of the Aquis Stock Exchange Growth Market.