

ChallengerX – Management
accounts for the quarters ended
31 March 2023 and 31
December 2022

28 April 2023

ChallengerX plc

("ChallengerX", "CX" or the "Company")

**Management accounts for the quarters ended 31
March 2023 and 31 December 2022**

ChallengerX (AQUIS: CXS), the trading company with principal activity of employing both traditional and non-traditional marketing strategies to rapidly "professionalise" amateur and semi-professional sports clubs around the world announces its unaudited management accounts reports for the quarters ended 31 March 2023 and 31 December 2022.

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement.

For further information, please contact:

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Directors Statement

Introduction

ChallengerX plc (the "Company" or "ChallengerX") is an investment company quoted on the Aquis Stock Exchange ("AQSE") Growth Market. The Company was incorporated on 7 June 2021 and its shares were admitted to trading on 23 December 2021.

Activities during the periods

The company continued to advance its development of a platform for the promotion and marketing of sports clubs in both a traditional and non-traditional way. Expenditure was particularly heavy in the quarter ended 31 December 2022 in terms of principally programmers costs which, as an accounting policy, are written off as incurred. Further development and related costs will be required as clients are brought on board.

In February 2023 the Company announced it had raised a total of GBP 250,000 (gross) from Aalto Capital AB, through the issue of 55,555,556 new ordinary shares pursuant to a subscription letter. The payment relating to the fundraise hasn't yet been fully received by the Company. The outstanding amount at 31 March 2023 of £250,000 is shown as the account of "Trade and other receivables" on the Statement of Financial Position. As at the date of this report, the Company has received £50,000. The Company is in ongoing conversations with the investor to receive the remaining balance.

The Directors confirm that this current shortfall in the fundraise does not impact the working capital position of the Company.

The Company also announced that it granted Aalto Capital AB a total of 55,555,556 warrants to subscribe for new ordinary shares of GBP 0.001 each ("Warrants"). The Warrants are exercisable at 0.45 pence per ordinary share, and for a period of 5 years from the date of issue.

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Outlook

The development of the marketing platform as mentioned above will require more expenditure and it is hoped that recoveries of monies sequestered by the French Authorities from the subsidiary SportsX SAS will assist in this regard. Meanwhile the company will look to supplement its income by applying itself to other project opportunities and will continue to review its business plan and strategy by looking at transactions in other sectors that could lead to a reverse transaction whilst keeping its establishment overheads as lean as possible.

John May
Chairman

**Unaudited Statement of
Comprehensive Income for the quarters
ended 31 March 2023 and 31 December
2022**

	31 March 2023 £'000	31 December 2022 £'000
Revenue	-	1
Administrative expenses	(46)	(162)
Operating loss	(46)	(161)
Loss before tax	(46)	(161)
Taxation	-	-
Loss for the period	(46)	(161)
Total comprehensive loss	(46)	(161)
(Loss) per share (pence) from continuing operations attributable to owners of the Company – Basic	(0.013)	(0.056)

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Statement of Financial Position
As at quarters ended 31 March
2023 and 31 December 2022

	31 March 2023	31 December 2022
	£'000	£'000
Current assets		
Trade and other receivables	256	8
Cash and cash equivalents	31	92
Total current assets	287	100
Total assets	287	100
Current liabilities		
Trade and other payables	56	58
Total current liabilities	56	58
Net assets	231	42
Capital and reserves		
Share capital	343	288
Share premium	1,410	1,230
Retained earnings	(1,522)	(1,476)
Total equity	231	42

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**Statement of Changes in Equity
For the quarters ended 31 March
2023 and 31 December 2022**

	Share capital	Share premium	Retained earnings	Total
	£'000	£'000	£'000	£'000
As at 30 September 2022	288	1,230	(1,315)	203
Loss for quarter ended 31 December 2022	-	-	(161)	(161)
Total Comprehensive Income	-	-	(161)	(161)
As at 31 December 2022	288	1,230	(1,476)	42
Allotment of ordinary shares	55	180	-	235
Loss for the quarter ended 31 March 2023	-	-	(46)	(46)
Total Comprehensive Income	-	-	(46)	(46)
As at 31 March 2023	343	1,410	(1,522)	231

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Statement of Cash Flows
For the quarter ended 31 March
2023 and 31 December 2022

	31 March 2023	31 December 2022
	£'000	£'000
Cash from operating activities		
Loss before tax	(46)	(161)
Adjustments for:		
(Increase) in trade and other receivables	(248)	(1)
(Decrease)/Increase in trade and other payables	(2)	18
Net cash used in operating activities	(296)	(144)
Cash flows from financing activities		
Proceeds from issue of shares (net of issue costs)	235	-
Net cash from financing activities	235	-
Net cash flow for the period	(61)	(144)
Cash and cash equivalents at beginning of period	92	236
Cash and cash equivalents at end of period	31	92
Net change in cash and cash equivalents	(61)	(144)
Cash and cash equivalents comprise:		
Cash at bank and in hand	31	92
	31	92

Notes to the financial statements

1. General information

ChallengerX plc is a public limited company limited by shares and was incorporated in England on 7 June 2021 with company number 13440398. Its registered office is 16 Great Queen Street, London, WC2B 5DG.

The Company's shares are traded on the Aquis Stock Exchange Growth Market under symbol CXS and ISIN number GB00BMD0WG01.

The Company was first incorporated on 7 June 2021.

The information for periods ended 31 December 2022 and 31 March 2023 are unaudited.

2. Basis of Preparation

The quarterly management accounts of ChallengerX plc have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

These management accounts are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of listed investments at fair value.

The financial statements are presented in Pounds Sterling, which is the Company's presentation and functional currency.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment and complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

The financial statements have been prepared on the historical cost basis and are presented in £'000 unless otherwise stated.

3. Going Concern

As at 31 March 2023, the Company had cash of £31,000. As a newly established trading business, the Company has limited operating cash flow and is dependent on the performance of its trading and its cash balances for its working capital requirements. As at the date of this report, the Company had approximately £71,000 cash at bank.

The Directors continue to seek recovery of the sequestered funds held by the Administrator of its subsidiary, SportsX, which are believed to amount to approximately £0.6m.

For this reason, it continues to adopt the going concern basis in preparing the financial statements.

4. Earnings per share

	31 March 2023	31 December 2022
Earnings	£'000	£'000
Loss for the quarters ended	(46)	(161)
Number of shares		
Number of shares for the purposes of basic and diluted earnings per share	343,140,556	287,585,000
Earnings per share (pence)	(0.013)	(0.056)