

31 October 2023

**ChallengerX plc**

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

**Management accounts for the quarters ended 30  
September 2023 and 30 June 2023**

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 30 September 2023 and 30 June 2023.

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. In particular the company worked hard on adding to its offerings for the upcoming soccer seasons starting in the Autumn.

In August the Company announced that it entered into an exclusive licence agreement with Flash Corp Technologies Ltd ("Flash Corp") by which the Company has acquired a renewable 13-month license over the rights of FlashBet Wheel App's design and technology in UK and Europe, for a consideration satisfied by 80,000,000 new ordinary shares of £0.001 each issued at market price of 0.55p in ChallengerX, representing 18.91% of the enlarged issued share capital of ChallengerX. Under the terms of the licence agreement, ChallengerX has the right to continually extend the license on a year-by-year basis for a royalty fee calculated as an amount equal to 10% of ChallengerX's yearly revenue. In addition, at any time during or at the end of the licence term, ChallengerX will have the right to acquire the exclusive rights to the intellectual property relating to FlashBet Wheel App Technology in perpetuity for a consideration to be satisfied by the issue of 900,000,000 shares.

Through its investment in the FlashBet Wheel App licence, the Company had increased expenditure in the period relating to its marketing.

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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 Company previously reported that there was a shortfall of £168,000 in the subscription monies paid. Following the failure of Aalto to pay the balance, Aalto disposed of 22,329,213 shares and ChallengerX forfeited the remaining 33,226,343 Shares, in accordance with the process set out in the Company’s Articles of Association. The Company has informed Aalto formally that the shares issued are now forfeited and has placed 33,226,343 in the Treasury. In addition, the Company has issued a formal claim as a creditor for all amounts outstanding including interest.

Accordingly, the issued share capital of the Company will comprise 389,914,213 Shares of £0.01 each, with each share carrying the right to one vote, plus 33,226,343 Ordinary Shares held in Treasury. This figure should be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

The Company had further announced that it had granted Aalto Capital AB a total of 55,555,556 warrants to subscribe for new ordinary shares of GBP 0.001 each ('Warrants'). These warrants have been withdrawn.

### Outlook

The development of the marketing platform and furtherance of the FlashBet Wheel App will require more expenditure. Additional funds will be sought for this. However, ChallengerX's newly developed unique user conversion platform combined with the interest in the Flashbet patented accumulator bet product indicates 2 clear tiers of potential revenue from both B2B and B2C consumers which the Company hopes to achieve in the near term.

**John May**  
Chairman

### Unaudited Statement of Comprehensive Income for the quarters ended 30 September 2023 and 30 June 2023

	<b>30 September 2023 £'000</b>	<b>30 June 2023 £'000</b>
Revenue		-
Administrative expenses	(154)	(61)
<b>Operating loss</b>	<b>(154)</b>	<b>(61)</b>
<b>Loss before tax</b>	<b>(154)</b>	<b>(61)</b>
Taxation	-	-
<b>Loss for the period</b>	<b>(154)</b>	<b>(61)</b>
<b>Total comprehensive loss</b>	<b>(154)</b>	<b>(61)</b>
<b>(Loss) per share (pence) from continuing operations attributable to owners of the Company – Basic</b>	<b>(0.036)</b>	<b>(0.018)</b>

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**Statement of Financial Position**  
**As at quarters ended 30**  
**September 2023 and 30 June**  
**2023**

	30 September 2023	30 June 2023
	£'000	£'000
<b>Intangible assets</b>		
Software Licence	440	-
<b>Current assets</b>		
Trade and other receivables	28	177
Cash and cash equivalents	1	48
<b>Total current assets</b>	29	225
<b>Total assets</b>	469	225
<b>Current liabilities</b>		
Trade and other payables	171	55
<b>Total current liabilities</b>	171	55
<b>Net assets</b>	298	170
<b>Capital and reserves</b>		
Share capital:		
- Issued	390	343
- Treasury	33	-
Share premium	1,612	1,410
Retained earnings	(1,737)	(1,583)
<b>Total equity</b>	298	170

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**Statement of Changes in Equity  
For the quarters ended  
30 September 2023 and 30 June 2023**

	Share capital	Share premium	Retained earnings	Total
	£'000	£'000	£'000	£'000
<b>As at 31 March 2023</b>	<b>343</b>	<b>1,410</b>	<b>(1,522)</b>	<b>231</b>
Allotment of ordinary shares	-	-	-	-
Loss for quarter ended 30 June 2023	-	-	(61)	(61)
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>(61)</b>	<b>(61)</b>
<b>As at 30 June 2023</b>	<b>343</b>	<b>1,410</b>	<b>(1,583)</b>	<b>170</b>
Allotment of ordinary shares	80	360	-	440
Adjustment to share issue cost	-	(158)	-	(158)
Loss for the quarter ended 30 September 2023	-	-	(154)	(154)
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>(154)</b>	<b>(154)</b>
<b>As at 30 September 2023</b>	<b>423</b>	<b>1,612</b>	<b>(1,737)</b>	<b>298</b>

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**Statement of Cash Flows**  
**For the quarter ended 30 September 2023**  
**and 30 June 2023**

	<b>30 September 2023</b>	<b>30 June 2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Cash from operating activities</b>		
Loss before tax	<b>(154)</b>	(61)
Adjustments for:		
(Increase)/Decrease in trade and other receivables	<b>149</b>	79
Increase/(Decrease) in trade and other payables	<b>46</b>	(1)
<b>Net cash (used) / generated in operating activities</b>	<b>41</b>	17
<b>Cash flows from financing activities</b>		
Adjustment to share issue cost	<b>(158)</b>	-
Loans received	<b>70</b>	-
<b>Net cash from financing activities</b>	<b>(88)</b>	-
<b>Net cash flow for the period</b>	<b>(47)</b>	17
Cash and cash equivalents at beginning of period	<b>48</b>	31
<b>Cash and cash equivalents at end of period</b>	<b>1</b>	48
<b>Net change in cash and cash equivalents</b>	<b>(47)</b>	<b>17</b>
<b>Cash and cash equivalents comprise:</b>		
Cash at bank and in hand	<b>1</b>	48
	<b>1</b>	48

## 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 30 September 2023 and 30 June 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 30 September 2023, the Company had cash of £1,000. 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 £24,000 cash at bank.

In making their assessment of going concern, the Directors, having made due and careful enquiry, are of the opinion that the Company will have access to adequate working capital to meet its obligations for the period of at least 12 months from the date these management accounts are authorized for issue. The Directors, have discussed the Company's position with its investors and professional advisors. With its recent investment in Flash Corp, the Company, together with Flash Corp's support, believes it will secure the funding required to pursue its objectives.

The Directors believe strongly in the Group's potential. However, the success of securing funding has been identified as a material uncertainty which may cast significant doubt over the going concern assessment. Whilst acknowledging this uncertainty, based upon the expectation of completing a successful fundraising in the near future, and the continued support of its investors, the Directors consider it appropriate to continue to prepare the financial statements on a going concern basis.

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**4. Earnings per share**

	<b>30 September 2023</b>	<b>30 June 2023</b>
<b>Earnings</b>	<b>£'000</b>	<b>£'000</b>
Loss for the quarters ended	(154)	(61)
<b>Number of shares</b>		
Number of shares for the purposes of basic and diluted earnings per share	423,140,556	343,140,556
Earnings per share (pence)	(0.036)	(0.018)