REGISTERED NUMBER: 13714088 (England and Wales)

Strategic Report, Report of the Directors and

Financial Statements for the Period 1st December 2022 to 30th September 2023

for

Kondor AI PLC

Previously known as North Gate Management Incubator PLC

Contents of the Financial Statements
for the Period 1st December 2022 to 30th September 2023

Kondor AI PLC
previously known as North Gate Management Incubator PLC

Company Information
for the Period 1st December 2022 to 30th September 2023

DIRECTORS:	B L W Sampson J Bixby N Hellyer J Kenney
SECRETARY:	B L W Sampson
REGISTERED OFFICE:	16 Great Queen Street London WC2B 5DG
REGISTERED NUMBER:	13714088 (England and Wales)
AUDITORS:	Kreston Reeves LLP Chartered Accountants, Statutory Auditor Second Floor 168 Shoreditch High Street London E1 6RA

Kondor AI PLC
previously known as North Gate Management Incubator PLC

Strategic Report
for the Period 1st December 2022 to 30th September 2023

The directors present their strategic report for the period 1st December 2022 to 30th September 2023.

STRATEGY
Kondor AI PLC (the company) sits at the forefront of a technological revolution, harnessing the power of artificial intelligence seamlessly integrated with advanced smartphone camera capabilities. The advent of vision-based AI offers the potential to change the way that people use their mobile phone cameras for a vast array of use cases. The Kondor technology is a phone agnostic app that allows users' camera phones to easily interact with AI.

The company's business strategy has two core elements, product development and sales and marketing. Development of the "version one" Kondor app has been successful and is now available on the Apple and Google App stores. This is expected to be followed by a "VIP" product launch event and an online marketing campaign.

PRINCIPAL ACTIVITY
The principal activity of the company in the period under review was that of putting the company into a position to start development of advanced Artificial Intelligence (AI) products and preparing the company to list on the AQUIS stock exchange.

REVIEW OF BUSINESS
We are pleased to report the Kondor AI PLC (the company) final results for the period 1 December 2022 to 30 September 2023.

No revenue was generated and a loss before tax of £17,000 was incurred in the period under review, in order to comply with the statutory filing requirements for the period.

Kondor is a mobile AI product that can understand images. You can upload any photo and ask complex questions, just like you were speaking to a person. Kondor is powered by a vast AI driven knowledge base so can help you with almost any topic. The core opportunity for our business is driven by the recent rapid growth of the overall Artificial Intelligence (AI) market. Bloomberg Intelligence suggests the generative AI market could grow from $40 billion to $1.3 trillion over the next 10 years.

As such our work in this period was to position the company in such a way that we could generate funding through the IPO on 21 December 2023. This was a success with pre-IPO funding raising gross proceeds of £400,500. This was followed by the IPO on 21 December 2023 which raised gross proceeds of £1,500,000. These funds will enable the development of a number of advanced Artificial Intelligence (AI) vision features which have been accelerated with our acquisition of the underlying business intellectual property of Crowdform Limited on 1 December 2023.

With the successful IPO and product development subsequent to this period end we have used this period to build a foundation for continued product and market development over the coming years.

PRINCIPAL RISKS AND UNCERTAINTIES
The directors have a responsibility to identify risks facing the business and put in place procedures to mitigate and monitor risks. Board meetings incorporate a review of monthly management accounts, operational and financial KPIs and discussion of future developments.

The principal risks faced by the company in the current economic climate are considered to be financial and business environment related.

Financial risk
The main financial risks arising are the adequacy of working capital, interest rate, liquidity and credit risk. The principal financial instrument of the company is cash. This is closely monitored by the Board using cashflow forecasts and runway calculations.

Business environment
There are many companies currently developing AI software. Many entities that operate in the same field as the company are larger and more established, with access to substantial financial resources, larger operational capabilities, and longer track records in software development. The company attempts to mitigate this risk by investing in the development of cutting-edge technologies to remain competitive. In addition, the company works hard to forge strategic partnerships and alliances with key stakeholders in the AI sector, including software developers, universities, and potential corporate clients potentially leading to enhanced competitive advantages.

Kondor AI PLC
previously known as North Gate Management Incubator PLC

Strategic Report
for the Period 1st December 2022 to 30th September 2023

CORPORATE GOVERNANCE
The Directors recognise the importance of sound corporate governance and, following admission to the AQUIS stock exchange (AQSE) post period end, have undertaken to take account of the requirements of the QCA Code to the extent that they consider it appropriate having regard to the company's size, board structure, stage of development and resources. Set up below is a summary of how the company has complied with the key requirements of the QCA code since admission.

Board committees
The Board has ensured that procedures, resources and controls are in place to ensure that AQSE Growth Market Access Rulebook compliance by the company has been operating effectively at all times and that the Directors are communicating effectively with the company's AQSE Corporate Adviser regarding the Company's ongoing compliance with the AQSE Growth Market Access Rulebook and in relation to all announcements, notifications and potential transactions.

The Board has established an Audit and Risk Committee with formally delegated duties and responsibilities. The Audit and Risk Committee is chaired by Nic Hellyer and its other member is Jill Kenney. The Audit and Risk Committee has been responsible for ensuring the financial performance of the company is properly reported on and monitored, including reviews of the annual and interim accounts, results announcements, internal control systems and procedures and accounting policies, as well as keeping under review the categorisation, monitoring and overall effectiveness of the company's risk assessment and internal control processes, and to review the company's internal financial controls and the company's internal control and risk management systems.

The remuneration committee, which comprises Jill Kenney and Jonathan Bixby, has been responsible for the review and recommendation of the scale and structure of remuneration for the company's senior executives, including any bonus arrangements or the award of share options with due regard to the interests of the Shareholders and the performance of the company. The Remuneration Committee is chaired by Jill Kenney.

The Aquis Rule Compliance Committee, comprises Jonathan Bixby and Benjamin Sampson and is chaired by Jonathan Bixby. The Aquis Rule Compliance Committee has been responsible for ensuring compliance with the rules of the Aquis stock exchange.

The company does not have a nomination committee as the Board does not consider it appropriate to establish such a committee at this stage of the company's development. Decisions which would usually be taken by the nomination committee will be taken by the Board as a whole.

Internal controls and risk management
The directors acknowledge their responsibility for the company's system of internal control of which the objectives are:

- Safeguarding the company's assets.
- Ensuring proper accounting records are maintained.
- Ensuring that the financial information used within the business and for publication is reliable.

The key procedures that have operated since listing on the AQUIS stock exchange are set out below:

- The Board meets periodically (but not less than four times per year) to review all aspects of the company's performance concentrating mainly on financial performance, business risks and development.
- A number of matters are reserved for the Board's specific approval

In establishing the systems of internal control, the Directors have implements a control environment, risk management procedures and reporting processes appropriate to the size of the company. The system of internal control is designed to manage rather than eliminate risk. Further procedures will continue to be adopted to further improve financial control.

ON BEHALF OF THE BOARD:

Benjamin Sampson
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B L W Sampson - Director

Date: 28 February 2024 | 3:17:42 PM GMT

Kondor AI PLC
previously known as North Gate Management Incubator PLC

Report of the Directors
for the Period 1st December 2022 to 30th September 2023

The directors present their report with the financial statements of the company for the period 1st December 2022 to 30th September 2023.

INFORMATION INCLUDED IN THE STRATEGIC REPORT
The review of the business and details of risks and uncertainties are disclosed in the Strategic Report.

CHANGE OF NAME
The company passed a special resolution on 27th October 2023 changing its name from North Gate Management Incubator PLC to Kondor AI PLC.

PRINCIPAL ACTIVITY
The principal activity of the company in the period under review was that of putting the company into a position to start development of advanced Artificial Intelligence (AI) products and preparing the company to list on the AQUIS stock exchange.

DIVIDENDS
The company has not declared a dividend for the period ended 30 September 2023.

EVENTS SINCE THE END OF THE PERIOD
On 10 October 2023, the company's one ordinary share of nominal value £0.01 was converted into 10 shares with a nominal value of £0.001.

On 27 October 2023 the company changed its name to Kondor AI PLC.

On 15 November 2023 the company changed its year end from 30 November to 30 September and as such its accounting periods are from 1 November 2021 to 30 November 2022 and 1 December 2022 to 30 September 2023.

Before listing on the AQUIS stock exchange, the company raised gross proceeds of £400,500. This took the form of the issue of 99,999,990 ordinary shares at £0.001 per share on 1 November 2023 and 30,050,000 ordinary shares at £0.01 per share on 5 December 2023.

On 1 December 2023 the company issued 60,500,000 warrants to various directors and advisers. These warrants have an exercise price of 1p and are exercisable up to three years after an Initial Public Offering (IPO) in the company. The shares purchased with the warrants are subject to a lock in of either six or twelve months after an IPO in the Company.

On the effective date 1 December 2023 all rights, title and interest in the business intellectual property of Crowdform Limited was acquired for USD 1. The intellectual property relates to the principal activity of Kondor AI PLC including the domain name www.kondor.ai, the platform, and all relevant materials and documents.

The company raised gross proceeds of £1,500,000 from the issue of 50,000,000 new shares at £0.03 per share as part of the IPO on 21 December 2023. The company is listed on the AQUIS stock exchange.

On 21 December 2023 the company issued 9,800,500 warrants to advisers. These warrants have an exercise price of 3p and are exercisable up to five years after an Initial Public Offering (IPO) in the company.

At the date of signing this report, the company had 180,050,000 issued shares.

Kondor AI PLC
previously known as North Gate Management Incubator PLC

Report of the Directors
for the Period 1st December 2022 to 30th September 2023

DIRECTORS
The following served during the year and ceased to be directors after 30 September 2023 but prior to the date of this report:
G J Peacock - 9 October 2023
J E Sloss - 9 October 2023
N J Lyth - 31 October 2023

The following were appointed as directors after 30th September 2023 but prior to the date of this report:
B L W Sampson - 31 October 2023
J Bixby - 19 October 2023
N Hellyer - 21 December 2023
J Kenney - 21 December 2023

DIRECTORS' INTERESTS IN SHARES
At the balance sheet date, the following director held shares in the company:
N J Lyth - 100%

At the date of signing of this report, the following directors held shares in the company:
B L W Sampson - 0.3%
J Bixby - 27%

RELATED PARTY DISCLOSURES
N J Lyth, a director of the company, opened a bank account during the prior period with £16 of personal money which is due back to him. This amount is included in note 9, trade and other payables.

B Sampson who was appointed director of the company after the period end is also a director of Sampson Fielding Limited. Sampson Fielding Limited invoiced the company £6,000 (2022 - £nil) in respect of accountancy services for the period. At the balance sheet date £6,000 (2022 - £nil) was included in accruals.

All transactions with related parties are conducted on an arms length basis.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Kreston Reeves LLP, were appointed on 3 January 2024 and will be proposed for re-appointment at the forthcoming Annual General Meeting.

Kondor AI PLC
previously known as North Gate Management Incubator PLC

Report of the Directors
for the Period 1st December 2022 to 30th September 2023

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Benjamin Sampson
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B L W Sampson - Director

Date: 28 February 2024 | 3:17:42 PM GMT

Report of the Independent Auditors to the Members of Kondor AI PLC previously known as North Gate Management Incubator PLC

Opinion

We have audited the financial statements of Kondor AI PLC (the 'company') for the period ended 30 September 2023 which comprise the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2023 and of its loss for the period then ended;
- have been properly prepared in accordance with UK adopted international accounting standards and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report 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 directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the company and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to company law. We considered the extent to which non-compliance might have a material effect on the financial statements. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Checking and reperforming the reconciliation of key control accounts; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Report of the Auditors to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Report of the Auditors. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Kreston Reeves LLP

Anne Dwyer BSc(Hons) FCA (Senior Statutory Auditor)
for and on behalf of Kreston Reeves LLP
Chartered Accountants, Statutory Auditor
Second Floor
168 Shoreditch High Street
London
E1 6RA

Date: 28 February 2024

Kondor AI PLC
previously known as North Gate Management Incubator PLC

Statement of Profit or Loss and Other Comprehensive Income
for the Period 1st December 2022 to 30th September 2023

	Notes	Period 1.12.22 to 30.9.23 £	Period 1.11.21 to 30.11.22 as restated £
CONTINUING OPERATIONS			
Revenue		-	-
Administrative expenses		(17,000)	(16)
OPERATING LOSS		(17,000)	(16)
LOSS BEFORE INCOME TAX	4	(17,000)	(16)
Income tax	5	-	-
LOSS FOR THE PERIOD		(17,000)	(16)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(17,000)	(16)

The notes form part of these financial statements

Kondor AI PLC (Registered number: 13714088)
previously known as North Gate Management Incubator PLC

Statement of Financial Position
30th September 2023

	Notes	30/9/23 £	30/11/22 as restated £
ASSETS			
TOTAL ASSETS		-	-
EQUITY			
SHAREHOLDERS' EQUITY			
Retained earnings	8	(17,016)	(16)
TOTAL EQUITY		(17,016)	(16)
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	17,016	16
TOTAL LIABILITIES		17,016	16
TOTAL EQUITY AND LIABILITIES		-	-

The financial statements were approved by the Board of Directors and authorised for issue on 28 February 2024 | 3:17:42 PI and were signed on its behalf by:

Benjamin Sampson

B L W Sampson - Director

The notes form part of these financial statements

Kondor AI PLC
previously known as North Gate Management Incubator PLC

Statement of Changes in Equity
for the Period 1st December 2022 to 30th September 2023

	Retained earnings £	Total equity £
Changes in equity		
Balance at 30th November 2022	-	-
Prior year adjustment	(16)	(16)
As restated	(16)	(16)
Changes in equity		
Total comprehensive loss	(17,000)	(17,000)
Balance at 30th September 2023	(17,016)	(17,016)

The notes form part of these financial statements

Kondor AI PLC
previously known as North Gate Management Incubator PLC

Statement of Cash Flows
for the Period 1st December 2022 to 30th September 2023

	Notes	Period 1.12.22 to 30.9.23 £	Period 1.11.21 to 30.11.22 as restated £
Cash flows from operating activities			
Cash generated from operations	1	-	(16)
Net cash from operating activities		-	(16)
Cash flows from financing activities			
Amount introduced by directors		-	16
Net cash from financing activities		-	16
Increase in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of period		-	-
Cash and cash equivalents at end of period		-	-

The notes form part of these financial statements

Notes to the Statement of Cash Flows
for the Period 1st December 2022 to 30th September 2023

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

	Period 1.12.22 to 30.9.23	Period 1.11.21 to 30.11.22 as restated
	£	£
Loss before income tax	(17,000)	(16)
Increase in trade and other payables	17,000	-
Cash generated from operations	-	(16)

1. STATUTORY INFORMATION

Kondor AI PLC is a public company limited by shares, registered in England. The company's registered number and registered office address can be found on the Company Information page.

The principal activity of the company in the period under review was that of putting the company into a position to start development of advanced Artificial Intelligence (AI) products and preparing the company to list on the AQUIS stock exchange.

The company currently has no principal place of business as all staff work remotely.

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 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The previous period's financial statements for the period ended 30 November 2022 were prepared in accordance with UK GAAP. The date of transition from UK GAAP To IFRS was 1 December 2022. The directors changed the company's reporting framework to enhance its global consistency and investor confidence.

The transition from UK GAAP to IFRS had no impact on the financial statements and no adjustments were required.

Going concern
The directors consider the company to be a going concern. Since the balance sheet date, cash of £1,900,500 has been received, ensuring that the company is solvent. Working capital forecasts show the company will continue for a period of at least 12 months from the signing of the accounts.

Accounting periods
The accounting period has been shortened from 12 months to 10 months. The accounts show the period 1 December 2022 to 30 September 2023 with comparatives for the period 1 November 2021 (incorporation) to 30 November 2022. The accounting period was shortened as the new year end is expected to be a better fit with the company's trading year.

Critical accounting judgements and key sources of estimation uncertainty
The preparation of the financial statements requires the directors to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The directors continually evaluate the judgements and estimates in relation to assets, liabilities, revenue and expenses. The directors base their judgements, estimates and assumptions on historical experience and on other factors, including expectations of future events. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

No critical judgments have been made by management in preparing these accounts.

continued...

2. **ACCOUNTING POLICIES - continued**

Changes in accounting policies
New standards, interpretations and amendments adopted from 1 December 2022:

The following amendments are effective for the period beginning 1 December 2022:
- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- References to Conceptual Framework (Amendments to IFRS 3).

These amendments to various IFRS standards are mandatorily effective for reporting periods beginning on or after 1 January 2022. These amendments had no impact on the financial statements for the period.

New standards, interpretations and amendments not yet effective:

The following amendments are effective for the period beginning 1 October 2023:
- FRS 17 Insurance Contracts;
- Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements);
- Definition of Accounting Estimates (Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors);
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes); and
- International Tax Reform - Pillar Two Model Rules (Amendment to IAS 12 Income Taxes) (effective immediately upon the issue of the amendments and retrospectively

These amendments to various IFRS standards are mandatorily effective for reporting periods beginning on or after 1 January 2023. The company is currently assessing the impact of these new accounting standards and amendments but does not believe they will have a significant impact on the company.

Taxation
Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Trade and other receivables
Trade and other debtors that are receivable within one year and do not constitute a financing transaction are recorded at the undiscounted amount expected to be received, net of impairment. Those that are receivable after more than one year or that constitute a financing transaction are recorded initially at fair value less transaction costs and subsequently at amortised cost using the effective interest method, less any allowance for expected credit losses.

Trade and other payables
Short-term payables are measured at the transaction price. Other payables, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Share capital
Called-up share capital represents the nominal value of shares that have been issued.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. All ordinary shares rank equally with regard to the company's residual assets.

3. **EMPLOYEES AND DIRECTORS**

There were no staff costs for the period ended 30th September 2023 nor for the period ended 30th November 2022.

There were 3 (2022 - 3) directors serving during the period under review.

continued...

4. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging:

	Period 1.12.22 to 30.9.23	Period 1.11.21 to 30.11.22 as restated
	£	£
Auditors' remuneration	11,000	-

5. INCOME TAX

Analysis of tax expense
No liability to UK corporation tax arose for the period ended 30th September 2023 nor for the period ended 30th November 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:

	Period 1.12.22 to 30.9.23	Period 1.11.21 to 30.11.22 as restated
	£	£
Loss before income tax	(17,000)	(16)
Loss multiplied by the standard rate of corporation tax in the UK of 25% (2022 - 19%)	(4,250)	(3)
Effects of:		
Losses carried forward	4,250	3
Tax expense	-	-

From 1 April 2023, the UK corporation tax rate was increased to 25% from 19% for companies with profits in excess of £250,000. The small profits rate of corporation tax is 19% for companies with profits of £50,000 or less, with marginal relief providing a sliding scale rate of tax between these two limits.

6. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made to recognise a £16 loan by a director to the company to cover bank charges. A further prior period adjustment has been made to recognise the purchase of 1 ordinary share in the company for £0.01. These items were incorrectly omitted from the prior period financial statements.

The retained earnings figure at 30 November 2022 has been restated from £nil to £16 (deficit) and the 2022 Statement of Profit or Loss and Other Comprehensive Income now includes £16 bank charges.

The opening balances for the period ended 30 November 2022 are shown in the Statement of changes in equity.

7. CALLED UP SHARE CAPITAL

Allotted and issued:

Number:	Class:	Nominal value:	30/9/23	30/11/22 as restated
			£	£
1	Ordinary	0.01	-	-

continued...

7. **CALLED UP SHARE CAPITAL - continued**

On incorporation, the company issued one ordinary share of 1p to the sole shareholder. This remained unpaid at 30 September 2023 but has been paid since the period end.

The ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights. They do not confer any right of redemption.

8. **RESERVES**

	Retained earnings £
At 30th November 2022	-
Prior period adjustment	(16)
	(16)
Deficit for the period	(17,000)
At 30th September 2023	(17,016)

The following describes the nature and purpose of each reserve within equity:

Retained earnings - all net gains and losses and transactions with owners (e.g. dividends).

9. **TRADE AND OTHER PAYABLES**

	30/9/23 £	30/11/22 as restated £
Current:		
Accrued expenses	17,000	-
Directors' current accounts	16	16
	17,016	16

10. **RELATED PARTY DISCLOSURES**

N J Lyth, a director of the company, opened a bank account during the prior period with £16 of personal money which is due back to him. This amount is included in note 9, trade and other payables.

B Sampson who was appointed director of the company after the period end is also a director of Sampson Fielding Limited. Sampson Fielding Limited invoiced the company £6,000 (2022 - £nil) in respect of accountancy services for the period. At the balance sheet date £6,000 (2022 - £nil) was included in accruals.

All transactions with related parties are conducted on an arms length basis.

continued...

11. **EVENTS AFTER THE REPORTING PERIOD**

On 10 October 2023, the company's one ordinary share of nominal value £0.01 was converted into 10 shares with a nominal value of £0.001.

On 27 October 2023 the company changed its name to Kondor AI PLC.

On 15 November 2023 the company changed its year end from 30 November to 30 September and as such its accounting periods are from 1 November 2021 to 30 November 2022 and 1 December 2022 to 30 September 2023.

Before listing on the AQUIS stock exchange, the company raised gross proceeds of £400,500. This took the form of the issue of 99,999,990 ordinary shares at £0.001 per share on 1 November 2023 and 30,050,000 ordinary shares at £0.01 per share on 5 December 2023.

On 1 December 2023 the company issued 60,500,000 warrants to various directors and advisers. These warrants have an exercise price of 1p and are exercisable up to three years after an Initial Public Offering (IPO) in the company. The shares purchased with the warrants are subject to a lock in of either six or twelve months after an IPO in the Company.

On the effective date 1 December 2023 all rights, title and interest in the business intellectual property of Crowdform Limited was acquired for USD 1. The intellectual property relates to the principal activity of Kondor AI PLC including the domain name www.kondor.ai, the platform, and all relevant materials and documents.

The company raised gross proceeds of £1,500,000 from the issue of 50,000,000 new shares at £0.03 per share as part of the IPO on 21 December 2023. The company is listed on the AQUIS stock exchange.

On 21 December 2023 the company issued 9,800,500 warrants to advisers. These warrants have an exercise price of 3p and are exercisable up to five years after an Initial Public Offering (IPO) in the company.

At the date of signing this report, the company had 180,050,000 issued shares.

12. **ULTIMATE CONTROLLING PARTY**

During the period under review, the company had 1 share in issue, which was owned by N Lyth. Post year end, following the issue of shares in November and December 2023, 27% of the shares are owned by Toro Consulting Ltd, a company controlled by J Bixby.