

# **GS Chain PLC**

Annual Report and financial statements for the Period Ended 30 June 2022

**GS CHAIN PLC**

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FOR THE PERIOD 3 APRIL 2021 TO 30 JUNE 2022**

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## **Company Information**

### **Directors**

Leon Filipovic (*Chairman*)  
Alan Austin (*Chief Executive Officer*)  
Sebastien Guerin (*Chief Operation Officer*)  
Sanjay Nath (*Non-Executive Director*)  
Mark Wilson (*Independent Non-Executive Director*)

### **Company Secretary**

First Sentinel Advisory Limited  
72 Charlotte Street  
London  
W1T 4QQ

### **Registered Office**

72 Charlotte Street  
London  
W1T 4QQ

**Registered Number: 13310485**

### **Auditors**

Macalvins Limited  
Bank House  
7 St. John's Road  
London  
HA1 2EY

### **Solicitors**

Keystone Law 48  
Chancery Lane  
London  
WC2A 1JF

### **Registrars**

Neville Registrars Limited  
Neville House  
Steelpark Rd,  
Halesowen  
B62 8HD

## **CEO's Statement**

### **Business strategy and objectives**

GS Chain Plc, was established to make acquisitions has published its prospectus on 4th May 2022 for the admission of its ordinary shares to the Main Market of the London Stock Exchange on 13th May 2022 under the symbol GSC.L.

The company seeks to identify opportunities within the technology sector, to conduct the necessary due diligence and subsequently complete acquisitions that would benefit its short-and long-term strategies.

While the Board of Director's experience spans across a wide range of business sectors, the board will focus its energy in the technology space; specifically targeting companies that leverage state of the art technology in automotive, fintech, real estate, banking, finance, telecommunications, and blockchain industries. The Board may consider other sectors if they believe such sectors present a suitable opportunity for the Company.

The company will leverage this expertise to create long term shareholder value as they seek to acquire high quality companies with long term compounding potential growth while aggressively managing performance

The Company's Board of Directors reflects the industry expertise necessary to pursue this opportunity.

### **Review of activities for the period ended 30 June 2022**

The company following its admission was successful in raising over £1,000,000 from the sale of share capital in the company.

The company received these funds in September 2021

Since then the company has used these resources to cover professional fees, the fees of the directors and other expenses associated with the costs of admission.

The directors are assessing a company for acquisition however during the period ended 30 June 2022 no significant costs were incurred in respect of this.

### **Board of directors**

Leon Filipovic has served as a director since the Company's incorporation on 3 April 2021. In July 2021 the Board was enlarged by the appointment of Alan Austin as CEO and Sebastien Guerin as Chief Operational Officer.

In September 2021 Sanjay Nath was appointed as a Non-Executive Director and Mark Wilson as an Independent Non-Executive Director

### **Alan Austin**

Chief Executive Officer

31 October 2022

**Financial Review**

**Profit for the period**

For the period the Company recorded a loss of £303,304. The biggest cost driver was £195,175 in accrued directors fees, £4,496 in professional fees and £10,608 in accounting and audit fees.

**Balance Sheet**

The total amount of assets on the balance sheet as per the balance sheet date is £953,838 consisting of the Company's cash reserves.

The companies liabilities of £262,642 consist of accrued expenses and directors fees, as well as accounts payable.

**Cash flow**

Cash used in operations totalled £40,762.

**Closing cash**

As at 30 June 2022, the Company held £953,838 in the bank account.

**Sébastien Guerin**

Chief Operational Officer

31 October 2022

## **Board of Directors and Senior Management**

The present Board consists of Leon Filipovic (Chairman), Alan Austin (Chief Executive Officer), Stephen Guerin (Chief Operation Officer), Sanjay North (Non-Executive Director and Mark Wilson (Independent Non-Executive Director). Details of the current Board are set out below.

### **Alan Austin**

*Chief Executive Officer*

*Appointed 9 September 2021*

Alan Austin is Chief Executive Officer of GS Chain PLC and a director of the company's board of directors. Alan has over 27 years of experience leading large operational business units across various industries, including consumer goods, healthcare and banking. As CEO, Alan has executive oversight of the company's global day-to-day operations and is responsible for delivering on the overall organizational strategy as set by the Board of Directors. Alan began his career in the telecommunications industry at AT&T (NYSE:T) in 1991. In 1996 he moved to The Coca-Cola Company (NYSE: KO) where he spent 13 years in various leadership roles and eventually became Director of Customer Operations and Business Development. Seeking to broaden his experience, Alan then moved to Alere /Optum Health/UHG (NYSE: UNH). As the Vice President of Global Operations & Strategic Initiatives, Alan was responsible for the leadership, development, and implementation of Optum Health's global operational initiatives in their Risk Assessment, Maternity and Disease Management programs. In 2016 Alan moved to Assurant (NYSE: AIZ) where as Vice President of Operations, he was responsible for the leadership and executive oversight of US & Global operations teams supporting US banks and their customers. He has a proven ability to combine vision, ingenuity, strong business acumen, with well-developed project management and people leadership qualities to drive business results. Alan holds a bachelor of Arts from Jacksonville University and a Masters of Project Management from Keller Graduate School of Business. Alan also holds a Fintech (Financial Technology) Certification from Wharton Business School and a Professional Business Development Certification from University of Strathclyde in Scotland.

### **Leon Filipovic**

*Chairman*

*Appointed 3 April 2021*

Leon Filipovic is a financial expert. Born in Croatia, Leon was educated in corporate finance, having worked for more than 10 years as CFO, head of compliance and sales manager in various onshore and offshore entities, in particular the Pameroy Group and IFLS Corporate Services Ltd. Leon has AML/CFT compliance skills according to the OECD and FATF guidelines.

### **Sébastien Guerin**

*Chief Operational Officer*

*Appointed 9 July 2021*

Sébastien has over 10 years of experience in digital marketing. After having worked in Faurecia, he joined MuCreative in 2009 where he trained in different web monetization methods and specialized in search engine optimization ("SEO"). He created the first video training dedicated to natural referencing in France. After that, he worked in the web agency 1ère Position as a Key Accounts Manager. He was also the SEO Manager of the Wedig agency, in charge of managing all of the SEO accounts and one of the company's main shareholders. He is currently the CMO of GSB Gold Standard Corporation AG. Sébastien holds a Master in Marketing from

l'École des sciences commerciales d'Angers (ESSCA) and a Brevet de technicien supérieur (BTS) in International Trade.

**Sanjay Nath**

*Non-Executive Director*

*Appointed 29 September 2021*

Sanjay Nath is an entrepreneur with over 35 years of experience in business management. He started several companies, including retail and sports development companies. He also worked alongside David Sullivan (West Ham FC) and became the Chief Head Consultant for his network of retail, property and funds companies. Sanjay was the non-executive director of Golden Rock Global plc, a special purpose acquisition company listed on the London Stock Exchange. He is currently the business development director for the law firm Rainer Hughes (featured in the Legal 500) and the former honorary Vice President of West Ham Women's Football Club.

**Mark Wilson**

*Independent Non-Executive Director*

*Appointed 27 September 2021*

Mark is an experienced senior executive, with over 30 years of experience in both UK and international financial management and accounting. He has worked in a range of sectors including automotive, home entertainment consumer goods, construction, software development and ship management. Before joining the Company, he was Finance Director Armour Group plc (listed on AIM until 2018) where he started in 2009 and was responsible for the reverse takeover of OneView Group Limited in 2016. He remained as Director of OneView Group Limited after takeover until 2019 and was responsible for all aspects of OneView's finance and finance management across the group, including the preparation, review and publication of all statutory accounts (the group accounts were reported under IFRS and the subsidiaries accounts were reported under UK GAAP or US GAAP), as well as for ensuring compliance with the AIM rules. More recently, he has acted as Senior Finance Manager of Dandara South East Limited, a real estate developer.

## **Directors' Report**

The Directors present their report with the financial statements of the Company for the period ended 30 June 2022.

The Company's Ordinary Shares were originally admitted to listing on the London Stock Exchange, on the Official List pursuant to Chapters 14 of the Listing Rules, which sets out the requirements for Standard Listings, on 28 July 2021.

## **Principal Activities**

The company was established to make acquisitions has published its prospectus on 4th May 2022 for the admission of its ordinary shares to the Main Market of the London Stock Exchange on 13th May 2022 under the symbol GSC.L.

The company will leverage this expertise to create long term shareholder value as they seek to acquire high quality companies with long term compounding potential growth while aggressively managing performance.

The company seeks to identify opportunities within the technology sector, to conduct the necessary due diligence and subsequently complete acquisitions that would benefit its short-and long-term strategies.

While the Board of Director's experience spans across a wide range of business sectors, the board will focus its energy in the technology space; specifically targeting companies that leverage state of the art technology in automotive, fintech, real estate, banking, finance, telecommunications, and blockchain industries. The Board may consider other sectors if they believe such sectors present a suitable opportunity for the Company.

## **Review of Business in the Period**

Further details of the Company's business and expected future development are also set out in the CEO's Statement and the Financial Reviews on page 5.

## **Directors**

The Directors of the Company during the period and their beneficial interest in the Ordinary shares of the Company at 30 June 2022 were as follows:

| <b>Director</b> | <b>Position</b> | <b>Appointed</b> | <b>Resigned</b> | <b>Ordinary Shares</b> | <b>Options</b> |
|-----------------|-----------------|------------------|-----------------|------------------------|----------------|
| A Austin        | CEO             | 09/07/2021       | -               | -                      | -              |
| L Filipovic     | Chairman        | 03/04/2021       | -               | 113,205,988            | -              |
| S Guerin        | COO             | 09/07/2021       | -               | 113,200,000            | -              |
| S Nath          | Director        | 29/09/2021       | -               | 9,000,000              | -              |
| M Wilson        | Director        | 27/09/2021       | -               | -                      | -              |

## **Substantial shareholders**

As at 30 June 2022, the total number of issued Ordinary Shares with voting rights in the Company was 399,985,888.

Aside Leon Filipovic and Sebastien Guerin no other shareholder owns more than 5% of the issued share capital of the company.

**Financial instruments**

Details of the use of financial instruments by the Company are contained in accounting policies of these financial statements.

**Dividends**

The Directors do not propose a dividend in respect of the period ended 30 June 2022.

**Going Concern**

The financial information has been prepared on the assumption that the Company will continue as a going concern. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations. In assessing whether the going concern assumption is appropriate, the Directors take into account all available information for the foreseeable future, in particular for the twelve months from the date of approval of the financial information.

The company has cash reserves of £935,838 as at 30 June 2022 which the directors consider to be sufficient for the operations of the company for the foreseeable future. Additional financing if required will be raised through the issue of new shares or issue of debt.

**Auditors**

The auditors, Macalvins Limited, have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

**Statement of Directors' responsibilities**

The directors are responsible for preparing the 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 financial statements in accordance with UK-adopted international accounting standards. 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. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

**Statement as to Disclosure of Information to Auditors**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Auditors**

The auditors, Macalvins Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The maintenance and integrity of the GS Chain Plc website is the responsibility of the Directors

The CEO's statement and Financial Review, all of which are incorporated into this report, include a true and fair view of the development and performance of the business and the position of the Company taken as a whole, together with a description of the principal risks and uncertainties that they face and provides information necessary for shareholders to assess the Company's performance, business model and strategies.

The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer.

**On behalf of the board**

**Leon Filipovic**  
Director  
31 October 2022

## **Corporate Governance Report**

### **Introduction**

The Board is committed to good corporate governance and because it is a Company listed on the Standard Segment of the Official List of the UK Listing Authority, the Company is required to comply with the provisions of the UK Corporate Governance Code. The Board sets out below its practices to ensure good corporate governance having due regard for the principles of the UK Corporate Governance Code to the extent appropriate for a company of this size and nature.

The Board meets regularly and is responsible for formulating, reviewing, and approving the Company's strategy, budgets, performance, major capital expenditure and corporate actions.

Set out below are GS Chain Plc's corporate governance practices for the period ended 30 June 2022 and, where applicable, its position for the current financial period.

### **Leadership**

The Company is headed by an effective Board which is collectively responsible for the long-term success of the Company.

#### *The role of the Board*

The Board sets the Company's strategy, ensuring that the necessary resources are in place to achieve the agreed strategic priorities, and reviews management and financial performance. It is accountable to shareholders for the creation and delivery of strong, sustainable financial performance and monitoring the Company's affairs within a framework of controls which enable risk to be assessed and managed effectively. The Board also has responsibility for setting the Company's core values and standards of business conduct and for ensuring that these, together with the Company's obligations to its stakeholders, are widely understood throughout the Company. The Board has a formal schedule of matters reserved which is detailed later in this report.

#### *Board Meetings*

The core activities of the Board are carried out in scheduled meetings of the Board and its Committees. These meetings are timed to link to key events in the Company's corporate calendar and regular reviews of the business are conducted. Additional meetings and conference calls are arranged to consider matters, which require decisions outside the scheduled meetings.

Outside the scheduled meetings of the Board, the Directors maintain frequent contact with each other to discuss any issues of concern they may have relating to the Company or their areas of responsibility, and to keep them fully briefed on the Company's operations.

#### *Matters reserved specifically for the Board*

The Board has a formal schedule of matters reserved that can only be decided by the Board. The key matters reserved are the consideration and approval of:

- The Company's overall strategy;
- Financial statements and dividend policy;
- Management structure including succession planning, appointments and remuneration;
- Material acquisitions and disposal, material contracts, major capital expenditure projects and budgets;
- Capital structure, debt and equity financing and other matters;
- Risk management and internal controls;
- The Company's corporate governance and compliance arrangements;

- Corporate policies.

Non-executive Directors

The non-executive Directors bring a broad range of business and commercial experience to the Company and have a particular responsibility to challenge independently and constructively the performance of the Executive management and to monitor the performance of the management team in the delivery of the agreed objectives and targets.

**Delegations of authority**

Other governance matters

All of the Directors are aware that independent professional advice is available to each Director in order to properly discharge their duties as a Director. In addition, each Director and Board committee has access to the advice of the Company Secretary.

Effectiveness

For the period under review the Board comprised of the Chairman, the CEO, the COO and two Non-Executive Directors. Biographical details of the Board members are set out on pages x and x.

The Directors are of the view that the Board consists of Directors with an appropriate balance of skills, experience, independence and diverse backgrounds to enable them to discharge their duties and responsibilities effectively.

Independence

The Non-Executive Directors bring a broad range of business and commercial experience to the Company. The Board considers Sanjay Nath and Mark Wilson to be independent in character and judgement.

Appointments

The Remuneration Committee is responsible for reviewing the structure, size and composition of the Board and making recommendations to the Board with regards to any required changes.

Commitments

All Directors have disclosed any significant commitments to the Board and confirmed that they have sufficient time to discharge their duties.

Induction

All new Directors received an induction as soon as practical on joining the Board.

Conflict Of interest

A Director has a duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company. The Board has satisfied itself that there is no compromise to the independence of those Directors who have appointments on the Boards of, or relationships with, companies outside the Company. The Board requires Directors to declare all appointments and other situations which could result in a possible conflict of interest.

Board performance and evaluation

GS Chain Plc has a policy of appraising Board performance annually. GS Chain Plc has concluded that for a company of its current scale, an internal process administered by the Board is most appropriate at this stage.

**Diversity and inclusion**

The Company does not discriminate on the grounds of age, gender, nationality, ethnic or racial origin, non-job-related-disability, sexual orientation or marital status. The Company gives due consideration to all applications and provides training and the opportunity for career development wherever possible. The Board does not support discrimination of any form, positive or negative, and all appointments are based solely on merit.

**Accountability**

The Board is committed to providing shareholders with a clear assessment of the Company's position and prospects. This is achieved through this report and as required other periodic financial and trading statements. The Board has made appropriate arrangements for the application of risk management and internal control principles. Given the size of the Company the Board as a whole has performed the duties of the audit committee and the remuneration committee.

**Going concern**

The Company's business activities, together with factors likely to affect its future operations, financial position, and liquidity position are set out in the Financial Review sections of the Annual Report. In addition, the financial statements disclose the Company's financial risk management practices with respect to its capital structure, liquidity risk, interest rate risk, credit risk, and other related matters.

**Internal controls**

The Board of Directors reviews the effectiveness of the Company's system of internal controls in line with the requirements of the Code. The internal control system is designed to manage the risk of failure to achieve its business objectives. This covers internal financial and operational controls, compliances and risk management. The Company had necessary procedures in place during the period under review and up to the date of approval of the Annual Financial Report. The Directors acknowledge their responsibility for the Company's system of internal controls and for reviewing its effectiveness. The Board confirms the need for an ongoing process for identification, evaluation and management of significant risks faced by the Company.

The Directors are responsible for taking such steps as are reasonably available to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**Nomination**

Currently due to the size of the Company there is no Nomination Committee. Nominations are considered by the whole Board.

The Nomination Committee will review the composition and balance of the Board and senior management on a regular basis to ensure that the Board and senior management have the right structure, skills and experience in place for the effective management of the Company's business.

**Shareholder relations**

Communication and dialogue

Open and transparent communication with shareholders is given high priority. The Directors are available to meet with institutional shareholders to discuss any issues and gain an understanding of the Company's business, its strategies and governance.

All Directors are kept aware of changes in major shareholders in the Company and are available to meet with shareholders who have specific interests or concerns. The Company issues its results promptly to individual

shareholders and also publishes them on the Company's website: <https://gschain.world/>. Regular updates to record news in relation to the Company and the status of its projects are included on the Company's website.

*Annual General Meeting*

At every AGM individual shareholders are given the opportunity to put questions to the Chairman and to other members of the Board that may be present. Notice of the AGM is sent to shareholders at least 10 days before the meeting. Details of proxy votes for and against each resolution, together with the votes withheld are announced to the London Stock Exchange and are published on the Company's website as soon as practical after the meeting.

## **Directors' Remuneration Report**

### **The Remuneration Committee**

During the period ended 30 June 2022, the full Board of the Company met to consider matters relating to remuneration and performed the duties as set out in the report. The members of the Remuneration Committee are Sanjay Nath, Sébastien Guerin and Mark Wilson. The Remuneration Committee is chaired by Mark Wilson.

### **Committee's main responsibilities**

- The Remuneration Committee considers the remuneration policy, employment terms and remuneration of the Directors and reviews the remuneration of senior management;
- The Remuneration Committee's role is advisory in nature, and it makes recommendations to the Board on the overall remuneration packages for Directors and senior management in order to attract, retains and motivates high quality executives capable of achieving the Company's objectives;
- The Remuneration Committee also reviews proposals for any share option plans and other incentive plans, makes recommendations for the grant of awards under such plans as well as approving the terms of any performance-related pay schemes.

### **Committee advisors**

The Company consults with the Company's major investors and investor representative companies as appropriate. No Director takes part in any decision directly affecting their remuneration. No remuneration advisors were retained by the Remuneration Committee during the period.

### **Statement of GS Chain Plc's policy on Directors' remuneration**

The Company's policy is to maintain levels of remuneration so as to attract, motivate, and retain Directors and senior executives of the highest calibre who can contribute their experience to deliver industry leading performance with the Company's operations. The remuneration package for Directors comprises base fees and is planned to implement share incentive arrangements. Each executive director is entitled to participate in a bonus scheme.

### **Service Agreements and Letters of Appointment**

All of the service contracts with Directors are on an evergreen basis, subject to termination provisions. The appointment of Directors is subject to termination upon three months' notice.

The directors who held office at 30 June 2022 and had beneficial interests in the Ordinary Shares of the Company are disclosed on page 8 of the financial statements.

### **Terms of appointment**

The services of the Directors, provided under the terms of agreements with the Company, either direct with the director or with an intermediary company which undertakes to provide the services of the director, dated as follows:

| <b>Director</b> | <b>Year of appointment</b> | <b>Number of years completed</b> | <b>Date of current engagement letter</b> |
|-----------------|----------------------------|----------------------------------|--|
| A Austin        | 2021                       | 1                                | 23/07/2021                               |
| L Filipovic     | 2021                       | 1                                | 23/07/2021                               |
| S Guerin        | 2021                       | 1                                | 01/08/2021                               |
| S Nath          | 2021                       | 1                                | 01/08/2021                               |

M Wilson

2021

1

30/09/2021

**Consideration of shareholder views**

The Remuneration committee will consider shareholder feedback received and guidance from shareholder bodies. This feedback, plus any additional feedback received from time to time, is considered as part of the Company's annual policy on remuneration.

**Policy for new appointments**

Base salary levels will take into account market data for the relevant role, internal relativities, their individual's experience and their current base salary. Where an individual is recruited at below market norms, they may be re-aligned over time (e.g. two to three years), subject to performance in the role. Benefits will generally be in accordance with the approved policy.

For external and internal appointments, the Committee may agree that the Company will meet certain relocation and/or incidental expenses as appropriate.

**Directors' emoluments and compensation (audited)**

Set out below are the emoluments of the Directors for the period ended 30 June 2022 (GBP):

| <b>Director</b> | <b>Directors Fees (£)</b> |
|-----------------|---------------------------|
| A Austin        | 44,000                    |
| L Filipovic     | 45,025                    |
| S Guerin        | 44,000                    |
| S Nath          | 44,000                    |
| M Wilson        | 18,150                    |

There were accruals of £195,175 as of 30 June 2022 in respect of outstanding fees for director services.

None of the remuneration paid was subject to performance conditions.

**Other matters**

The Company does not have a bonus scheme in place for executives.

The Company does not have any pension plans for any of the Directors and does not pay pension amounts in relation to their remuneration. The Company has not paid out any excess retirement benefits to any Directors or past Directors. The Company has not paid any excess retirement benefits to any current or past Directors.

### **Report from the Audit & Risk Committee**

The responsibilities of the Audit & Risk Committee were performed by the full Board during the period. The committee oversees the Company's financial reporting and internal controls and provides a formal reporting link with the external auditors. The ultimate responsibility for reviewing and approving the Annual Report and Accounts and the half-yearly reports remains with the Board. The Audit Committee meets not less than twice in each financial year and will have unrestricted access to the Company's external auditors. The Audit Committee is chaired by Sanjay Nath and its other member is Mark Wilson.

### **Main Responsibilities**

The Audit Committee acts as a preparatory body for discharging the Board's responsibilities in a wide range of financial matters by:

- Monitoring the integrity of the financial statements and formal announcements relating to the Company's financial performance;
- Reviewing significant financial reporting issues and accounting policies and disclosures in financial reports;
- Overseeing that an effective system of internal control and risk management systems are maintained;
- Ensuring that effective whistle-blowing, anti-fraud and bribery procedures are in place;
- Considering the Company's internal audit requirements and making recommendations to the Board;
- Overseeing the Board's relationship with the external auditors and, where appropriate, the selection of new external auditors;
- Approving non-audit services provided by the external auditors, or any other accounting firm, ensuring the independence and objectivity of the external auditors is safeguarded when appointing them to conduct non-audit services;
- Ensuring compliance with legal requirements, accounting standards and the Listing Rules and the Disclosure and Transparency Rules.

The Company's external auditors are Macalvins Limited and the Audit Committee will closely monitor the level of audit and non-audit services they provide to the Company. In the period ended 31 June 2022 Macalvins Limited performed no non-audit services for the company.

### **External auditor**

The Company's external auditors are Macalvins Limited. The external auditors have unrestricted access to the Audit Committee Chairman. The Committee is satisfied that Macalvins Limited has adequate policies and safeguards in place to ensure that auditor objectivity and independence are maintained. The external auditors report to the Audit Committee annually on their independence from the Company.

The current auditors, Macalvins Limited were first appointed by the Company in 2022. Having assessed the performance objectivity and independence of the Auditors, the Committee will be recommending the reappointment of Macalvins Limited as auditors to the Company at the next annual general meeting.

## **Independent Auditor's Report to the Members of GS Chain Plc**

### **Opinion**

We have audited the financial statements of GS Chain Plc (the 'company') for the period ended 30 June 2022 which comprise the Statement of Profit or Loss, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and Notes to the Statement of Cash Flows, 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 Financial Reporting Standards (IFRSs) as adopted by the UK.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the UK; 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 Auditors' 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, 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.

### **Overview of our audit approach**

#### *Materiality*

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the financial statements as a whole to be £14,800, based on 5% of the loss for the period from continuing operations.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £740. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

#### *Overview of the scope of our audit*

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we focussed on where the directors made subjective judgements, for example in respect of estimating the recoverability of the amounts receivable.

The Company was subject to a full scope audit.

## **Independent Auditor's Report to the Members of GS Chain Plc**

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 Report of the Directors for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has 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 Report of the Directors.

We have nothing to report in respect of the following matters where 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

## **Independent Auditor's Report to the Members of GS Chain Plc**

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

### **Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the nature of the industry and sector, control environment and business performance including the design of the company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;

These matters were discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and local tax legislation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Independent Auditor's Report to the Members of GS Chain Plc**

**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 a Report of the Auditors 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.

Pankaj Rajani (Senior Statutory Auditor)  
for and on behalf of Macalvins Limited  
Chartered Accountants  
and Statutory Auditors  
7 St John's Road  
Harrow  
Middlesex  
HA1 2EY

Date: 31 October 2022

**GS CHAIN PLC**

**STATEMENT OF PROFIT OR LOSS  
FOR THE PERIOD 3 APRIL 2021 TO 30 JUNE 2022**

|   | Notes | £                       |
|---|-------|-------------------------|
| <b>CONTINUING OPERATIONS</b>                        |       |                         |
| Revenue   |       | -                       |
| Administrative expenses                             |       | <u>(303,404)</u>        |
| <b>OPERATING LOSS</b>                               |       | <u>(303,404)</u>        |
| <b>LOSS BEFORE INCOME TAX</b>                       | 4     | (303,404)               |
| Income tax  | 5     | <u>-</u>                |
| <b>LOSS FOR THE PERIOD</b>                          |       | <u><u>(303,404)</u></u> |
| Earnings per share expressed<br>in pence per share: |       |                         |
| Basic   | 6     | -0.08                   |
| Diluted   |       | <u><u>-0.08</u></u>     |

**GS CHAIN PLC**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME  
FOR THE PERIOD 3 APRIL 2021 TO 30 JUNE 2022**

|  | £         |
|--|-----------|
| <b>LOSS FOR THE PERIOD</b>                           | (303,404) |
| <b>OTHER COMPREHENSIVE INCOME</b>                    | <u>-</u>  |
| <b>TOTAL COMPREHENSIVE INCOME<br/>FOR THE PERIOD</b> | (303,404) |

**GS CHAIN PLC (REGISTERED NUMBER: 13310485)**

**STATEMENT OF FINANCIAL POSITION  
30 JUNE 2022**

|                                     | Notes | £                |
|-------------------------------------|-------|------------------|
| <b>ASSETS</b>                       |       |                  |
| <b>CURRENT ASSETS</b>               |       |                  |
| Cash and cash equivalents           | 9     | <u>953,838</u>   |
| <b>TOTAL ASSETS</b>                 |       | <u>953,838</u>   |
| <b>EQUITY</b>                       |       |                  |
| <b>SHAREHOLDERS' EQUITY</b>         |       |                  |
| Called up share capital             | 10    | 66,798           |
| Share premium Account               | 11    | 927,802          |
| Retained earnings                   | 11    | <u>(303,404)</u> |
| <b>TOTAL EQUITY</b>                 |       | <u>691,196</u>   |
| <b>LIABILITIES</b>                  |       |                  |
| <b>CURRENT LIABILITIES</b>          |       |                  |
| Trade and other payables            | 12    | <u>262,642</u>   |
| <b>TOTAL LIABILITIES</b>            |       | <u>262,642</u>   |
| <b>TOTAL EQUITY AND LIABILITIES</b> |       | <u>953,838</u>   |

The financial statements were approved by the Board of Directors and authorised for issue on 31 October 2022 and were signed on its behalf by:

**Leon Filipovic**  
Director

**GS CHAIN PLC**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD 3 APRIL 2021 TO 30 JUNE 2022**

|                        | <b>Share Capital</b> | <b>Share Premium</b> | <b>Retained Earnings</b> | <b>Total</b>   |
|------------------------|----------------------|----------------------|--------------------------|----------------|
| Issue of share capital | 66,798               | 927,802              | -                        | 994,600        |
| Result for the year    | -                    | -                    | (303,404)                | (303,204)      |
| <b>At 30 June 2022</b> | <b>66,798</b>        | <b>927,802</b>       | <b>(303,404)</b>         | <b>691,196</b> |

**GS CHAIN PLC**

**STATEMENT OF CASH FLOWS  
FOR THE PERIOD 3 APRIL 2021 TO 30 JUNE 2022**

|   |   | £               |
|---|---|-----------------|
| <b>Cash flows from operating activities</b>             |   |                 |
| Cash generated from operations                          | 1 | <u>(40,762)</u> |
| Net cash from operating activities                      |   | <u>(40,762)</u> |
| <br>  |   |                 |
| <b>Cash flows from financing activities</b>             |   |                 |
| Share issue   |   | <u>994,600</u>  |
| Net cash from financing activities                      |   | <u>994,600</u>  |
| <br>  |   |                 |
| <b>Increase in cash and cash equivalents</b>            |   | <u>953,838</u>  |
| <b>Cash and cash equivalents at beginning of period</b> | 2 | -               |
| <br>  |   |                 |
| <b>Cash and cash equivalents at end of period</b>       | 2 | <u>953,838</u>  |

**GS CHAIN PLC**

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE PERIOD 3 APRIL 2021 TO 30 JUNE 2022**

**1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

|                                      |                  |
|--------------------------------------|------------------|
| Loss before income tax               | <b>(303,404)</b> |
| Unpaid directors fees                | <u>195,175</u>   |
|                                      | <b>(108,229)</b> |
| Increase in trade and other payables | 67,467           |
| Cash generated from operations       | <b>(40,762)</b>  |

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

|                    |                 |
|--------------------|-----------------|
| As at 30 June 2022 | <b>£953,838</b> |
| As at 3 April 2021 | <b>£nil</b>     |

**GS CHAIN PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 3 APRIL 2021 TO 30 JUNE 2022**

**1. STATUTORY INFORMATION**

GS Chain Plc is a public company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparation**

These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements are also prepared in accordance with the provisions of the Companies Act 2006.

The financial statements have been prepared on a historical cost basis except for certain financial instruments classified as financial instruments measured at fair value.

**Going Concern**

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore continues to adopt the going concern basis in preparing its financial information.

**Critical accounting judgements and key sources of estimation uncertainty**

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

The most significant judgment relates to the adoption of the going concern basis given the company is newly incorporated and has not recorded any revenue since the date of incorporation.

## **2. ACCOUNTING POLICIES – CONTINUED**

The directors consider the company's cash balances to be sufficient given the cash burn rate of the company since listing on London Stock Exchange to ensure the company will be able to continue as a going concern for a period of at least 12 months from the authorisation of these financial statements.

### **Cash and cash equivalents**

Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under 'current liabilities' on the Statement of Financial Position.

### **Taxation**

Tax on profit or loss for the period comprises current and deferred tax. Tax is recognised in the statement of loss and comprehensive loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

### **New standards and interpretations not yet adopted**

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Financial Information are listed below. BHC intends to adopt these standards, if applicable, when they become effective.

IAS 1 (amendments) Classification of Liabilities as Current or Non-Current Effective 1 January 2022

Annual Improvements to IFRS Standards 2018-2020 Cycle -Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 Effective 1 January 2022

The Company is evaluating the impact of the new and amended standards above.

The Directors believe that these new and amended standards are not expected to have a material impact on the Company's results or shareholders' funds.

## **2. ACCOUNTING POLICIES – CONTINUED**

### **Foreign Exchange**

The Company's presentation currency is the Pound Sterling (£). The functional currency of the Company and its subsidiaries is the British Pound ("GBP"). These financial statements have been translated to the presentation currency in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates. This standard requires that assets and liabilities be translated using the exchange rate at period end, and income, expenses and cash flow items be translated using the rate that approximates the exchange rates at the dates of the transactions (i.e. the average rate for the period). All translation exchange differences are reported as a separate component of other comprehensive income (loss).

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At the period end, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the rate in effect on the date of the statement of financial position. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined. Exchange gains and losses arising on translation are included in comprehensive loss.

### **Earnings per share**

#### **(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

" the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares

" by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

The Company is loss making throughout the period considered in this Financial Information, therefore diluted earnings per share has not been considered.

### **Trade Payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

### **Borrowings**

Interest-bearing bank loans and overdrafts and other loans are recognised initially at fair value less attributable transaction costs. All borrowings are subsequently stated at amortised cost with the difference between initial net proceeds and redemption value recognised in the Income Statement over the period to redemption on an effective interest basis.

Borrowings are classified as current liabilities, unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

## **2. ACCOUNTING POLICIES – CONTINUED**

### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### **Share capital**

When new shares are issued, they are recognised within share capital at their issue price. Costs incurred directly to the issue of shares are accounted for as a deduction from share capital (net of tax).

### **Financial instruments**

The Company adopted all of the requirements of IFRS 9 - Financial Instruments ("IFRS 9") as of March 1, 2018. IFRS 9 replaces IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected credit loss" impairment model. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged. As a result of the adoption of IFRS 9, management has changed its accounting policy for financial assets retrospectively, for assets that continued to be recognised at the date of initial application. The change did not impact the carrying value of any financial assets or financial liabilities on the transition date.

The following is the Company's new accounting policy for financial instruments under IFRS 9:

### **Classification**

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI"), or at amortised cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

### **Measurement**

#### **Financial assets and liabilities at amortised cost**

Financial assets and liabilities at amortised cost are initially recognised at fair value plus or minus transaction costs, respectively, and subsequently carried at amortised cost less any impairment. Financial instruments under this classification includes cash, receivables, due from related parties, accounts payable, accrued liabilities and loans payable.

#### **Financial assets and liabilities at FVTPL**

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

#### **Financial assets and liabilities at FVOCI**

Fair value through other comprehensive income ("FVOCI"): Financial instruments designated at FVOCI are initially recognised at fair value, net of directly attributable transaction costs, and are subsequently measured at fair value with changes in fair value recognised in other comprehensive income, net of tax. The Company does not currently have any FVOCI financial instruments.

## **2. ACCOUNTING POLICIES – CONTINUED**

### **Impairment of financial assets at amortised cost**

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognised based on expected credit losses. The estimated present value of future cash flows associated with the financial assets is determined and an impairment loss is recognised for the difference between this amount and the carrying amount. The carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account. The impairment loss is recognised in profit or loss for the period.

In subsequent periods, if the amount of the impairment loss related to financial assets measured at amortised cost decreases, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment in financial assets at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### **Derecognition**

#### **Financial assets**

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognised in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss)

#### **Financial liabilities**

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss can be utilised.

#### **Leases**

On January 13, 2016, the IASB issued IFRS 16 - Leases, the new leases standard. The standard is effective or periods beginning on or after January 1, 2019, with earlier adoption permitted if IFRS 15 had also been applied. The Company does not have any material leases.

## **3. EMPLOYEES AND DIRECTORS**

|                    |         |
|--------------------|---------|
|                    | £       |
| Wages and salaries | 195,175 |

The average number of employees during the period was as follows:

|           |   |
|-----------|---|
| Directors | 5 |
|-----------|---|

Since the company was registered as a public company on 28 July 2021 each director under the terms of their service agreement receives a monthly fee of £4,000 for their services to the company.

|                         |         |
|-------------------------|---------|
|                         | £       |
| Directors' remuneration | 195,175 |

4. **LOSS BEFORE INCOME TAX**

The loss before income tax is stated after charging:

|                        |        |
|------------------------|--------|
| Auditors' Remuneration | £8,500 |
|------------------------|--------|

5. **INCOME TAX**

**Analysis of tax expense**

No liability to UK corporation tax arose for the period ended 30 June 2022.

**Factors affecting the tax expense**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

|   |                  |
|---|------------------|
|   | £                |
| <b>Loss before income tax</b>   | <b>(303,404)</b> |
| <b>Loss multiplied by the standard rate of corporation tax in the UK of 19%</b> | <b>(57,646)</b>  |
| Effects of:   |                  |
| Unrecognised deferred tax assets  | 57,646           |
| <b>Tax expense</b>  | <b>-</b>         |

At the period end, there were unrecognised deferred tax assets of £57,646 in respect of unutilised tax losses. These have not been recognised as their recovery cannot be determined with reasonable certainty.

Deferred tax assets in respect of carried forward losses are not recognised in the financial statements

6. **EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

Reconciliations are set out below.

|   |                    |
|---|--------------------|
| Loss from continued operations attributable to equity holders (£) | (303,404)          |
| Weighted average number of shares                                 | <u>399,985,888</u> |
| Loss per share basic (£)  | <u>(0.08)</u>      |
| Weighted average number of shares for dilutive calculation        | <u>399,985,888</u> |
| Loss per share diluted (£)  | <u>(0.08)</u>      |

**7. OPERATING SEGMENTS**

The Board considers that during the period ended 30 June 2022 the company does not have specific segment of operating given the recent listing.

Going forward the company intend to focus on acquisitions in the technology space; specifically targeting companies that leverage state of the art technology in automotive, fintech, real estate, banking, finance, telecommunications, and blockchain industries.

**8. FINANCIAL INSTRUMENTS**

The following information is provided in accordance with the requirements of IFRS 7 "Financial Instrument Disclosures"

**Categories of financial assets and liabilities**

The following table categorises the carrying value of the financial assets and liabilities at the balance sheet date. In each case the fair value is not materially different to the carrying value.

|                         |                   |
|-------------------------|-------------------|
| <b>Financial assets</b> | <b>30.06.2022</b> |
| Cash at bank            | £953,838          |
| <b>Total</b>            | <b>£953,838</b>   |

The contractual maturities of financial assets are all within 1 year of the balance sheet date.

|   |                   |
|---|-------------------|
| <b>Financial liabilities</b>              | <b>30.06.2022</b> |
| Trade payables excluding accrued expenses | £56,859           |
| Directors fees payable                    | £195,175          |
| <b>Total</b>                              | <b>£252,034</b>   |

The contractual maturities of financial liabilities, including estimated interest payments are all within 1 year of the balance sheet date.

**Risks arising from financial assets and liabilities**

The following summarises the principal risks associated with the company's financial assets and liabilities and how those risks are managed.

**Liquidity and capital risk management**

The Company's capital structure consists of items in shareholders' equity (deficiency). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

This is done primarily through equity financing. Future financings are dependent on market conditions. There were no changes to the Company's approach to capital management during the year.

The Company has adequate sources of capital to complete its business plan, current obligations and ultimately the development of its business over the long term, and will need to raise adequate capital by obtaining equity financing and/or incurring debt.

**8. FINANCIAL INSTRUMENTS – CONTINUED**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at 30 June 2022, the Company had a cash balance of £953,838 to settle current liabilities of £255,642. The Company's current financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

**Interest rate risk**

The Company does not currently have financial instruments that expose the Company to significant interest rate risk as the Company does not have any debt that bears variable interest rate.

**Currency risk**

The Company's financial instruments are currently all denominated in British Pounds.

**Price risk**

The Company does not hold any equity securities and therefore is not exposed to price risk.

**Credit risk**

The company does not currently have any receivable and therefore is not exposed to credit risk.

**9. CASH AND CASH EQUIVALENTS**

|               |         |
|---------------|---------|
|               | £       |
| Bank accounts | 953,838 |

Cash and cash equivalents consist of cash on hand and short-term deposits held with banks with a A-1+ rating. The carrying value of these approximates to their fair value. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts.

**10. CALLED UP SHARE CAPITAL**

Number allotted, issued and fully paid

| Number:     | Class:   | Nominal Value: | £      |
|-------------|----------|----------------|--------|
| 399,985,888 | Ordinary | 0.000167       | 66,798 |

**11. RESERVES**

|                           | Retained Earnings<br>£ | Share Premium<br>£ | Total<br>£     |
|---------------------------|------------------------|--------------------|----------------|
| Loss for the period       | (296,404)              | -                  | (294,404)      |
| Premium on shares issued  | -                      | 927,802            | 927,802        |
| <b>As at 30 June 2022</b> | <b>(296,404)</b>       | <b>927,802</b>     | <b>631,398</b> |

**12. TRADE AND OTHER PAYABLES**

|                        |                |
|------------------------|----------------|
| Current                | £              |
| Trade creditors        | 56,859         |
| Accrued expenses       | 10,608         |
| Accrued directors fees | 195,175        |
| <b>Total</b>           | <b>262,642</b> |

**13. ULTIMATE PARENT COMPANY**

There is no one shareholder that owns greater than 50% of the issued share capital of GS Chain Plc. Therefore the Company does not have an ultimate controlling party.

**14. CONTINGENT LIABILITIES**

As at 30 June 2022 the Company had no material contingent liabilities.

**15. RELATED PARTY DISCLOSURES**

There were no related party transactions except for the payments of directors' fees disclosed in the financial statements.

**16. EVENTS AFTER THE REPORTING PERIOD**

There have been no subsequent events since the reporting period end date.

**17. SHARE-BASED PAYMENT TRANSACTIONS**

There have been no share based payment schemes or share option compensation since the company was incorporated.