

BEACON RISE HOLDINGS PLC

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 APRIL 2023 TO 30 SEPTEMBER 2023

BEACON RISE HOLDINGS PLC

FOR THE INTERIM PERIOD FROM 1 APRIL 2023 TO 30 SEPTEMBER 2023

Chairman's statement

I am pleased to present the unaudited condensed interim financial results for the Company for the six months ended 30 September 2023.

The principal activity of the Company is to acquire businesses in the primary and secondary segments of the education technology sectors.

To enable the Company to pursue its principal activities, the Company initiated an Initial Public Offering ("IPO") of its securities onto the London Stock Exchange through a Standard Listing to raise the necessary funds required for the execution of the business strategy. The IPO was successfully completed and the Company's shares were admitted for trading on 25 March 2022. This listing enables the Company to raise funds for acquisitions which may be in the form of a merger, capital stock exchange, asset acquisition, stock purchase, scheme of the arrangement, reorganisation or similar business combination of an interest in an operating entity or investment.

As at the reporting period end, the Company did not have any current operations, no products were sold, and no services were performed by the Company. It did not operate or compete in any specific market, and the Company had no subsidiaries. The Company continues to seek acquisitions of UK and overseas businesses or assets with operations in the sectors that can contribute greater benefits to shareholders.

Strategy

The Company retains a flexible merge and acquisition strategy which will enable it to deploy capital in target companies by way of minority or majority investments, or full acquisitions where it is in the interests of shareholders to do so.

The Company's strategic aim is to drive shareholder value through the acquisition of target companies in certain sectors where the Board believes there to be sustainable growth opportunities both organically, and through acquisition.

Financial results in the six months period ended 30 September 2023

Financial key performance indicators:

	6 months ended 30 September 2023 (Unaudited) £	6 months ended 30 September 2022 (Unaudited) £
EBITDA	(19,714)	(112,822)
	30 September 2023 (Unaudited) £	31 March 2023 (Audited) £
Gross assets	446,234	570,450
Net assets	358,991	378,705

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Gender analysis

A split of our employees and directors by gender during the period is shown below:

	Male	Female
Directors	2	1

As the Company is only in its infancy, gender of the Board is skewed towards males. This does not reflect the attitudes of the Company in any way and the Directors will promote females in the Board and in the workforce wherever possible.

All the Directors are from minority ethnic background.

Developments in the six month period ended 30 September 2023

In the six months ended 30 September 2023, the Company has steadily advanced its development in the following areas in 2023:

- Effective Implementation of Corporate Governance Systems:**
The Company's Board of Directors rigorously enforced various systems in accordance with UK Company Law and relevant governance and regulatory requirements for LSE Main Board-listed companies, including but not limited to a strict approval system, internal control system and an external announcement system. During this reporting period, the Company completed the high-quality audit of the 2022 annual report, which was highly recognised by the Board of Directors.
- Active review on the Company's strategy and our mission:**
We have actively gathered the latest information on cutting-edge scientific and technological developments, enhanced the international vision of board members, and built a strong pool of professional knowledge to identify suitable acquisition targets conducive to creating value for all shareholders.
- Ensuring sustainable Company Operation:**
Over the past six months, the Company has adhered to relevant ESG guidelines and maintained an efficient operating strategy and healthy operational conditions. This ensures the Company's financial stability and the stability of its Board of Directors and management, effectively promoting the Company's sustainable development.
- Active Participation in Relevant Seminars and Training:**
We have actively participated in seminars and training organised by the London Stock Exchange and third-party advisors. We systematically studied the requirements for public announcements by listed companies, rules for annual audit reports, as well as methods to enhance the Company's brand value with quality.

As the global education sector integrates with technology driven by recent breakthroughs in the field of generative AI like ChatGPT, the Company fully acknowledges the importance and potential of combining education with technology. We have actively sought acquisition targets that can create long-term value for all shareholders. Following careful discussions by the Company's board of directors, we have identified the following key areas and directions for our future strategic developments:

- Utilisation of Decision-making Power and Professional Experience of the Company's Board:**
 - Leveraging Extensive Professional Experience:**
Capitalising on the many years of professional experience of the Company's board, we are committed to identifying the best investment directions and targets for the Company.
 - M&A Strategy:**
We have been continuously seeking merger and acquisition targets that align with the Company's strengths, resources and strategies and the interests of our shareholders.
- The Pivotal Role of Full-time and Personalised Education and the associated M&A Strategy:**

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FOR THE INTERIM PERIOD FROM 1 APRIL 2023 TO 30 SEPTEMBER 2023

- **Value of Full-time Education:**
Full-time education provides students with a complete learning cycle, laying the foundation for reaching their full potential.
 - **Evolution of Personalised Education:**
With advancements in technology, especially in the field of AI, personalised education is increasingly becoming a reality. We aim to use this technology to offer tailor-made learning experiences for each student.
 - **M&A Focus:**
Given the latest developments in personalised education, we pay special attention to leading institutions in full-time early childhood, preschool, and primary and secondary education, as well as companies with innovations in educational technology, contents, methods, and models.
3. **Disruptive Innovations in Educational Content, Methods, and Technology:**
- **Innovations in Educational Technology:**
We will explore ways to introduce cutting-edge technologies, such as artificial intelligence, virtual reality and augmented reality, to enhance the learning experience.
 - **Revolution in Educational Content:**
We plan to collaborate with educational content providers to introduce richer, more practical, and up-to-date learning resources.
 - **M&A Focus:**
We specifically target companies that have disruptive innovations in educational technology, content, and methods, considering them as our key acquisition targets.
4. **Green Operating Philosophy:**
- **Green Operation:**
We emphasise efficient resource utilisation and environmental protection and are committed to minimising our environmental impact.

Overall, fields like educational technology, content, methods, full-time education, and personalised learning offer the Company abundant development opportunities. Meanwhile, by upholding our healthy, professional and efficient operating philosophy we can ensure the Company can acquire the most valuable assets and target companies, thereby contributing to the prosperity and progress of the global education industry.

Risks and uncertainties

The Company has yet to complete an investment or acquisition, it has limited trading history. As such, the Company continued to be subject to the risks and uncertainties associated with an early-stage acquisition company.

The Directors are of the opinion that these risks, which were detailed in the published results for the financial period ended 31 March 2023, remain applicable to the Company.

Dividend

At this point of the Company's development, it does not anticipate declaring any dividends in the foreseeable future. Following the Company's inaugural investment or acquisition, the Directors will determine an appropriate dividend policy.


Looking forward, the Company will strictly enforce corporate governance and further strengthen the leadership of the Board of Directors over the Company. We have been actively looking for acquisition targets that can create long-term value for all shareholders and meanwhile we continue to be confident in our potential acquisition opportunities even if the volatility in capital markets continues to cause challenges across the markets.

I would like to take this opportunity to thank the shareholders for their continued support as we build Beacon Rise into a significant organisation.

BEACON RISE HOLDINGS PLC

FOR THE INTERIM PERIOD FROM 1 APRIL 2023 TO 30 SEPTEMBER 2023

The Interim Report and directors' responsibility statement were approved by the Board of Directors on 14 December 2023.

A handwritten signature in black ink, appearing to read 'Xiaobing Wang', is positioned above the printed name and title.

Xiaobing Wang
Chairman

14 December 2023

BEACON RISE HOLDINGS PLC

FOR THE INTERIM PERIOD FROM 1 APRIL 2023 TO 30 SEPTEMBER 2023

Directors' responsibilities statement

The Directors confirm, to the best of their knowledge, that these unaudited condensed interim financial statements:

- have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting';
- gives a true and fair view of the assets, liabilities, financial position and profit/loss of the Company;
- includes a fair review of the information required by DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the set of interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the year; and
- includes a fair review of the information required by DTR 4.2.8R of the Disclosure and Transparency Rules, being the information required on related party transactions.

BEACON RISE HOLDINGS PLC

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2023

		6 months ended 30 September 2023 (Unaudited) £	6 months ended 30 September 2022 (Unaudited) £
	Note		
Administrative expenses		(19,714)	(112,822)
Loss from operations		(19,714)	(112,822)
Loss before taxation		(19,714)	(112,822)
Taxation on loss of ordinary activities		-	-
Loss for the period from continuing operations		(19,714)	(112,822)
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to shareholders		(19,714)	(112,822)
Earnings per share (basic and dilutive)	6	(0.02)	(0.10)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations. The notes on page 10 – 14 form an integral part of the condensed interim financial statements.

BEACON RISE HOLDINGS PLC
REGISTERED NUMBER: 13620150

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023

	30 September 2023 (Unaudited) £	31 March 2023 (Audited) £
Note		
Assets		
Current assets		
Other receivables	117,334	15,325
Cash and cash equivalents	328,900	555,125
Total current assets	446,234	570,450
Total assets	446,234	570,450
Liabilities		
Current liabilities		
Trade and other liabilities	87,243	191,745
Total current liabilities	87,243	191,745
Total liabilities	87,243	191,745
Net assets	358,991	378,705
Issued capital and reserves		
Share capital	7 1,122,000	1,122,000
Retained earnings	(763,009)	(743,295)
Total equity	358,991	£378,705

BEACON RISE HOLDINGS PLC

**STATEMENT OF CHANGES IN EQUITY
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2023**

<u>Unaudited</u>	Share capital	Shares to be issued	Retained earnings	Total equity
	£	£	£	£
Balance at 1 April 2022	1,087,000	35,000	(470,593)	651,407
Loss for the period	-	-	(112,822)	(112,822)
Total comprehensive loss for the period	-	-	(112,822)	(112,822)
Contributions by and distributions to owners				
Issue of share capital	35,000	(35,000)	-	-
Transactions with owners in own capacity	35,000	(35,000)	-	-
Balance at 30 September 2022	<u>1,122,000</u>	<u>-</u>	<u>(583,415)</u>	<u>538,585</u>

<u>Unaudited</u>	Share capital	Shares to be issued	Retained earnings	Total equity
	£	£	£	£
Balance at 1 April 2023	1,122,000	-	(743,295)	378,705
Loss for the period	-	-	(19,714)	(19,714)
Total comprehensive loss for the period	-	-	(19,714)	(19,714)
Contributions by and distributions to owners				
Issue of share capital	-	-	-	-
Transactions with owners in own capacity	-	-	-	-
Balance at 30 September 2023	<u>1,122,000</u>	<u>-</u>	<u>(763,009)</u>	<u>358,991</u>

BEACON RISE HOLDINGS PLC

STATEMENT OF CASH FLOWS
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2023

	6 months ended 30 September 2023 (Unaudited) £	6 months ended 30 September 2022 (Unaudited) £
Cash flows from operating activities		
Loss for the period	(19,714)	(112,822)
<i>Changes in working capital:</i>		
(Increase)/decrease in trade and other receivables	(102,009)	729
Decrease in trade and other payables	(104,502)	(60,301)
Net cash used in operating activities	(226,225)	(172,394)
Net cash decrease in cash and cash equivalents	(226,225)	(172,394)
Cash and cash equivalents at the beginning of period	555,125	-
Share issue	-	826,473
Cash and cash equivalents at the end of the period	<u>328,900</u>	<u>654,079</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2023**

1. Accounting policies

Going concern

The Company's condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will continue to meet its liabilities as they fall due.

The Directors review the Company's financial forecast against the quarterly management accounts to assess the Company's working capital requirement. The Company has sufficient cash at bank of £328,900 to meet its forecasted liabilities based on committed cash out flows and the Company will carry out further fundraising when suitable acquisition targets are found.

It is on these considerations that the Directors have a reasonable expectation that the Company has sufficient funds and adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2. Reporting entity

Beacon Rise Holdings Plc (the 'Company') is a limited company incorporated in the United Kingdom. The Company's registered office is at Kemp House, 160 City Road, London, England, EC1V 2NX. The Company's principal activity is being an investment vehicle and its principal activity is to seek acquisition in the primary and secondary segments of the education technology sectors.

3. Basis of preparation

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ('IAS') 34 - Interim Financial Reporting. The condensed interim financial statements are for the six months to 30 September 2023, being six months from the financial year end for the Company being 31 March 2023. The interim financial statements do not include all of the information or disclosures required in the annual financial statements and should be read in conjunction with the Company's audited financial statements for the period ended 31 March 2023.

The condensed interim financial statements have not been audited but the Company has engaged the Company's auditors to perform a limited scope review in accordance with the International Standard on Review Engagements 2410 issued by the Auditing Practices Board. The condensed interim financial statements do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The figures have been prepared using applicable accounting policies and practices consistent with those adopted in the audited financial statements which have been delivered to the Registrar of Companies, and contained an unqualified audit report. for the period ended 31 March 2023

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The areas where judgments and estimates have been made in preparing the financial statements and their effects are disclosed in note 5.

The interim financial information contained in this document does not constitute statutory accounts. In the opinion of the Directors, the financial information for this period fairly presents the financial position, result of operations and cash flows for this period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2023

3.1 Basis of measurement

The financial statements have been prepared on the historical cost basis.

3.2 Changes in accounting policies

New standards, interpretations, and amendments adopted by the Company

During the current period the Company adopted all the new and revised standards, interpretations, and amendments that are relevant to its operations and are effective for accounting periods beginning on 1 April 2023. This adoption did not have a material effect on the accounting policies of the Company.

New standards, interpretations, and amendments not yet effective

Standards	Impact on initial application	Effective date
IAS 1 (Amendments)	Classification of Liabilities as Current or Non-Current	1 January 2024
IAS 7 (Amendments)	Disclosure of Supplier Finance Arrangements	1 January 2024
IFRS S1 (New Standard)	General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2024
IFRS S2 (New Standard)	Climate-related Disclosures	1 January 2024
IFRS 7 (Amendments)	The changes in Interest Rate Benchmark Reform	1 January 2024
IFRS 16 (Amendments)	Measurement of Lease Liability in a Sale and Leaseback	1 January 2024
IAS 21 (Amendments)	Lack of Exchangeability	1 January 2025

The Directors are evaluating the impact that these standards may have on the financial statements of the Company. The effect of these new and amended Standards and Interpretations which are in issue but not yet mandatorily effective is not expected to be material.

3.3 Segmental analysis

The Company manages its operations in one segment, seeking a suitable investment in the primary and secondary segments of the education technology sectors. The results of this segment are regularly reviewed by the Board as a basis for the allocation of resources, in conjunction with individual investment appraisals, and to assess its performance.

4. Functional and presentational currency

These financial statements are presented in pound sterling, which is the Company's functional currency. All amounts have been rounded to the nearest pound unless otherwise indicated.

5. Accounting estimates and judgments

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

BEACON RISE HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2023

6. Earnings per share

	6 months ended 30 September 2023 (Unaudited) £	6 months ended 30 September 2022 (Unaudited) £
Loss attributable to shareholders of Beacon Rise Holdings Plc	(19,714)	(112,822)
Weighted number of ordinary shares in issue	1,122,000	1,105,361
Basic & dilutive earnings per share from continuing operations	<u>(0.02)</u>	<u>(0.10)</u>

BEACON RISE HOLDINGS PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2023**

7. Share capital

Authorised

	30 September 2023 (Unaudited) Number	30 September 2023 (Unaudited) £	31 March 2023 (Audited) Number	31 March 2023 (Audited) £
Share Capital				
Ordinary shares of £1.00 each	1,122,000	1,122,000	1,122,000	1,122,000
	<u>1,122,000</u>	<u>1,122,000</u>	<u>1,122,000</u>	<u>1,122,000</u>

Issued and paid

	30 September 2023 (Unaudited) Number	30 September 2023 (Unaudited) £	31 March 2023 (Audited) Number	31 March 2023 (Audited) £
Ordinary shares of £1.00 each				
Issue of ordinary shares on incorporation - note (a)	1	1	1	1
Issue of ordinary shares – note (b)	49,999	49,999	49,999	49,999
Issue of ordinary shares – note (c)	1,037,000	1,037,000	1,037,000	1,037,000
Issue of ordinary shares – note (d)	35,000	35,000	35,000	35,000
	<u>1,122,000</u>	<u>1,122,000</u>	<u>1,122,000</u>	<u>1,122,000</u>

- (a) On incorporation on 14 September 2021, the Company issued 1 ordinary share at their nominal value of £1.
- (b) On 11 November 2021, the Company issued 49,999 ordinary shares at their nominal value of £1.
- (c) On admission to the Standard List of the LSE on 25 March 2022, the Company issued 1,037,000 ordinary shares at their nominal value of £1.
- (d) On 27 June 2022, the Company issued 35,000 ordinary shares at their nominal value of £1.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2023**

8. Related party transactions

During the period, £48,365 (6 months ended 30 September 2022 (unaudited): £47,500) directors' remuneration was incurred. £42,802 (31 March 2023 (audited): £135,723 deferred directors' remuneration) directors' remuneration were owing as at 30 September 2023.

Additionally, as at 30 September 2023, £811 (31 March 2023 (audited): £33) was owing to the Executive Director, Mr Xiaobing Wang. The balance is unsecured and interest-free.

Other than these there were no other related party transactions.

9. Ultimate Controlling Party

The ultimate controlling party is Xiaobing Wang.

10. Capital management

The Company considers its capital to be equal to the sum of its total equity. The Company monitors its capital using a number of key performance indicators including working capital ratios.

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. The Company funds its capital requirements through the issue of new shares to investors.

11. Events subsequent to period end

There were no material events subsequent to period end that require disclosure.