

30 September 2024

World Chess Plc

("World Chess" or the "Company" or the "Group")

Interim Results for the Six Months Ended 30 June 2024

World Chess plc (LSE: CHSS), a leading chess organisation seeking to promote the mass market appeal of chess globally through the offering of different chess-related activities, is pleased to announce its unaudited interim results for the six months ended 30 June 2024.

Financial Overview for the six months to June 2024

- Revenue of €1.2m (H1 2023: €1.2m)
- Pre-tax loss of €1.9m (H1 2023: €2.3m)
- Fundraise of €1.5m (H1 2023: €3.5m)

Corporate, strategic and operational progress

The first six months of 2024 has seen World Chess continue to strengthen its position in the global chess market, investing in its digital and media ventures, including improvements to the FIDE Online Arena, highlights include:

- Launch of 'Swiss Queens Wednesday', which is a major online women's tournament series in partnership with the International Chess Federation (FIDE). The only tournament series in Womens' online chess, featuring weekly online events with participation of elite female players, including World Champions (<https://chessarena.com/swiss-queens-wednesday>).
- Confirmation of continued partnership with FIDE for the exclusive use of the World Chess Championship sets in the FIDE Championship Matches, the Candidates Tournaments and other elite events through 2024 and 2025 and the release of an exclusive special edition chess set to celebrate the 2024 FIDE Candidates Tournament.
- New collaboration with Sunset+Vine, the sports focused TV production company, to launch chess news and lifestyle television programme.
- Further upgrades to chessarena.com, the FIDE Online Arena, including a new user interface, as well as IOS and Android apps creating a more personalised playing experience.
- Since the start of the period, the number of registered users grew 7% to 803,872 whilst the number of 'premium' paid subscribers grew 8% to 9,198. The Company is also phasing out its legacy pricing model, with a new Pro price increased to €49 per year. This is up 95% from the previous price and includes FIDE ID, issued to all Pro users.

Post-period events

- In September 2024 the Company announced a new strategic investor had agreed to subscribe for 12,000,000 new ordinary shares of World Chess for a total subscription amount of €1.2m payable in three instalments with the final payment due on 15 January 2025.
- Hosted "Clash of Blames," a rematch between Vladimir Kramnik and Grandmaster José Alcántara, featuring chessarena.com's advanced anti-cheating technology, held both online and in-person in London. The event gained coverage in the news media, including the Times, as well as in the social media.
- Extension of its partnership with the Algorand Foundation to enhance chessarena.com with a new Algorand Tournament Series and unique digital chess assets.

Ilya Merenzon, Chief Executive Officer of World Chess, said:

"We have continued to build the products that are, in our view, in line with what modern chess looks like - user-friendly, social, competitive, and well-designed. The chess interface, as evident from our more established competitors, requires a facelift, and we are looking forward to challenging the status quo and bringing new features and design solutions into the sport. Our business goals are to rapidly increase our awareness and market share. Looking ahead, we remain committed to driving chess into new, dynamic spaces. We will continue to expand our digital footprint, enhance our chess products and deliver high-profile events that unite and excite the global chess community."

The half-yearly financial report has not been audited or reviewed by auditors pursuant to the Financial Reporting Council guidance on Review of Interim Financial Information.

For more information, please visit <https://worldchess.com/investors> or contact:

World Chess

Via Yellow Jersey PR

Ilya Merenzon, CEO

Novum Securities Limited - Financial Adviser

+44 (0) 20 7399 9400

David Coffman / George Duxberry

Allenby Capital Limited - Broker

+44 (0) 20 3328 5656

Joscelin Pinnington / Tony Quirke (Sales)

John Depasquale / Lauren Wright (Corporate Finance)

Yellow Jersey PR

Charles Goodwin

+44 (0) 77 4778 8221

Annabelle Wills

+44 (0) 77 7519 4357

Notes to Editors**About World Chess Plc**

World Chess (LSE: CHSS) is a London-based chess gaming and entertainment company and Fédération Internationale des Échecs ('FIDE') official commercial partner. World Chess organised the FIDE Championship Matches in the USA, and the UK, and revolutionised the sport by signing the biggest media partnerships in history. World Chess develops Armageddon, the chess league for prime-time television. World Chess also runs FIDE Online Arena, the exclusive official chess gaming platform. More at worldchess.com.

INTERIM MANAGEMENT REPORT**Chessarena.com, the FIDE Online Arena**

Following the launch of Arena 2.0 in October 2023, key new features introduced by World Chess in 2024 include the ability to start playing a game of chess with one click, meaning interested users don't have to register and can simply click and play, encouraging first-time players to the platform, and offering the ability to start multiple games in different time controls allowing players to find a relevant opponent faster.

In January 2024 'Swiss Queens Wednesday', the women's online tournament series in partnership with FIDE, was launched on chessarena.com, giving women chess players the chance to challenge stereotypes, inspire future generations, and demonstrate their strategic prowess on a global stage and promote gender diversity through chess.

In August 2024, chessarena.com hosted 'Clash of Blames' the much anticipated rematch between 14th World Chess Champion, Vladimir Kramnik, and Grandmaster José Alcántara following the controversial Clash of Claims. This event highlighted chessarena.com's anti-cheating engine, unique in online chess as the only anti-cheating engine approved by FIDE, the international governing body of chess.

On 3 September 2024, the Company announced the extension of its partnership with the Algorand Foundation for an additional year. Algorand's cutting-edge blockchain technology will continue to enhance the chessarena.com ecosystem through a new Algorand Tournament Series and unique digital chess assets, further enriching the platform's offerings and user experience. Further details of subsequent events are set out in note 14 of this unaudited condensed consolidated interim financial information.

At the end of August 2024, chessarena.com had 832,090 registered users and 10,300 paid subscribers.

World Chess TV

In May 2024 World Chess announced the launch of a new chess news television programme, intended to be broadcast on several TV stations. This series, consisting of ten 30-minute episodes, will cover a range of topics including major issues, scandals, and significant events in the chess world. Produced in collaboration with

Sunset+Vine, the programme will also feature content sponsored by it.com Domains and aims to broaden chess's appeal and inspire global audiences, while making chess accessible and engaging for all viewers.

World Chess Club Berlin

The World Chess Club Berlin has hosted a series of exciting events and tournaments aimed at promoting the game and engaging the chess community. Highlights include Chess Boxing, FIDE-rated Rapid and Blitz tournaments as well as regular Sunday Cup and amateur tournaments. The club has also introduced new educational programs and workshops for players of all levels, designed to enhance their skills and knowledge of the game.

Armageddon 2025

Armageddon, the World Chess global chess series, which captivated audiences in 2023, will return in 2025 for another round of high-stakes chess competition. The inaugural event showcased intense matchups and dramatic finishes, featuring some of the world's top players battling under a unique, time-crunch format designed to heighten suspense and excitement.

Preparations are underway to enhance the event even further, promising innovative features and expanded global reach. The 2025 Armageddon is set to continue its tradition of blending strategic depth with electrifying gameplay, further solidifying its status as a premier chess spectacle.

Tournaments revenue recognised in the period includes €250,000 (H1 2023: €456,008) which was included in accruals and deferred income at the start of the period. This income relates to a multiyear sponsorship agreement entered into in 2018.

New Strategic Investor

On 27 September 2024 the Company announced a new strategic investor had agreed to subscribe for 12,000,000 new ordinary shares of World Chess for a total subscription amount of €1.2m payable in three instalments with the final payment due on 15 January 2025. The newly issued shares will be admitted to trading on the London Stock Exchange's Main Market, with admission to follow receipt of the final payment.

Listing Category

On 29 July 2024, the Listing Rules were replaced by the UK Listing Rules ("UKLR") under which the existing Standard Listing category was replaced by the Equity Shares (transition) category under Chapter 22 of the UKLR. Consequently, with effect from that date the Company is admitted to Equity Shares (transition) category of the Official List under Chapter 22 of the UKLR and to trading on the London Stock Exchange's Main Market for listed securities.

Principal Risks and Uncertainties

Taking considered risk is the essence of all business and investment activity, in relation to risk the Company's main objective is to minimise the chance of a material adverse outcome arising from causes which could reasonably have been foreseen, this includes both 'upside' (opportunity) and 'downside' (threat) risks.

The principal risks that are specific to the Group are summarised below; in the opinion of the Directors these risks remain unchanged from those detailed in the Company's annual report for the year ended 31 December 2023 which was approved by the Board of Directors on 25 April 2024.

- **Availability of funding:** The Company continues to be reliant on raising further financing to support its ongoing operations.
- **Subscriber Growth:** Retaining and attracting online subscribers is crucial to the Group's success. This depends on product quality, user experience, and responding to changing preferences. Failure in these areas could harm the business.
- **Platform Stability:** Disruptions in service or systems, whether from the Group or third parties, could damage the Group's reputation and customer base, negatively affecting business performance.
- **Data Security:** Compliance with data protection laws like GDPR and safeguarding user data are vital. A failure here could harm the Group's business and lead to claims. The new head of products risk and compliance is tasked with enhancing data governance and security.
- **Anti-Cheating:** Cheating remains a significant challenge in online chess. While World Chess employs advanced anti-cheating technologies, ongoing improvement and investment are necessary. Incentivising players to engage in over-the-board chess can also help reduce online cheating.
- **World Chess Online Arena Contract with FIDE:** The contract with FIDE is an important tool helping to establish platform's dominance. The contract may be terminated by FIDE in August 2026 subject to certain conditions (for more information see Company's April 2023 Prospectus). Otherwise it should renew for another 5 years (until August 2031).
- **Rating Recognition and Adoption:** The platform's official FIDE ratings are a key advantage but face challenges in adoption and integration with over-the-board ratings and tournaments.
- **Reliance on Key Individuals:** The business heavily depends on a few key management personnel. Losing any of them could adversely affect the Group.

Related Parties' Transactions

Details of material transactions with Directors are disclosed in note 13. Transactions with and between the Company and its subsidiary undertakings, who are related parties, have been eliminated on consolidation and are disclosed in note 13.

Other than as disclosed in note 13 to this unaudited condensed consolidated interim financial information there have been no changes to the related parties' transactions described in the Company's annual report for the year ended 31 December 2022 which was approved by the Board of Directors on 28 April 2023.

Outlook

The Company continues to advance its mission of popularising chess through a series of initiatives. Over the course of the second half, World Chess will continue to build on its successful partnership with the Algorand Foundation, leveraging their blockchain technology to launch a new Algorand Tournament Series on chessarena.com, whilst also and gearing up for the highly anticipated return of the World Chess Armageddon in 2025, which promises to deliver another round of intense, high-stakes competition.

The organisation will also focus on growing its presence through strategic partnerships and expanding its educational and community engagement initiatives. By continuing to innovate and elevate the chess experience, World Chess aims to solidify its position as a leading force in the global chess arena and attract new audiences to the sport.

Approved by the Board on 27 September 2024 and signed on its behalf by:

Graham Woolfman
Non Executive Chair of the Board of Directors

Ilya Merenzon
Chief Executive Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024

	Notes	6 months to 30 June 2024 Unaudited €	6 months to 30 June 2023 Unaudited €	Year ended 31 December 2023 Audited €
Revenue	3	1,218,912	1,234,713	2,345,492
Cost of sales		(498,394)	(1,347,197)	(2,166,390)
GROSS PROFIT		720,518	(112,484)	179,102
Other operating income		2,900	151,872	11,706
Administrative expenses		(2,505,348)	(1,974,288)	(4,344,248)
OPERATING LOSS BEFORE EXCEPTIONAL ITEMS		(1,781,930)	(1,934,900)	(4,153,440)
Exceptional Items	4	(8,213)	(311,216)	(326,776)
OPERATING LOSS		(1,790,143)	(2,246,116)	(4,480,216)
Finance costs	5	(79,082)	(101,164)	(191,393)
Finance income	5	69	68	139
LOSS BEFORE INCOME TAX		(1,869,156)	(2,347,212)	(4,671,470)
Income tax		-	-	(13,629)
LOSS FOR THE PERIOD		(1,869,156)	(2,347,212)	(4,685,099)
OTHER COMPREHENSIVE INCOME				
(Loss)/gain on currency translation		5,391	-	(7,323)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(1,863,765)	(2,347,212)	(4,692,422)
Loss attributable to:				
Owners of the parent		(1,869,156)	(2,347,212)	(4,685,099)
Total comprehensive income attributable to:				
Owners of the parent		(1,863,765)	(2,347,212)	(4,692,422)

Owners of the parent		(1,000,000,000)	(2,000,000,000)	(3,000,000,000)
LOSS PER SHARE - CONTINUING AND TOTAL OPERATIONS				
Basic and diluted	6	(0.0027)	(0.0037)	(0.007)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2024

		30 June 2024 Unaudited	30 June 2023 Unaudited	31 December 2023 Audited
	Notes	€	€	€
NON-CURRENT ASSETS				
Intangible assets	8	3,015,515	2,976,044	3,086,827
Property, plant and equipment	9	1,002,220	1,217,104	1,029,516
Right-of-use assets	9	1,131,394	1,214,763	1,206,820
Deferred tax		63,272	76,697	63,272
		5,212,401	5,484,608	5,386,435
CURRENT ASSETS				
Inventories		145,818	152,265	187,018
Trade and other receivables		580,489	560,866	256,464
Tax receivable		60,093	214,171	-
Cash and cash equivalents		92,202	254,308	186,881
		878,602	1,181,610	630,363
TOTAL ASSETS		6,091,003	6,666,218	6,016,798
EQUITY AND LIABILITIES				
SHAREHOLDERS' EQUITY				
Called up share capital	11	78,520	75,613	75,647
Share premium	11	12,754,046	11,027,393	11,048,183
Translation reserve		64,009	61,824	58,618
Retained earnings		(12,043,880)	(7,836,834)	(10,174,724)
TOTAL EQUITY		852,695	3,327,996	1,007,724
NON-CURRENT LIABILITIES				
Lease liabilities	12	1,241,112	1,331,944	1,304,273
Provision for liabilities		157,887	184,154	157,887
		1,398,999	1,516,098	1,462,160
CURRENT LIABILITIES				
Trade and other payables		3,681,332	1,527,524	3,397,717
Lease liabilities	12	122,889	109,889	116,208
Interest bearing loans and borrowings		35,088	184,711	32,989
		3,839,309	1,822,124	3,546,914
TOTAL LIABILITIES		5,238,308	3,338,222	5,009,074
TOTAL EQUITY AND LIABILITIES		6,091,003	6,666,218	6,016,798

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024

	Called up share capital €	Retained Earnings €	Share Premium €	Translation reserve €	Total equity €
Balance at 1 January 2023	68,260	(5,489,625)	6,518,849	65,941	1,163,425
Changes in equity					
Issue of share capital	7,353	-	4,508,544	-	4,515,897
Total comprehensive income	-	(2,347,209)	-	(4,117)	(2,351,326)
Balance at 30 June 2023	75,613	(7,836,834)	11,027,393	61,824	3,327,996

Balance at 1 January 2024	75,647	(10,174,724)	11,048,183	58,618	1,007,724
Changes in equity					
Issue of share capital	2,873	-	1,705,863	-	1,708,736
Total comprehensive income	-	(1,869,156)	-	5,391	(1,863,765)
Balance at 30 June 2024	78,520	(12,043,880)	12,754,046	64,009	852,695

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024

	Notes	6 months to 30 June 2024 Unaudited €	6 months to 30 June 2023 Unaudited €	Year ended 31 December 2023 Audited €
Cash flows from operating activities				
Cash absorbed from operations	1	(1,787,971)	(2,233,412)	(3,338,149)
Interest paid		(391)	(23,769)	(6,638)
Finance cost paid		(77,060)	(77,395)	(163,495)
Tax refund received		(60,093)	36,946	250,913
Net cash used in operating activities		(1,925,515)	(2,297,630)	(3,257,369)
Cash flows from investing activities				
Purchase of intangible fixed assets		(1,455,838)	(736,977)	(3,317,267)
Proceeds from disposal of intangible fixed assets		1,237,206	275,256	2,495,727
Purchase of property, plant and equipment		(31,065)	(588,868)	(631,603)
Proceeds from disposal of property, plant and equipment		-	-	1,185
Interest received		69	68	139
Net cash used in investing activities		(249,628)	(1,050,521)	(1,451,819)
Cash flows from financing activities				
Loan advanced in the period		400,000	13,019	1,508,737
Loan repayments in period		-	-	(30,050)
Payment of lease liabilities		(56,480)	(47,489)	(100,596)
Amount introduced by directors		222,349	129,913	14,167
Proceeds from share issue		1,508,736	3,475,568	3,475,569
Net cash generated from financing activities		2,074,605	3,571,011	4,867,827
Increase/(decrease) in cash and cash equivalents		(100,538)	222,860	158,639
Cash and cash equivalents at beginning of period	2	186,881	35,565	35,565
Effect of foreign exchange rate changes		5,859	(4,117)	(7,323)
Cash and cash equivalents at end of period	2	92,202	254,308	186,881

NOTES TO THE STATEMENTS OF CASH FLOWS
FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024

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

Group	6 months to 30 June 2023 Unaudited €	6 months to 30 June 2023 Unaudited €	Year ended 31 December 2023 Audited €
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	€	€	€
Loss before income tax	(1,869,156)	(2,347,212)	(4,671,470)
Depreciation and amortisation	423,738	442,753	843,237
Provision	-	3,502	(22,765)
Finance costs	79,082	101,164	191,393
Finance income	(69)	(68)	(139)
	<u>(1,366,405)</u>	<u>(1,799,861)</u>	<u>(3,659,744)</u>
Decrease/(increase) in inventories	41,200	35,426	673
Decrease/(increase) in trade and other receivables	(324,025)	101,700	406,102
Decrease in trade and other payables	<u>(138,741)</u>	<u>(570,677)</u>	<u>(85,180)</u>
Cash absorbed from operations	<u>(1,787,971)</u>	<u>(2,233,412)</u>	<u>(3,338,149)</u>

2 CASH AND CASH EQUIVALENTS

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

Group	6 months to 30 June 2024 Unaudited €	6 months to 30 June 2023 Unaudited €	Year ended 31 December 2023 Audited €
30 June 2024			
Cash and cash equivalents	<u>92,202</u>	<u>254,308</u>	<u>186,881</u>
31 December 2023			
Cash and cash equivalents	<u>186,881</u>	<u>35,565</u>	<u>35,565</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY 2024 TO 30 JUNE 2024

1 STATUTORY INFORMATION

This unaudited condensed consolidated interim financial information is for World Chess PLC ('the Company') and its subsidiary undertakings, (together the 'Group'). The Company is a public limited company incorporated and domiciled in England with registration number 10589323 and registered office Eastcastle House, 27/28 Eastcastle Street, London, W1W 8DH.

The Company is listed on the Official List and its entire issued share capital was admitted for trading on the Main Market of the London Stock Exchange on 6 April 2023 with ticker symbol CHSS.

2 ACCOUNTING POLICIES

Basis of preparation

This unaudited condensed consolidated financial information which incorporate the financial information of the Company and its subsidiary undertakings, have been prepared in accordance with Accounting Standard IAS 34 'Interim Financial Reporting' as contained in UK - adopted International Accounting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2023 which was approved by the Board of Directors on 25 April 2024 and any public announcements made by the Company during the interim reporting period.

This financial information has been prepared under the historical cost convention and unless otherwise specified are presented in Euro which is the functional currency of the Group and rounded to the nearest €.

Going concern

Based on the Group's Statement of Financial Position and a review of its forecast future operating budgets and forecasts, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least twelve months from the date of signing of this unaudited condensed consolidated interim financial information. This review of future operating budgets and forecasts included certain reasonable downside scenarios and confirmed that even in the case of such

downside scenarios the Group could continue to operate and meet its obligations as they fall due. Accordingly, the Directors have adopted the going concern basis in preparing this financial information.

In making this assessment, the Directors have considered the resilience of the Group in severe but plausible scenarios, taking into account the principal risks and uncertainties facing the Group and the effectiveness of any mitigating actions. The Directors' assessment considered the potential impacts of these scenarios, both individually and in combination, on the Group's business model, future performance, solvency and liquidity over the period. Sensitivity analysis was also used to stress test the Group's strategic plan and to confirm that sufficient headroom would remain available under the Group's credit facilities. The Directors consider that under each of these scenarios, the mitigating actions would be effective and sufficient to ensure the continued viability of the Group.

Risks and uncertainties

Taking considered risk is the essence of all business and investment activity, the Audit Committee is responsible for a formal risk assessment on an annual basis and also for reporting, by exception, on any material changes during the year affecting the risks the Group is currently exposed to and any potential future risks that need to be considered. The Group's activities expose it to a variety of risks, including market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk, these risks and the activities of the Directors to minimise their potential adverse effects on the Group's financial performance have not substantially changed from those set out in the Company's annual report for the year ended 31 December 2023 which is available from the Company's website: www.worldchess.com.

3 REVENUE

Revenue from contracts with customers

Revenue by business class	6 months to 30 June 2024 Unaudited	6 months to 30 June 2023 Unaudited as restated	Year ended 31 December 2023 Audited
	€	€	€
Tournaments	268,879	825,507	1,381,341
Online Arena	307,150	101,051	204,151
Clubs	333,096	17,742	163,305
Merchandising	309,787	290,413	596,695
	<u>1,218,912</u>	<u>1,234,713</u>	<u>2,345,492</u>

By geographical area	6 months to 30 June 2024 Unaudited	6 months to 30 June 2023 Unaudited	Year ended 31 December 2024 Audited
	€	€	€
United Kingdom	783,245	1,172,857	2,661,639
Europe	408,968	45,099	902,235
United States of America	26,699	16,757	51,804
	<u>1,218,912</u>	<u>1,234,713</u>	<u>2,345,492</u>

4 EXCEPTIONAL ITEMS

	6 months to 30 June 2024 Unaudited	6 months to 30 June 2023 as restated Unaudited	Year ended 31 December 2022 Audited
	€	€	€
Listing costs	-	308,250	308,250
Exchange loss on Crypto-assets	8,213	2,966	18,526
	<u>8,213</u>	<u>311,216</u>	<u>326,776</u>

Listing costs

Legal and professional costs associated with the listing of the entire issued share capital of World Chess PLC on the Main Market of the London Stock Exchange in April 2023.

Loss on Crypto-assets

The Group has historically received some sponsorship revenue in the form of crypto-assets which it has converted to fiat currencies at the earliest opportunity, usually upon receipt or in accordance with an agreed schedule of conversion. Crypto-assets are not amortised but are reviewed for impairment if the prevailing price at which they can be converted into fiat currency indicates their value has fallen below

their carrying value. Any impairment or realised gains on the conversion of crypto-assets to fiat currency are recognised within exceptional items.

5 NET FINANCE COSTS

	6 months to 30 June 2024 Unaudited	6 months to 30 June 2023 Unaudited €	Year ended 31 December 2023 Audited €
Finance income:			
Loan interest receivable	69	68	139
	<u>69</u>	<u>68</u>	<u>139</u>
Finance costs:			
Other loan interest	2,022	23,769	27,898
Interest on IFRS 16 lease liabilities	77,060	77,395	163,495
	<u>79,082</u>	<u>101,164</u>	<u>191,393</u>

6 LOSS PER SHARE

The basic earnings per share is calculated by dividing the (loss)/profit attributable to owners of the parent company by the weighted average number of shares in issue during the year. In calculating the diluted earnings per share, any outstanding share options, warrants and convertible loans are taken into account where the impact of these is dilutive.

	6 months to 30 June 2024 Unaudited	6 months to 30 June 2023 Unaudited	Year ended 31 December 2023 Audited
Loss attributable to the owners of the parent company €	(1,869,156)	(2,347,212)	(4,685,099)
Weighted average number of shares in issue	686,467,495	632,688,761	650,232,851
Basic and diluted earnings per share €	(0.0027)	(0.0037)	(€0.007)

7 DIVIDENDS

No dividend was recommended or paid for the period under review.

8 INTANGIBLE ASSETS

	Exclusive FIDE rights €	Software Licence €	Online Platform €	Crypto- assets €	Total €
COST					
At 1 January 2024	1,105,291	115,000	3,924,971	4,215	5,149,477
Additions	-	-	222,630	1,233,208	1,455,838
Disposals	-	-	-	(1,237,206)	(1,237,206)
At 30 June 2024	<u>1,105,291</u>	<u>115,000</u>	<u>4,147,601</u>	<u>217</u>	<u>5,368,109</u>
AMORTISATION					
At 1 January 2024	773,703	56,000	1,232,947	-	2,062,650
Amortisation for period	55,265	11,500	223,179	-	289,944
At 30 June 2023	<u>828,968</u>	<u>67,500</u>	<u>1,456,126</u>	<u>-</u>	<u>2,352,594</u>
NET BOOK VALUE					
At 30 June 2024	<u>276,323</u>	<u>47,500</u>	<u>2,691,475</u>	<u>217</u>	<u>3,015,515</u>
At 31 December 2023	<u>331,588</u>	<u>59,000</u>	<u>2,692,024</u>	<u>4,215</u>	<u>3,086,827</u>

The Directors considered the carrying value at 30 June 2024 for each asset identified above, except crypto-assets, and it was determined that no impairment was required. Where an asset does not generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets the carrying value was considered against the smallest identifiable group of assets that generates cash inflows (cash generating unit or CGU).

The Directors considered the carrying value at 30 June 2024 for crypto-assets based on the prevailing exchange rate at which the crypto-asset could readily be converted into US dollars or Euros and it was determined that no impairment was required.

9 PROPERTY, PLANT AND EQUIPMENT

Right of use asset €	Fixtures and fittings €	Computer Equipment €	Total €
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COST				
At 1 January 2024	1,495,114	1,283,631	1,698	2,780,443
Additions	-	31,065	-	31,065
At 30 June 2024	1,495,114	1,314,696	1,698	2,811,508
DEPRECIATION				
At 1 January 2024	288,294	254,115	1,698	544,107
Charge for period	75,426	58,368	-	133,794
Exchange difference	-	(7)	-	(7)
At 30 June 2024	363,720	312,476	1,698	677,894
NET BOOK VALUE				
At 30 June 2024	1,131,394	1,002,220	-	2,133,614
At 31 December 2023	1,206,820	1,029,516	-	2,236,336

10 INVESTMENTS

Shares in group undertakings

	30 June 2024 Unaudited €	30 June 2023 Unaudited €	31 December 2023 Audited €
COST			
At start of the period	351,616	351,616	351,616
Additions	-	-	-
Disposals	-	-	-
At end of the period	351,616	351,616	351,616
IMPAIRMENTS			
At start of the period	50,000	50,000	50,000
Disposals	-	-	-
At end of the period	50,000	50,000	50,000
CARRYING VALUE			
At end of the period	301,616	301,616	301,616
At start of the period	301,616	301,616	301,616

The Directors considered the carrying value at 30 June 2024 for each group undertaking, identified below, and it was determined that no further impairment was required.

Subsidiary Name	% holding	Registered Office	Nature of business
World Chess Events Limited	100	Eastcastle House, 27/28 Eastcastle Street, United Kingdom, W1W 8DH	Organising chess events (Worldwide)
World Chess US, Inc	100	1201 N. Orange Street, Suite 762, Wilmington, New Castle County, DE, USA 19801	Organising chess events (USA), online chess
World Chess Europe GmbH	100	Mittelstrasse 51 - 53, 10117 Berlin, Deutschland	Various chess related activities, chess club activities
World Chess Sakartvelo LLC	100	Georgia, City Tbilisi, Didube district, Ak. Tsereteli Avenue, N 49-51-51a, Entrance 3, Floor 13, Apartment N 128	Various chess related activities

11 CALLED UP SHARE CAPITAL

	30 June 2024 Unaudited		31 December 2023 Audited	
	Number of shares	€	Number of shares	€
Allotted, issued, and fully paid Ordinary shares of £0.0001	691,724,039	78,520	667,193,501	75,647
	Number of shares	Nominal value	Share capital (€)	Share Premium (€)
At 31 December 2023	667,193,501	£0.0001	75,647	11,048,183
At 30 June 2024	691,724,039	£0.0001	78,520	12,754,046

12 FINANCIAL LIABILITIES - BORROWINGS

	30 June 2024 Unaudited €	Group 30 June 2023 Unaudited €	31 December 2023 Audited €
Current:			
Other loans less than 1 year	35,088	184,711	32,989
Lease liabilities	122,889	109,889	116,208
	<u>157,977</u>	<u>294,600</u>	<u>149,197</u>
Non-current:			
Lease liabilities	1,241,112	1,331,944	1,304,273
	<u>1,241,112</u>	<u>1,331,944</u>	<u>1,304,273</u>

13 RELATED PARTIES' DISCLOSURES

Directors

Details of remuneration and service contracts and other material contracts with Directors, remain unchanged from those detailed in the Company's annual report for the year ended 31 December 2023 which was approved by the Board of Directors on 25 April 2024

Group undertakings

The following transactions took place during the six months ended 30 June 2024 with and between group undertakings.

- World Chess Events Ltd paid €90,000 to World Chess Sakartvelo LLC for the provision of staff and other services,
- World Chess Events Ltd paid €18,888 to World Chess US Inc in commission on third party transactions,
- World Chess Events Ltd paid €395 to World Chess Europe GmbH for the purchase of inventory,
- World Chess Europe GmbH paid €57,897 to World Chess PLC in interest payments,
- World Chess Europe GmbH paid €2,392 to World Chess Events Ltd for the purchase of inventory,
- World Chess US Inc paid €1,121 to World Chess Events Ltd for the purchase of inventory,

Balances at 30 June 2024

The following balances remained outstanding at 30 June 2023 from and between group undertakings.

	Due to/(from) World Chess PLC	Due to/(from) other group undertakings	Total due to/(from) group undertakings
Directors			
• Ilya Merenzon	(44,218)	(263,135)	(307,353)
• Matvey Shekhovtsov	(18,200)	-	(18,200)
• Richard Collett	(14,673)	-	(14,673)
• Graham Woolfman	(6,236)	-	(6,236)
• Neil Rafferty	(6,269)	-	(6,269)
• Jamison Reed Firestone	(4,698)	-	(4,698)
	<u>(94,294)</u>	<u>(263,135)</u>	<u>(357,429)</u>
Group undertakings			
• World Chess Events Ltd	4,481,464	113,266	4,594,730
• World Chess Europe GmbH	2,376,697	1,973	2,891,525
• World Chess US Inc.	(218,648)	(99)	(318,045)
• World Chess Sakartvelo LLC	-	-	(16,093)
	<u>6,639,513</u>	<u>115,140</u>	<u>7,152,117</u>
	<u>6,545,219</u>	<u>(147,995)</u>	<u>6,794,688</u>

14 SUBSEQUENT EVENTS

On 27 September 2024 the Company announces a new strategic investor had agreed to subscribe for 12,000,000 new ordinary shares of World Chess for a total subscription amount of €1.2m payable in three instalments with the final payment due on 15 January 2025. The newly issued shares will be admitted to trading on the London Stock Exchange's Main Market, with admission to follow receipt of the final payment.

On 3 September 2024 the Company announced the extension of its partnership with the Algorand

Foundation for an additional year, during which Algorand's cutting-edge blockchain technology will continue to enhance the chessarena.com ecosystem through a new Algorand Tournament Series and unique digital chess assets, further enriching the platform's offerings and user experience.

In August 2024, World Chess hosted 'Clash of Blames', the highly anticipated rematch of the controversial 'Clash of Claims' between the 14th World Chess Champion Vladimir Kramnik and Grandmaster José Alcántara. The event held online at chessarena.com and in person at the Sky Guild Gaming Centre in London, showcased chessarena.com's advanced anti-cheating technology.

15 OTHER

Copies of the unaudited half-yearly results have not been sent to shareholders, however copies are available at www.worldchess.com or on request from the Company's Registered Office.

16 APPROVAL OF UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Responsibility Statement

The Company's Directors, whose names and functions appear below this statement, are responsible for preparing this unaudited interim condensed consolidated financial information in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority ('DTR') and with Accounting Standard IAS 34 'Interim Financial Reporting'.

The Directors, and each Director individually, confirms that, to the best of their knowledge, this unaudited condensed consolidated financial information gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and that the interim management report includes a fair review of the information required by DTR4.2.7R 7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year) and by DTR4.2.8R (disclosure of material related parties' transactions).

Board of Directors:

Ilya Merenzon (Chief Executive Officer)

Matvey Shekhovtsov (Chief Operating Officer)

Richard Collett (Chief Financial Officer)

Graham Woolfman (Chair)

Neil Rafferty (Non-Executive Director)

Jamison Reed Firestone (Non-Executive Director)

This unaudited condensed consolidated financial information was approved by the Board on 27 September 2024.

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