Hiro Metaverse Acquisitions I S.A.

Annual Report

For the period from 20 September 2021 to 31 December 2021

Société Anonyme
Registered address: 17, Boulevard F.W., L-2411Luxembourg
R.C.S. Luxembourg: B 259488

Contents

About Hiro Metaverse Acquisitions I S.A.

Hiro Metaverse Acquisitions I S.A. (hereinafter referred to as HMAI or the "Company") is a special purpose acquisition company sponsored by Hiro Sponsor I LLP (the "Sponsor"), an affiliate of Hiro Capital, a videogames and metaverse technology venture capital fund.

Founded by Luke Alvarez, Sir Ian Livingstone CBE and Cherry Freeman, three senior leaders with an established track record of entrepreneurship and investments in the video gaming, digital sports and technology sectors. Hiro Capital invests in high-growth video games, esports, interactive streaming, gamified fitness and metaverse technology innovators. The founding team having collectively co-founded and invested in over $9 billion worth of companies in these sectors, from start-ups to IPO in London and New York.

HMAI raised £115 million through a listing on the London Stock Exchange.

The Company is focused on targets operating in the sectors of video games, esports, interactive streaming, GenZ social networks, connected fitness & wellness and metaverse technologies with principal business operations in the U.K., Europe or Israel, although it may pursue an acquisition opportunity in any industry or sector or region.

The Company was incorporated for the purpose of acquiring a stake in a company or operating business (the "Target" or "Target Business") through a merger, capital stock exchange, share purchase, asset acquisition, reorganisation or similar transaction (an "Initial Business Combination").

Hiro Metaverse Acquisitions I S.A.
Société Anonyme
Registered address: 17, Boulevard F.W., L-2411Luxembourg
R.C.S. Luxembourg: B 259488
(the "Company" or the "Group")

DIRECTORS REPORT
to the annual general meeting of the shareholders of
HIRO METAVERSE ACQUISITIONS I S.A.

According to the prevailing law and the mandate you have granted to us we are pleased to report the results for the company's first financial year from incorporation 20 September to31 December 2021 (the "**Financial Year**").

We herewith submit to your meeting the Groups' audited consolidated financial statements consisting of the Company's Consolidated statement of comprehensive income, the Consolidated statement of financial position, Consolidated statement of changes in equity; Consolidated statement of cash flows and the Notes to the consolidated financial statements. and the Company's audited Separate financial statements consisting of the Company's Separate statement of comprehensive income, the Separate statement of financial position, Separate statement of changes in equity; Separate statement of cash flows and the Notes to the separate financial statements regarding the Financial Year

STATUS AND ACTIVITIES

The Company is a public limited liability company (*société anonyme)* incorporated and operating under the laws of the Grand Duchy of Luxembourg.

The Company was incorporated for the purpose of acquiring a majority (or otherwise controlling) stake in a company or operating business (the "Target" or "Target Business") through a merger, capital stock exchange, share purchase, asset acquisition, reorganisation or similar transaction (an "Initial Business Combination"). The Company intends to focus on targets operating in the sectors of video games, esports, interactive streaming, GenZ social networks, connected fitness & wellness and metaverse technologies with principal business operations in the U.K., Europe or Israel, although it may pursue an acquisition opportunity in any industry or sector or region. Prior to the completion of its Initial Business Combination, the Company is not engaging in any operations, other than in connection with the selection, structuring and completion of its Initial Business Combination.

The Company will need to obtain shareholder approval on the proposed Initial Business Combination at a general meeting specifically convened for this purpose (other than in respect of any Restricted Shares, being Public Shares held by the Directors, the Sponsor or any Insiders).

The Company's main objective is to complete its Initial Business Combination within an initial period of 15 months following admission to trading, subject to an initial three-month extension period (the "First Extension Period") and a further three-month extension period (the "Second Extension Period"), in each case if approved by shareholder vote (the "Business Combination Deadline"), although such extensions are not of a type required to be approved by Public Shareholders as contemplated by Listing Rule 5.6.18AG.

During the financial year the Company did not open any branches either in Luxembourg or abroad.

The review and development of the company's business, financial performance and position are addressed by the board in both the preceding and below paragraphs.

RESULTS AND DIVIDENDS

At the end of the period under review the Company recorded a loss of GBP 152,428.

The Company has not yet adopted a dividend policy. The Company has not paid any dividends to date and will not pay any dividends prior to the Initial Business Combination.

SHARE CAPITAL

The share capital of the Company on 20 September 2021 was set at GBP 30,000, represented by 3,750,000 Sponsor Shares without nominal value.

The section below headed Subsequent Events sets out the changes to the share capital subsequent to the end of the Financial Year following a placing and subsequent admission to trading of the Company's Public Shares on the Main Market of the London Stock Exchange on 7 February 2022.

VOTING RIGHTS

Each Ordinary Share confers the right to cast one vote at the general meeting. Sponsor Shares have the same voting rights attached to them as all other Ordinary Shares.

OWN SHARES

During the financial year the Company did not hold any of its own shares.

RESEARCH AND DEVELOPMENT

During the financial year the Company did not perform any research and development activity.

DIRECTORS

During the Financial Year the Board of Directors (the "Board") consisted of:

Name	Position	Date of appointment	Date of resignation
Mr Joost A. Mees	Director	20 September 2021	10 December 2021
Mr Luke Alvarez	Director	28 October 2021	n/a
Ms Cherry Freeman	Director	28 October 2021	n/a
Sir Ian Livingstone	Director	10 December 2021	n/a

It is noted that Mr Joost A. Mees resigned as a Director of the Company on 10 December 2021 and was replaced by Sir Ian Livingstone on 10 December 2021.

The Board is responsible for leading and controlling the Company and has overall authority for the management and conduct of its business, strategy and development. The Board is also responsible for ensuring the maintenance of a sound system of internal controls and risk management (including financial, operational and compliance controls) and for reviewing the overall effectiveness of systems

in place as well as for the approval of any changes to the capital, corporate and/or management structure of the Company.

CORPORATE GOVERNANCE STATEMENT

As a Luxembourg governed company that will be traded on the London Stock Exchange, the Company is not required to adhere to the Luxembourg corporate governance regime applicable to companies that are traded in Luxembourg. As this regime has not been designed for special purpose acquisition companies like the Company but for fully operational companies, the Company has opted to not apply the X Principles of Corporate Governance of the Luxembourg Stock Exchange on a voluntary basis.

In addition, the Company voluntarily complies with the requirements of the U.K. Corporate Governance Code, save as set out below:

- Given the composition of the Board and the size and nature of the Company, the Board considers certain provisions of the U.K. Corporate Governance Code (in particular the provisions relating to the division of responsibilities between the chairman, chief executive and senior independent director, annual performance evaluation and executive compensation) to be inapplicable to the Company.

- The Company will not have nomination or remuneration committees prior to completion of its Initial Business Combination. The Board does not consider the nomination or remuneration committees to be necessary given the size and nature of the Company. Consequently, the Board will not appoint a remuneration consultant.

- The U.K. Corporate Governance Code recommends the submission of all directors for re-election at annual intervals. No Director will be required to submit for re-election until the first annual general meeting of the Company following the Initial Business Combination.

- The Board has adopted a share dealing code which is consistent with the rules of the U.K. Market Abuse Regulation. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with such share dealing code by the Directors.

The audit committee (the "Audit Committee") performs its duties in compliance with applicable laws. The Audit Committee is composed of independent directors of the Company and is responsible for all matters relating to financial controls and reporting, internal and external audits, the scope and results of audits and the independence and objectivity of auditors. It monitors and reviews the Group's audit function and, with the involvement of its auditor, focuses on compliance with applicable legal and regulatory requirements and accounting standards. The Audit Committee consists of Emily Greer, Addie Pinkster and Jurgen Post (chair).

FINANCIAL INSTRUMENTS

The Company's financial assets include equity instruments, cash and cash equivalents and trade and other receivables. Trade and other receivables are classified in accordance with IAS 39 and further details can be obtained from the Notes to the financial statements.

Equity instruments are classified as investments in subsidiaries. Disclosures of acquisitions and disposal of shares in affiliated undertakings are contained in the investments in subsidiaries.

PRINCIPAL RISKS AND UNCERTAINTIES

The following is a summary of key risks that, alone or in combination with other events or circumstances, could have a material adverse effect on the Company's business, financial condition, results of operations and prospects. In making the selection, the Company has considered circumstances such as the probability of the risk materialising, the potential impact which the materialisation of the risk could have on the Company's business, financial condition and prospects, and the attention that management would, on the basis of current expectations, have to devote to these risks if they were to materialise:

- The Company is a newly formed entity with no operating history and the Company has not generated and currently does not generate any revenues and, as such, prospective investors have no basis on which to evaluate the Company's performance and ability to achieve its business objective.

- The Company has not yet identified any specific potential Target Business with which to complete its Initial Business Combination and, as such, prospective investors have no basis on which to evaluate the possible merits or risks of a Target Business's operations or specific industry.

- There is no assurance that the Company will identify suitable Initial Business Combination opportunities by the Business Combination Deadline, which could result in a loss of part of the investment of shareholders.

- The Company may face significant competition for Initial Business Combination opportunities.

- The requirement that the Company complete its Initial Business Combination by the Business Combination Deadline may give potential Target Businesses leverage over the Company in negotiating the Initial Business Combination and may limit the time the Company has in which to conduct due diligence on potential Target Businesses, which could undermine its ability to complete its Initial Business Combination on terms that would produce value for shareholders.

- Public Shareholders' ability to exercise redemption rights with respect to a large number of the Public Shares may not allow the Company to complete the most desirable Initial Business Combination or optimise its capital structure.

- The nominal price paid by the Sponsor for the Sponsor Shares and the conversion of the Sponsor Shares into Public Shares may incentivise the Sponsor and the Directors to complete an Initial Business Combination in order to realise a significant profit regardless of whether the trading price of Public Shares declines materially.

- The Sponsor, the Directors and their respective affiliates may have competitive interests that conflict with the Company's interests.

- Until consummation of an Initial Business Combination, the Sponsor will hold a substantial interest in the Company and control the appointment of the Board. As a result, it may exert a substantial influence on the Company, potentially in a manner that investors do not support.

- Past performance by the Company's management team, the Sponsor and their affiliates and their respective directors and management teams, including investments and transactions in which they have participated and businesses with which they have been associated, may not be indicative of future performance of an investment in the Company.

- The Sponsor has paid approximately £0.01 per Sponsor Share and, accordingly, investors will experience substantial dilution upon conversion of the Sponsor Shares into Public Shares.

- The Company may issue additional Public Shares to complete its Initial Business Combination, including via a private investment in public equity, or PIPE transaction, or under an employee incentive plan after completion of its Initial Business Combination. Any such issuances would dilute the interest of the Public Shareholders and likely present other risks.

- The outstanding Public Warrants, Sponsor Warrants and Overfunding Warrants will become exercisable in the future, which may increase the number of Public Shares and result in further dilution for the Public Shareholders, and investors may also experience a dilution of their percentage ownership of the Company if they do not exercise their Public Warrants or if other investors exercise their Public Warrants.

- If the Company is liquidated before the Business Combination Deadline and distributes the amounts held in the Escrow Account as liquidation proceeds, Public Shareholders could receive less than £10.30 per Public Share (assuming there are no Additional Overfunding Subscriptions) or nothing at all. In addition, it is difficult to predict when the amounts held in the Escrow Account (if any) will be returned to the Public Shareholders.

- There is a risk that the market for the Public Shares or the Public Warrants will not be active and liquid, which may adversely affect the liquidity and price of the Public Shares and the Public Warrants.

STATEMENT OF GOING CONCERN

The Directors, having considered the financial position of the Company for a period of least 12 months from the date of approval of the financial statements, have a reasonable expectation and belief that the Company has adequate resources to continue in operational existence for the foreseeable future given the available cash and forecast cash outflows.

SUBSEQUENT EVENTS

On 2 February 2022, the number of Sponsor Shares was reduced from 3,750,000 to 2,875,000.

On 2 February 2022, the share capital of the Company was increased from GBP 30,000 to GBP 152,829.20 represented by 11,810,500 Public Shares (Class A ordinary shares) and 2,875,000 Sponsor Shares (Class B ordinary shares).

The Company's Public Shares were admitted to trading on the Main Market of the London Stock Exchange on 7 February 2022 following a placing of Public Shares at a price of GBP 10 per Public Share. Each Public Share entitled the holder to receive one-half (1/2) of one Public Warrant. Each whole Public Warrant entitles a holder to subscribe for one Public Share for an exercise price of GBP 11.50 per new Public Share. The Public Warrants were issued to holders of Public Shares and admitted to the Main Market of the London Stock Exchange on 24 February 2022.

On 8 February 2022, the share capital of the Company was increased from GBP 152,829.20 to GBP 156,417.20 represented by 11,845,000 Public Shares (Class A ordinary shares) and 2,875,000 Sponsor Shares (Class B ordinary shares).

MANAGEMENT REPORT

For the purposes of compliance with DTR 4.1.5R(2), DTR 4.1.8R and DTR 4.1.11R the required content of the Management Report can be found in this Report of Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board is responsible for preparing the Report and the financial statements in accordance with applicable law and regulations. Company law requires the Board to prepare financial statements for each financial year. Under that law the Board has prepared the Company's separate financial statements and the Group's consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Under company law the Board 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 year. In preparing these financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and best estimate;
- present the financial statements and policies in a manner that provides relevant, reliable, comparable and understandable information;
- state whether they have been prepared in accordance with applicable IFRSs as adopted by the EU;
- assess the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board is 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 it to prepare the financial statements, and ensure that the financial statements comply with company law. It is responsible for such internal control as it determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of corporate and financial information included on the Company's website. The financial statements are published on the Company's website.

Legislation in Luxembourg governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board, to the best of its knowledge, confirms that:

- the financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company included in the consolidation as a whole; and

- the Management Report includes a fair review of the development of the business and the position of the Company in the consolidation taken as a whole, together with a description of the principal risks and uncertainties.

The Board considers the Annual Report and the Company's separate financial statements and the Group's consolidated financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

INTERNAL CONTROL

The Board is responsible for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives. The Board maintains sound risk management and internal control systems. The Board has reviewed the Company's risk management and control systems and believes that the controls are satisfactory given the nature and size of the Company. Controls will be reviewed following completion of the Initial Business Combination.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Board is aware, there is no relevant audit information of which the Auditor is unaware. The Directors have taken all steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

Finally, we request you to adopt the annual accounts and to grant discharge to the members of the Board of Directors and the statutory auditor for their mandate during the financial year 2021.

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Luxembourg, 25 April 2022

DocuSigned by:
Ian Livingstone
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Ian Livingstone
Director

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Luke Alvarez
Director

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Cherry Freeman
Director

DocuSigned by:
Jurgen Post
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Jurgen Post
Independent Non-Executive Director

DocuSigned by:
Emily Greer
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Emily Greer
Independent Non-Executive Director

DocuSigned by:
Addie Pinkster
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Addie Pinkster
Independent Non-Executive Director

HIRO METAVERSE ACQUISITIONS I S.A.

Société Anonyme

CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 20 SEPTEMBER 2021 (DATE OF INCORPORATION) TO 31 DECEMBER 2021

Registered office: 17, Boulevard F.W. Raiffeisen
L-2411 Luxembourg
R.C.S. Luxembourg: B259488

HIRO METAVERSE ACQUISITIONS I S.A.

Consolidated financial statements for the period from 20 September 2021 to 31 December 2021

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Mazars Luxembourg
5, rue Guillaume J. Kroll
L-1882 Luxembourg
Luxembourg

Tel: +352 27 114 1
Fax: +352 27 114 20
www.mazars.lu

To the Shareholders of
HIRO METAVERSE ACQUISITIONS I S.A.
Société Anonyme
R.C.S. Luxembourg B 259.488

17, Boulevard Raiffeisen
L-2411 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **HIRO METAVERSE ACQUISITIONS I S.A.** and its subsidiary (the "Group"), which comprise the consolidated statement of financial position as of 31 December 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period from 20 September 2021 (date of incorporation) to 31 December 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the period from 20 September 2021 (date of incorporation) to 31 December 2021 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU regulation No 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Consolidated Financial Statements » section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

mazars

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Based on the result of our audit procedures no Key Audit Matters were identified for the audit of the consolidated financial statements as of 31 December 2021.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the Directors report including the Corporate Governance Statement but does not include the consolidated financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and Those Charged with Governance of the Group for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs as adopted by the European Union and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended ("ESEF Regulation").

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

mazars

Responsibilities of the "Réviseur d'Entreprises Agréé" for the Audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "Réviseur d'Entreprises Agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 consolidated financial statements.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of Board of 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 Group'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 "Réviseur d'Entreprises Agréé" to the related disclosures in the consolidated 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 "Réviseur d'Entreprises Agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Assess whether the consolidated financial statements have been prepared in all material respects with the requirements laid down in the ESEF Regulation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on Other Legal and Regulatory Requirements

We have been appointed as “réviseur d’entreprises agréé” on 20 September 2021 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 1 year.

The Directors report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2021 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the consolidated financial statements. For the Group it related to:

- Consolidated Financial Statements prepared in valid xHTML format;
- The XBRL markup of the Consolidated Financial Statements using the core taxonomy and the common rules of markups specified in the ESEF Regulation

In our opinion, the consolidated financial statements of the Group as of 31 December 2021, identified as 222100X27S5HMALJTB53-2021-12-31, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the audit opinion is consistent with the additional report to the audit committee.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

Luxembourg, 27 April 2022

For Mazars Luxembourg, Cabinet de révision agréé
5, rue Guillaume J. Kroll
L-1882 Luxembourg

Nadhmi AMOURI
Réviseur d'entreprises agréé

Consolidated statement of comprehensive income for the period 20 September 2021 to 31 December 2021

	Note	20 Sept 2021 to 31 Dec 2021
		GBP
Revenue		-
Other operating expenses	5	(152,560)
Taxes, duties and similar expenses	6	-
Operating (loss)/profit		**(152,560)**
Finance income		-
Finance costs		-
Foreign currency exchange gains/(losses)		272
Loss before income tax		**(152,288)**
Income tax	6	-
Profit/(loss) for the period		**(152,288)**
Other comprehensive income		-
Total comprehensive income/(loss) for the period, net of tax		**(152,288)**
Earnings/(loss) per share attributable to equity holders		
Net earnings per share	7	(0.04)

The accompanying notes form an integral part of these consolidated financial statements

HIRO METAVERSE ACQUISITIONS I S.A

Consolidated Statement of financial position as at 31 December 2021

Assets	Notes	31 Dec 2021
		GBP
Current assets		
Deferred costs	8	731,407
Trade and other receivables		-
Cash and cash equivalents	9	30,000
Current assets		**761,407**
Total Assets		**761,407**
Equity and liabilities		
Equity		
Share capital	10	30,000
Accumulated deficit		(152,288)
		(122,288)
Liabilities		
Current liabilities		
Trade and other payables	11	883,695
Taxes payable	6	-
Total current liabilities5		**883,695**
Total liabilities		**883,695**
Total equity and liabilities		**761,407**

The accompanying notes form an integral part of these consolidated financial statements

HIRO METAVERSE ACQUISITIONS I S.A

Consolidated statement of changes in equity for the period ended 31 December 2021

	Notes	Share capital	Accumulated deficit	Total equity
		GBP	*GBP*	*GBP*
Issuance of incorporation capital.....	10	30,000	-	30,000
Loss for the period.....		-	(152,288)	(152,288)
Other comprehensive income.....		-	-	-
Balance at 31 December 2021.....		**30,000**	**(152,288)**	**(122,288)**

The accompanying notes form an integral part of these consolidated financial statements

Consolidated statement of cash flows for the for the period 20 September 2021 to 31 December 2021

	20 Sept 2021 to 31 Dec 2021
	GBP
Cash flow from operating activities	
Loss before income tax	(152,288)
Adjustments for:	
Finance income	-
Finance expense	-
Net cash from operating activities before income tax	**(152,288)**
Changes in working capital:	
Increase in deferred costs	(731,407)
Increase in trade and other payables	883,695
Net cash flows from operating activities	-
Cash flow from financing activities	
Proceeds from issue of ordinary shares	30,000
Net cash flows from financing activities	**30,000**
Net change in cash and cash equivalents	30,000
Cash and cash equivalents, beginning	-
Cash and cash equivalents at the end of the period	**30,000**

The accompanying notes form an integral part of these consolidated financial statements

HIRO METAVERSE ACQUISITIONS I S.A.

Notes to the consolidated financial statements for the period ended 31 December 2021

1 General information

Hiro Metaverse Acquisitions I S.A. (the "**Company**") was incorporated on 20 September 2021 (date of incorporation as per the deed of incorporation agreed between shareholders in front of the notary) as a public limited liability company in Luxembourg (Société Anonyme or "**S.A.**") under the laws of the Grand Duchy of Luxembourg for an unlimited period. The Company is registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Société, in abbreviated "**RSC**") under the number B259488 since 20 September 2021.

On the 8th of December 2021 the Company incorporated HMA1 (ESCROW) Limited (the "**Subsidiary**"), under the Companies Act 2006 , in the United Kingdome, being a private company, limited by shares, with its registered office at 52 Lime Street, London, England.

The consolidated financial statements for the period ended 31 December 2021 covers the Company and its subsidiary (collectively "the Group").

The share capital of the Company on 20 September 2021 was set at GBP 30,000 (thirty thousand Pound Sterling), represented by 3,750,000 (three million seven hundred fifty thousand) Sponsor Shares without nominal value. The Company may also issue Ordinary Shares. The share capital has been fully paid up.

The registered office of the Company is located at 17, Boulevard F.W. Raiffeisen, L-2411, Luxembourg. The financial year of the Company starts on 1 January and ends on 31 December; except for the first financial period which starts on 20 September 2021 (**date of incorporation**) and ends on 31 December 2021.

The Company is managed by its Board of Directors composed of Luke Alvarez, Cherry Freeman, Ian Livingstone as Executive Directors and Jurgen Post, Emily Greer, and Addie Pinkster as Non-Executive Directors (the "Board of Directors").

The sole shareholder of the Company is Hiro Sponsor I LLP (the "**Sponsor**"); a limited liability partnership, incorporated and existing under the laws of England, having its registered office located at 18th Floor, the Scalpel, 52 Lime Street, London, EC3M 7AF, United-Kingdom, and registered with the United Kingdom's Companies House under number OC439442.

The Company has been established for the purpose of acquiring one operating business with principal business operations in a member state of the European Economic Area or the United Kingdom or Israel in the form of a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction (the **"Business Combination"**).

It is the intention of the Board of Directors that the Company will undergo an initial offering (the "**Placing**") and be admitted to listing on the standard listing segment of the FCA's Official List and to trading on the London Stock Exchange's main market for listed securities, a regulated market operated by the London Stock Exchange PLC. The main characteristics which will be described in the prospectus, to be approved by the United Kingdom Financial Conduct Authority (the "FCA"), with its head office at 12 Endeavour Square, London E20 1JN, United Kingdom, for the purpose of admission of certain shares and warrants to the standard listing segment of the FCA's Official List and to trading on the London Stock Exchange's main market for listed securities.

The Company intends to seek a suitable target for the Business Combination with a focus on targets operating in the sectors of Video Games, Esports, Interactive Streaming, GenY Social Networks, Connected Fitness & Wellness and Metaverse Technologies. The Company will have 15 months from the date of the admission to trading to consummate a Business Combination, plus an initial three-month extension period (the "**First Extension Period**") and a further three-month extension period (the "**Second Extension Period**") subject in each case to approval by the Company's shareholders. Otherwise, the Company will be liquidated and distribute all of its assets to its shareholders, the Public

shares will be redeemed first and then the Company will be liquidated and all remaining assets will be distributed to remaining shareholders (Class B shareholders).

Pursuant to Article 3 of the current articles of association, the Company's corporate purpose is the holding, management, development and disposal of participations and any interests, in Luxembourg or abroad, in any companies and/or enterprises in any form whatsoever. The Company may in particular acquire by subscription, purchase and exchange or in any other manner any stock, shares and other participation securities, bonds, debentures, certificates of deposit and other debt instruments and more generally, any securities and financial instruments issued by any public or private entity. It may participate in the creation, development, management and control of any company and/or enterprise. It may further invest in the acquisition and management of a portfolio of patents or other intellectual property rights of any nature or origin.

The Company may borrow in any form. It may issue notes, bonds and any kind of debt and equity securities. The Company may lend funds, including without limitation, resulting from any borrowings of the Company and/or from the issue of any equity or debt securities of any kind, to its Subsidiaries, affiliated companies and/or any other companies or entities it deems fit.

The Company may further guarantee, grant security in favour of or otherwise assist the companies in which it holds a direct or indirect participation or which form part of the same group of companies as the Company. The Company may further give guarantees, pledge, transfer or encumber or otherwise create security over some or all of its assets to guarantee its own obligations and those of any other company, and generally for its own benefit and that of any other company or person. For the avoidance of doubt, the Company may not carry out any regulated activities of the financial sector without having obtained the required authorization.

The Company may use any techniques and instruments to manage its investments efficiently and to protect itself against credit risks, currency exchange exposure, interest rate risks and other risks.

The Company may, for its own account as well as for the account of third parties, carry out any commercial, financial or industrial operation (including, without limitation, transactions with respect to real estate or movable property) which may be useful or necessary to the accomplishment of its purpose or which are directly or indirectly related to its purpose.

2 Basis of preparation and accounting policies

2.1 Basis of preparation

The group's financial year starts on 1 January and ends on 31 December of each year, with the exception of the first financial period, which starts on 20 September 2021 (date of incorporation) and ends on 31 December 2021.

The consolidated financial statements comprise a consolidated statement of financial position, a consolidated statement of comprehensive income, a consolidated statement of changes in equity, a consolidated statement of cash flows and the accompanying notes for the period ended 31 December 2021. These consolidated financial statements have been prepared under the assumption that the Group operates on a going concern basis.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union for the period from 20 September 2021 (date of incorporation) to 31 December 2021 and were authorised for issue in accordance with a resolution of the Board of Directors on 25 April 2022.

These consolidated financial statements have been prepared in Sterling (GPB) unless stated otherwise.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

2.2 Summary of significant accounting policies

2.2.1 New or revised Standards or Interpretations

International accounting standards include IFRS, IAS (International Accounting Standards) and their interpretations (Standing Interpretations Committee) and IFRICs (International Financial Reporting Interpretations Committee).

The repository adopted by the European Commission is available on the following internet site: http://ec.eu-ropa.eu/finance/accounting/ias/index_en.htm

(a) **New standards, amendments and interpretations that were issued but not yet applicable as at 31 December 2021 and that are most relevant to the Company – not yet endorsed by the EU:**

- **Reference to the Conceptual Framework – Amendments to IFRS 3:** In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

- The IASB also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising from liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

  At the same time, the IASB decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

  The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

- **Amendments to IAS 1** -: Classification of Liabilities as Current or Non-current. In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively.

- **Amendments to IAS 1 and IFRS Practice Statement 2**: Disclosure of Accounting policies. In February 2021, the IASB issued amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments are effective for annual periods beginning on or after 1 January 2023.

- **Amendments to IAS 8: Definition of Accounting Estimate. In February 2021**, the IASB issued amendments to help entities to distinguish between accounting policies and accounting estimates. The amendments are effective for annual periods beginning on or after 1 January 2023.

- **Amendments to IAS 12** – not yet endorsed by the EU: Deferred Tax related to Assets and Liabilities arising from a Single Transaction. In May 2021, the IASB amended the standard to reduce diversity in the way that entities account for deferred tax on transactions and events, such as leases and decommissioning obligations, that lead to

the initial recognition of both an asset and a liability. The amendments apply for annual reporting periods beginning on or after 1 January 2023 and may be applied early.

- **Amendments to IAS 37: Onerous Contracts** — Cost of Fulfilling a Contract. The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

- **Annual improvements to IFRS Standards 2018-2020**: The annual improvements to IFRS consists of amendments to IFRS 1, IFRS 9, IFRS 16, and IAS 41. The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

The initial application of these standards, interpretations, and amendments to existing standards is planned for the period of time from when its application becomes compulsory. Currently, the Board of Directors anticipates that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial information of the Group.

2.2.2 Basis for of consolidation

Subsidiaries

Subsidiaries included in these consolidated financial statements are all entities over which the Company has direct or indirect control. The Group controls such an entity when it is exposed to, or has substantive rights to, variable returns from its involvement with the Group and has the ability to affect those returns through its power to direct the activities of the entities. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases.

Intercompany transactions, outstanding balances, and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the net result/(loss) and equity of the subsidiaries are shown separately in the consolidated statement of financial position, consolidated statement of comprehensive income and consolidated statement of changes in equity

2.2.3 Foreign currencies

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Sterling (GBP).

Foreign currency transactions and balances

In preparing these consolidated financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing

at the date when the fair value was determined. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the year in which they arise except for exchange differences on monetary items related to deferred costs included in trade payables; which are recognised directly in deferred cost.

2.2.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date i.e. the date that the Group commits to purchase or sell the asset.

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of new liability. The difference in the respective carrying account is recognised in the statement of profit or loss.

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into one of the following categories:

- amortised cost
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

In the period presented the Group includes cash and cash equivalents in the category Financial assets held at amortised costs.

In the period presented the Group does not have any financial assets categorised as FVTPL.

In the period presented the Group does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset.

All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets are measured at amortised cost if the assets meet the following conditions and are not designated as FVTPL:

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method (EIR). Discounting is omitted where the effect of discounting is immaterial.

Impairment of financial assets

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements included loans and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1').
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and measurement of financial liabilities

The financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or financial liabilities at amortised cost. The Group's financial liabilities carried at amortised costs include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Financial liabilities recognised at amortised cost are subsequently measured, using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Offsetting financial instruments

Financial instruments are offset and a net amount reported in the statement of financial position only when there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.2.5 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short term, highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. The carrying amounts of these approximate their fair value.

For the purpose of the financial statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

2.2.6 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.2.7 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and a reliable estimate can be made of the amount of the obligation. The timing or amount of the outflow may still be uncertain.

Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated

with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Any reimbursement that the Group is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

2.2.8 Other payables and accrued expenses

Other payables and accrued expenses are obligations to pay for services that have been or will be acquired in the ordinary course of business from suppliers. They are classified as current liabilities if payment is due within twelve months after statement of financial position date. If not, they are represented as non-current liabilities. Other payables and accrued expenses are recognised initially at fair value and subsequently stated at amortised costs. The difference between the proceeds and the amount payable is recognised over the period of the payable using the effective interest method.

2.2.9 Taxation

Income tax recognized in the statement of profit or loss and other comprehensive income includes current and deferred taxes.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of Deferred tax liabilities are generally recognised in full, although IAS 12 specifies limited exemptions.

The carrying amounts of deferred tax are reviewed at the end of each reporting period and adjusted if needed.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

2.2.10 Current versus non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset is current when it is:

- expected to be realised or intended to be sold or be consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

2.2.11 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred.

3 Significant accounting judgements, estimates and assumptions

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results and outcomes may differ from management's estimates and assumptions due to risks and uncertainties, including uncertainty in the current economic environment due to the ongoing outbreak of a novel strain of the coronavirus ("COVID-19")

In December 2019, a COVID-19 outbreak was reported in China, and, in March 2020, the World Health Organization declared it a pandemic. Since being initially reported in China, the coronavirus has spread to over 150 countries.

Given the ongoing and dynamic nature of the COVID-19 crisis, it is difficult to predict the impact on the business of potential targets. The extent of such impact will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impact, among others. The ongoing COVID-19 pandemic, the increased market volatility and the potential unavailability of third-party financing caused by the COVID-19 pandemic as well as restrictions on travel and in-person

meetings, which may hinder the due diligence process and negotiations, may also delay and/or adversely affect the Business Combination or make it more costly.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

As at 31 December 2021, the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in these consolidated financial statements are:

- Going concern: Judgement on going concern consideration. The Board of Directors' underlying assumption to prepare the consolidated financial statements is based on the anticipated successful completion of the Placing. As required by art. 480-2 of the Luxembourg law of 10 August 1915 (as amended) the Board of Directors of the Company plans to present a business continuity plan to the shareholders. On 19 January 2022 the Company entered into a loan agreement with the Sponsor for the purpose of settling its creditors and other costs which become due in the ordinary course of business, should the Placing for any reason not be successful. (Note 14.3)

- Deferred costs: According to the Board of Directors' underlying assumption of a successful admission to the regulated market of the London Stock Exchange, the related amounts incurred as transaction costs as of 31 December 2021 that qualify as incremental costs directly attributable to the Placing are deferred until the effects of the Placing are reflected in the accounts, and reported as deferred costs in the consolidated financial statements as of that date. These deferred costs will be deducted from the proceeds of the planned Placing, which occurred on the 2nd of February 2022.

4 Financial risk management, objectives and policies

The Group is newly formed and has not conducted any operations and currently generates no revenue. The Group does not have material foreign currency transactions. Hence, currently the Group does not face foreign currency risks nor any interest rate risks as the financial instruments of the Group bear a fixed interest rate.

Liquidity risks

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. If the Placing contemplated by the Company is completed, 100% of the gross proceeds of this Placing will be deposited in a secured deposit account. The amount held in the secured deposit account will only be released in connection with the completion of the Business Combination or the Company's liquidation. Following the completion of the Placing, the Board of Directors believes that the funds available to the Group outside of the secured deposit account, together with the available shareholder loan will be sufficient to pay costs and expenses which are incurred by the Group prior to the completion of the Business Combination.

The objective of the Sponsor Warrants issued to the Sponsor at the time of the Placing, is to use the proceeds to pay the various costs and expenses incurred and contracted for as disclosed in the Consolidated Financial Statements, except the underwriting commission. The proceeds of the Placing of Public Shares will not be used to pay these expenses.

The Sponsor is committing additional funds to the Company through the Overfunding Subscription, the proceeds of which will be held in an escrow account. The purpose of the overfunding subscription is to provide additional cash funding into the Escrow Account, in addition to the funding from the proceeds of the Units sold in the Placing, for the redemption of the Public Shares by Public Shareholders ("Initial Overfunding Shares").

The Initial Overfunding Shares and Initial Overfunding Warrants are not part of the Placing but will be part of the applications for Shares Admissions and Warrants Admission.

To the extent that the Business Combination Deadline is extended, the Sponsor will commit further additional funds to the Company through the subscription of additional units as referred to in Part VIII. 4 of the Prospectus.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor, and market confidence and to sustain future development of the business. In order to meet the capital management objective described above, the Company intends to raise funds through a Placing reserved to certain qualified investors inside and outside of the United Kingdom, and to have the public shares and public warrants to be issued in such Placing admitted to listing and trading on the regulated market segment of London Stock Exchange in the near future. The above-mentioned financial instruments to be issued as part of this Placing will represent what the entity will manage as capital.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is currently exposed to credit risk from its deposit with banks.

5 Other operating expenses

The other operating expenses of GBP 152,560 consist of fees for accounting, legal, and other services not related to the Placing.

	20 Sept 2021 to 31 Dec 2021
	GBP
Accounting, tax consulting, auditing and similar fees	151,407
Notarial and similar fees	1,153
Other operating expenses	152,560

6 Income Tax

	20 Sept 2021 to 31 Dec 2021
	GBP
Loss for the period before tax	152,288
Theoretical tax charges, applying the tax rate of 22.8%	(34,722)
Tax effect of adjustments from Luxembourg GAAP to IFRS	(166,761)
Unrecognised deferred tax asset	201,783
Income Tax	-

Income tax

The tax rate used in reconciliation above is the Luxembourgish tax rate (22.8%) as the Company is domiciled in the Grand Duchy of Luxembourg. The Subsidiary did not generate any result for the period.

Deferred tax

Deferred tax assets have not been recognised in respect of the loss incurred during the period ended 31 December 2021 because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom. Unused tax losses of the Group can be used within a period of 17 years as per Luxembourg tax law.

7 Earnings /(loss) per share

Basic earnings/(loss) per share ("**EPS**") is calculated by dividing the profit/(loss) for the year attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit/(loss) attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

Currently, no other diluting instruments have been issued. Therefore, basic EPS equals diluted EPS as at 31 December 2021.

8 Deferred costs

Deferred costs of GBP 731,407 as at 31 December 2021 are composed mainly of legal and administration costs incurred by the Company in relation to the public offering which will be offset against the proceeds from the planned Placing.

Other Placing related costs which have not been incurred relate to the underwriter fees, legal fees for the underwriter and escrow, exchange, regulatory, and listing fees. These costs once incurred will also be deducted from the proceeds of the Placing

9 Cash and cash equivalents

The amount of cash and cash equivalents was GBP 30,000 as at 31 December 2021.

10 Issued capital and reserves

Share capital

As at 31 December 2021, the subscribed share capital amounts to GBP 30,000 consisting of 3,750,000 shares without nominal value held by the Sponsor, hereinafter referred to as the "**Sponsor Shares**". The Company's share capital may be increased or reduced by a resolution of the general meeting of shareholders adopted in the manner required for an amendment for the articles of association.

On 26 January 2022, the issued capital shares was reduced from 3,750,000 to 2,875,000 through a forfeiture of 875,000 Sponsor Shares at a nil cost.

It is planned that the Sponsor Shares shall convert into Public Shares subject to a certain schedule and trading price following the consummation of the Business Combination. The Sponsor Shares will convert into a number of Public Shares such that the number of Public Shares issuable to the Sponsor upon conversion of all Sponsor Shares will be equal, in the aggregate, on an as-converted basis, to 20% of the total ordinary shares in issue following the Placing. The Placing took place on 2 February 2022, refer to note 14.4 for detailed information of the effect of the placing on the Share capital and 15.5 on the Warrants at reporting date.

Authorised capital

As at 31 December 2021, the authorized capital of the Company is set at GBP 1,000,000 consisting of 100,000,000 shares without nominal value.

Legal reserves

The Company is required to allocate a minimum of 5% of its annual net profit to a legal reserve, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

11 Trade and other payables

	31 Dec2021
	GBP
Accounting, tax consulting, auditing and similar fees	151,135
Deferred costs	731,407
Notarial and similar fees	1,153
Trade and other payables	**893,695**

Trade and other payables are related to legal and other services received by the Group. The carrying amounts of these approximate their fair value.

12 Related party disclosures

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Terms and conditions of transactions with related parties

There have been no guarantees provided or received for any related party receivables or payables as at 31 December 2021. Please refer to note 14.3 regarding the Shareholders loan put in place subsequent to 31 December 2021.

Transactions with key management personnel

There are no advances or loans granted to members of the Board of Directors as at 31 December 2021.

The Board of Directors consists of 6 members who did not receive any remuneration during the period ended 31 December 2021.

The Company entered into contracts with the non-executive directors which will be effective from the date of the Placing. The agreed directors fees are GBP 10,000 per annum; to be paid semi-annually in arrears in equal instalments after deduction of any taxes and other amounts that are required by law. In addition to the directors fee the Company will procure that the Sponsor transfers 25,000 Sponsor Shares in the Company held by the Sponsor to the non-executive directors.

13 Commitments and contingencies

In the context of the planned Placing, the Company entered into or is contemplating to enter into respective contracts with different providers, the total costs of which is estimated at approximately GBP 1,200,000 (excluding underwriting commission fees and the costs recorded as deferred costs). After the Placing, the Company expects to incur expenses as a result of being a publicly listed company (for legal, financial reporting, accounting and auditing compliance). The Company cannot estimate expenses incurred in connection with researching targets, the investigation of potential target businesses and the negotiation, drafting and execution of the transaction documents appropriate for the Initial Business Combination, as the amounts will depend on the specific circumstances of the Initial Business Combination.

The Group has no other commitments and contingencies as at 31 December 2021.

14 Events after statement of financial position date

No events occurred after the reporting period which requires amendment to or disclosure in the consolidated financial statements, except from those disclosed below.

14.1 Impact of the COVID-19 pandemic

As a result of the COVID-19 pandemic business operations worldwide have been impacted in various ways. The COVID-19 pandemic may continue to impact the business operations and the intended Placing and Business Combination processes. There is uncertainty in the nature and degree of its continued effects over time.

14.2 Underwriting agreement

The Company entered into an agreement with Citigroup Global Markets Limited (Underwriting Agreement), by virtue of which the Company will be liable to pay Upfront Commission Fees of 2% of the aggregate gross proceeds of the Securities, payable at closing of the offering; and a deferred commission equal to 3.5% of the aggregate gross proceeds of the Securities, subject to completion of Business Combination and payable after such completion.

Commissions are not payable on Securities issued to certain Investors; subject to a maximum allocated amount of the greater of either GBP 32.5 million or 15% of the Offering.

14.3 Shareholders loan

On 19 January 2022, the Company entered into a loan agreement with the Sponsor for the purpose of settling its creditors and other costs which become due in the ordinary course of business, should the Placing for any reason not be successful. At reporting date no amount was drawn. The Placing took place on 2 February 2022.The loan shall be available to the Company up until consummation of the Business Combination or the liquidation of the Company.

14.4 Listing on London Stock Exchange

On 2 February 2022 the Company's Prospectus was approved and published on the London Stock Exchange.

In terms of the Sponsor Private Placement Agreement; on 2 February 2022, the Sponsor subscribed to 310,500 Overfunding shares at £10 per share, and 5,070,000 Class B Sponsor Warrants at GBP1 per warrant, raising capital in the amount of GBP 8,175,000.

On 7 February 2022, 11,500,000 of the Company's Public Shares were admitted to the standard listing segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities under ticker "HMA1", raising capital in the amount of GBP 115,000,000.

On 7 February 2022 Citigroup Global Markets Limited, acting as stabilising manager, gave notice on of its non-exercise of the put option granted by the Company.

On 8 February 2022 the Sponsor subscribed for a further 34,500 Shares cum Rights at a price of GBP 10.00 per share, (the "Overfunding Shares Subscription"). The non-exercise of the Put Option and the Overfunding Shares Subscription brings the total number of Shares cum Rights in issue at 11,845,000.

The total number of voting rights in the Company following the Overfunding Subscription is 14,720,000. This including the 2,8750,000 unlisted class B ordinary shares with no par value held by the Sponsor.

14.5 Warrants Admission to Trading on the London Stock Exchange

On 8 February 2022 the Company published its notice on the stock exchange that it intends to accelerate the proposed issue and admission of the Public Warrants as follows:

- Warrants Ex Date	22 February 2022
- Warrants Record Date	6.00 p.m. on 23 February 2022
- Warrants Admission Date	8.00 a.m. on 24 February 2022

On 8 February 2022, the Sponsor, in terms of the Sponsor Private Placement Agreement; subscribed for a further 230,000 Sponsor Warrants at £1 per warrant.

On 24 February 2022, the Company admitted 5,922,500 Public Warrants to the standard listing segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities under ticker "HM1W".

14.6 Subscription of shares in HMA1 (Escrow) Limited

On 11 February 2022, the Company subscribed for 11,845,000 ordinary shares in HMA1 at nominal value of GBP 1 per share. HMA1 issued the shares and the consideration was fully paid up by the Company on the 15th of February 2022.

14.7 Geopolitical Situation

Management considered the effects of the invasion of Ukraine by Russia and it has no impact on the Group and consequently does not affect the measurement of Group's assets and liabilities as at 31 December 2021.

HIRO METAVERSE ACQUISITIONS I S.A.

Société Anonyme

SEPARATE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 20 SEPTEMBER 2021 (DATE OF INCORPORATION) TO 31 DECEMBER 2021

Registered office: 17, Boulevard F.W. Raiffeisen
L-2411 Luxembourg
R.C.S. Luxembourg: B259488

HIRO METAVERSE ACQUISITIONS I S.A.

Separate financial statements for the period from 20 September 2021 to 31 December 2021

Mazars Luxembourg
5, rue Guillaume J. Kroll
L-1882 Luxembourg
Luxembourg

Tel: +352 27 114 1
Fax: +352 27 114 20
www.mazars.lu

To the Shareholders of
HIRO METAVERSE ACQUISITIONS I S.A.
Société Anonyme
R.C.S. Luxembourg B 259.488

17, Boulevard Raiffeisen
L-2411 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements (the "financial statements") of **HIRO METAVERSE ACQUISITIONS I SA** (the "Company"), which comprise the statement of financial position as of 31 December 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash-flows for the period from 20 September 2021 (date of incorporation) to 31 December 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as of 31 December 2021, and of its financial performance and its cash flows for the period from 20 September 2021 (date of incorporation) to 31 December 2021 in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU regulation No 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Financial Statements » section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Based on the result of our audit procedures no Key Audit Matters were identified for the audit of the financial statements as of 31 December 2021.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the Directors Report including the Corporate Governance Statement but does not include the financial statements and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and Those Charged with Governance of the Company for the Financial Statements

The Board of Directors of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as adopted by the European Union and for such internal control as the Board of Directors of the Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for presenting the financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended ("ESEF Regulation").

In preparing the financial statements, the Board of Directors of the Company is 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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Responsibilities of the "Réviseur d'Entreprises Agréé" for the Audit of the financial statements

The objectives of our audit 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 "Réviseur d'Entreprises Agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism 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 Board of Directors of the Company.

- Conclude on the appropriateness of Board of Directors of the Company's 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 "Réviseur d'Entreprises Agréé" 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 "Réviseur d'Entreprises Agréé". 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.

- Assess whether the financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on Other Legal and Regulatory Requirements

We have been appointed as "réviseur d'entreprises agréé" on 20 September 2021 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 1 year.

The Directors report is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

We have checked the compliance of the financial statements of the Company as at 31 December 2021 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the financial statements. For the Company, it relates to financial statements prepared in valid xHTML format.

In our opinion, the financial statements of the Company as at 31 December 2021, identified as 222100X27S5HMALJTB53-2021-12-31, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the audit opinion is consistent with the additional report to the audit committee.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

Luxembourg, 27 April 2022

For Mazars Luxembourg, Cabinet de révision agréé
5, rue Guillaume J. Kroll
L-1882 Luxembourg

Nadhmi AMOURI
Réviseur d'entreprises agréé

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Statement of comprehensive income for the period from 20 September 2021 to 31 December 2021

	Note	20 Sept 2021 to 31 Dec 2021
		GBP
Revenue		-
Other operating expenses	5	(152,560)
Taxes, duties and similar expenses	6	-
Operating (loss)/profit		**(152,560)**
Finance income		-
Finance costs		-
Foreign currency exchange gains/(losses)		272
Loss before income tax		**(152,288)**
Income tax	6	-
Profit/(loss) for the period		**(152,288)**
Other comprehensive income		-
Total comprehensive income/(loss) for the period, net of tax		**(152,288)**
Earnings/(loss) per share attributable to equity holders		
Net earnings per share	7	(0.04)

The accompanying notes form an integral part of these financial statements

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Statement of financial position as at 31 December 2021

Assets	Notes	31 Dec 2021
		GBP
Financial assets at fair value through profit or loss	8	1
Current assets		
Deferred costs	9	731,407
Trade and other receivables		-
Cash and cash equivalents	10	30,000
Current assets		**761,407**
Total Assets		**761,408**
Equity and liabilities		
Equity		
Share capital	11	30,000
Accumulated deficit		(152,288)
		(122,288)
Liabilities		
Current liabilities		
Trade and other payables	12	883,696
Taxes payable	6	-
Total current liabilities		**883,696**
Total liabilities		**883,696**
Total equity and liabilities		**761,408**

The accompanying notes form an integral part of these separate financial statements

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Statement of changes in equity for the period ended 31 December 2021

	Notes	Share capital	Accumulated deficit	Total equity
		GBP	*GBP*	*GBP*
Issuance of incorporation capital.....	10	30,000	-	30,000
Loss for the period.....		-	(152,288)	(152,288)
Other comprehensive income.....		-	-	-
Balance at 31 December 2021.....		**30,000**	**(152,288)**	**(122,288)**

The accompanying notes form an integral part of these separate financial statements

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Statement of cash flows for the for the period 20 September 2021 to 31 December 2021

	20 Sept 2021 to 31 Dec 2021
	GBP
Cash flow from operating activities	
Loss before income tax	(152,288)
Adjustments for:	
Finance income	-
Finance expense	-
Net cash from operating activities before income tax	**(152,288)**
Changes in working capital:	
Increase in deferred costs	(731,407)
Increase in trade and other payables	838,696
Net cash flows from operating activities	-
Cash flow from financing activities	
Proceeds from issue of ordinary shares	30,000
Net cash flows from financing activities	**30,000**
Net change in cash and cash equivalents	30,000
Cash and cash equivalents, beginning	-
Cash and cash equivalents at the end of the period	**30,000**

The accompanying notes form an integral part of these separate financial statements

1 General information

Hiro Metaverse Acquisitions I S.A. (the "**Company**") was incorporated on 20 September 2021 (date of incorporation as per the deed of incorporation agreed between shareholders in front of the notary) as a public limited liability company in Luxembourg (Société Anonyme or "**S.A.**") under the laws of the Grand Duchy of Luxembourg for an unlimited period. The Company is registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Société, in abbreviated "**RSC**") under the number B259488 since 20 September 2021.

On the 8th of December 2021 the Company incorporated HMA1 (ESCROW) Limited (the "**Subsidiary**"), under the Companies Act 2006 , in the United Kingdome, being a private company, limited by shares, with its registered office at 52 Lime Street, London, England.

The share capital of the Company on 20 September 2021 was set at GBP 30,000 (thirty thousand Pound Sterling), represented by 3,750,000 (three million seven hundred fifty thousand) Sponsor Shares without nominal value. The Company may also issue Ordinary Shares. The share capital has been fully paid up.

The registered office of the Company is located at 17, Boulevard F.W. Raiffeisen, L-2411, Luxembourg. The financial year of the Company starts on 1 January and ends on 31 December; except for the first financial period which starts on 20 September 2021 (date of incorporation) and ends on 31 December 2021.

The Company is managed by its Board of Directors composed of Luke Alvarez, Cherry Freeman, Ian Livingstone as Executive Directors and Jurgen Post, Emily Greer, and Addie Pinkster as Non-Executive Directors (the "Board of Directors").

The sole shareholder of the Company is Hiro Sponsor I LLP (the "**Sponsor**"); a limited liability partnership, incorporated and existing under the laws of England, having its registered office located at 18th Floor, the Scalpel, 52 Lime Street, London, EC3M 7AF, United-Kingdom, and registered with the United Kingdom's Companies House under number OC439442.

The Company has been established for the purpose of acquiring one operating business with principal business operations in a member state of the European Economic Area or the United Kingdom or Israel in the form of a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction (the **"Business Combination"**).

It is the intention of the Board of Directors that the Company will undergo an initial offering (the "**Placing**") and be admitted to listing on the standard listing segment of the FCA's Official List and to trading on the London Stock Exchange's main market for listed securities, a regulated market operated by the London Stock Exchange PLC. The main characteristics which will be described in the prospectus, to be approved by the United Kingdom Financial Conduct Authority (the "FCA"), with its head office at 12 Endeavour Square, London E20 1JN, United Kingdom, for the purpose of admission of certain shares and warrants to the standard listing segment of the FCA's Official List and to trading on the London Stock Exchange's main market for listed securities.

The Company intends to seek a suitable target for the Business Combination with a focus on targets operating in the sectors of Video Games, Esports, Interactive Streaming, GenY Social Networks, Connected Fitness & Wellness and Metaverse Technologies. The Company will have 15 months from the date of the admission to trading to consummate a Business Combination, plus an initial three-month extension period (the "**First Extension Period**") and a further three-month extension period (the "**Second Extension Period**") subject in each case to approval by the Company's shareholders. Otherwise, the Company will be liquidated and distribute all of its assets to its shareholders, the Public shares will be redeemed first and then the Company will be liquidated and all remaining assets will be distributed to remaining shareholders (Class B shareholders).

Pursuant to Article 3 of the current articles of association, the Company's corporate purpose is the holding, management, development and disposal of participations and any interests, in Luxembourg or abroad, in any companies and/or enterprises in any form whatsoever. The Company may in particular acquire by subscription, purchase and exchange or in any other manner any stock, shares and other participation securities, bonds, debentures, certificates of deposit and other debt instruments and more generally, any securities and financial instruments issued by any public or private entity. It may participate in the creation, development, management and control of any company and/or enterprise. It may further invest in the acquisition and management of a portfolio of patents or other intellectual property rights of any nature or origin.

The Company may borrow in any form. It may issue notes, bonds and any kind of debt and equity securities. The Company may lend funds, including without limitation, resulting from any borrowings of the Company and/or from the issue of any equity or debt securities of any kind, to its Subsidiaries, affiliated companies and/or any other companies or entities it deems fit.

The Company may further guarantee, grant security in favour of or otherwise assist the companies in which it holds a direct or indirect participation or which form part of the same group of companies as the Company. The Company may further give guarantees, pledge, transfer or encumber or otherwise create security over some or all of its assets to guarantee its own obligations and those of any other company, and generally for its own benefit and that of any other company or person. For the avoidance of doubt, the Company may not carry out any regulated activities of the financial sector without having obtained the required authorization.

The Company may use any techniques and instruments to manage its investments efficiently and to protect itself against credit risks, currency exchange exposure, interest rate risks and other risks.

The Company may, for its own account as well as for the account of third parties, carry out any commercial, financial or industrial operation (including, without limitation, transactions with respect to real estate or movable property) which may be useful or necessary to the accomplishment of its purpose or which are directly or indirectly related to its purpose.

2 Basis of preparation and accounting policies

2.1 Basis of preparation

The Company's financial year starts on 1 January and ends on 31 December of each year, with the exception of the first financial period, which starts on 20 September 2021 (date of incorporation) and ends on 31 December 2021.

The separate financial statements comprise a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and the accompanying notes for the period ended 31 December 2021. These separate financial statements have been prepared under the assumption that the Company operates on a going concern basis.

These separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union for the period from 20 September 2021 (date of incorporation) to 31 December 2021 and were authorised for issue in accordance with a resolution of the Board of Directors on 14 April 2022.

These separate financial statements have been prepared in Sterling (GPB) unless stated otherwise.

The principal accounting policies applied in the preparation of these separate financial statements are set out below.

2.2 Summary of significant accounting policies

2.2.1 New or revised Standards or Interpretations

International accounting standards include IFRS, IAS (International Accounting Standards) and their interpretations (Standing Interpretations Committee) and IFRICs (International Financial Reporting Interpretations Committee).

The repository adopted by the European Commission is available on the following internet site: http://ec.eu-ropa.eu/finance/accounting/ias/index_en.htm

(a) **New standards, amendments and interpretations that were issued but not yet applicable as at 31 December 2021 and that are most relevant to the Company – not yet endorsed by the EU:**

- **Reference to the Conceptual Framework – Amendments to IFRS 3:** In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

- The IASB also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising from liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

  At the same time, the IASB decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

  The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.

- **Amendments to IAS 1** -: Classification of Liabilities as Current or Non-current. In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively.

- **Amendments to IAS 1 and IFRS Practice Statement 2**: Disclosure of Accounting policies. In February 2021, the IASB issued amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments are effective for annual periods beginning on or after 1 January 2023.

- **Amendments to IAS 8: Definition of Accounting Estimate. In February 2021**, the IASB issued amendments to help entities to distinguish between accounting policies and accounting estimates. The amendments are effective for annual periods beginning on or after 1 January 2023.

- **Amendments to IAS 12** – not yet endorsed by the EU: Deferred Tax related to Assets and Liabilities arising from a Single Transaction. In May 2021, the IASB amended the standard to reduce diversity in the way that entities account for deferred tax on transactions and events, such as leases and decommissioning obligations, that lead to the initial recognition of both an asset and a liability. The amendments apply for annual reporting periods beginning on or after 1 January 2023 and may be applied early.

- **Amendments to IAS 37: Onerous Contracts** — Cost of Fulfilling a Contract. The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

- **Annual improvements to IFRS Standards 2018-2020**: The annual improvements to IFRS consists of amendments to IFRS 1, IFRS 9, IFRS 16, and IAS 41. The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

(b)

The initial application of these standards, interpretations, and amendments to existing standards is planned for the period of time from when its application becomes compulsory. Currently, the Board of Directors anticipates that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial information of the Company.

2.2.2 Foreign currencies

Functional and presentation currency

These separate financial statements are presented in Sterling (GBP).

Foreign currency transactions and balances

In preparing these separate financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the year in which they arise except for exchange differences on monetary items related to deferred costs included in trade payables; which are recognised directly in deferred cost.

2.2.3 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date i.e. the date that the Company commits to purchase or sell the asset.

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of new liability. The difference in the respective carrying account is recognised in the statement of profit or loss.

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into one of the following categories:

- amortised cost
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

In the period presented the Company includes cash and cash equivalents in the category Financial assets held at amortised costs.

In the period presented the Company includes investments in subsidiaries in the category Fair value through profit or loss.

In the period presented the Company does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset.

All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets are measured at amortised cost if the assets meet the following conditions and are not designated as FVTPL:

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method (EIR). Discounting is omitted where the effect of discounting is immaterial.

Impairment of financial assets

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements included loans and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1').
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and measurement of financial liabilities

The financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or financial liabilities at amortised cost. The Company's financial liabilities carried at amortised costs include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Financial liabilities recognised at amortised cost are subsequently measured, using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Offsetting financial instruments

Financial instruments are offset and a net amount reported in the statement of financial position only when there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.2.4 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short term, highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. The carrying amounts of these approximate their fair value.

For the purpose of the financial statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.2.5 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in these separate financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.2.6 Provisions assets and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and a reliable estimate can be made of the amount of the obligation. The timing or amount of the outflow may still be uncertain.

Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Any reimbursement that the Company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

2.2.7 Other payables and accrued expenses

Other payables and accrued expenses are obligations to pay for services that have been or will be acquired in the ordinary course of business from suppliers. They are classified as current liabilities if payment is due within twelve months after statement of financial position date. If not, they are represented as non-current liabilities. Other payables and accrued expenses are recognised initially at fair value and subsequently stated at amortised costs. The difference between the proceeds and the amount payable is recognised over the period of the payable using the effective interest method.

2.2.8 Taxation

Income tax recognized in the statement of profit or loss and other comprehensive income includes current and deferred taxes.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in these separate financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. This is assessed based on the company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of Deferred tax liabilities are generally recognised in full, although IAS 12 specifies limited exemptions. As a result of these exemptions in the future the company will not recognise deferred tax on temporary differences relating to its future investments in subsidiaries.

Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amounts of deferred tax are reviewed at the end of each reporting period and adjusted if needed.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.2.9 Current versus non-current classification

The company presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset is current when it is:

- expected to be realised or intended to be sold or be consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

2.2.10 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred.

3 Significant accounting judgements, estimates and assumptions

The preparation of these financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results and outcomes may differ from management's estimates and assumptions due to risks and uncertainties, including uncertainty in the current economic environment due to the ongoing outbreak of a novel strain of the coronavirus ("COVID-19")

In December 2019, a COVID-19 outbreak was reported in China, and, in March 2020, the World Health Organization declared it a pandemic. Since being initially reported in China, the coronavirus has spread to over 150 countries.

Given the ongoing and dynamic nature of the COVID-19 crisis, it is difficult to predict the impact on the business of potential targets. The extent of such impact will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impact, among others. The ongoing COVID-19 pandemic, the increased market volatility and the potential unavailability of third-party financing caused by the COVID-19 pandemic as well as restrictions on travel and in-person meetings, which may hinder the due diligence process and negotiations, may also delay and/or adversely affect the Business Combination or make it more costly.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

As at 31 December 2021, the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in these separate financial statements are:

- Going concern: Judgement on going concern consideration. The Board of Directors' underlying assumption to prepare these separate financial statements is based on the anticipated successful completion of the Placing. As required by art. 480-2 of the Luxembourg law of 10 August 1915 (as amended) the Board of Directors of the Company plans to present a business continuity plan to the shareholders. On 19 January 2022 the Company entered into a loan agreement with the Sponsor for the purpose of settling its creditors and other costs which become due in the ordinary course of business, should the Placing for any reason not be successful. (Note 15.3)

- Deferred costs: According to the Board of Directors' underlying assumption of a successful admission to the regulated market of the London Stock Exchange, the related amounts incurred as transaction costs as of 31 December 2021 that qualify as incremental costs directly attributable to the Placing are deferred until the effects of the Placing are reflected in the accounts, and reported as deferred costs in these separate financial statements as of that date. These deferred costs will be deducted from the proceeds of the planned Placing, which occurred on the 2nd of February 2022.

4 Financial risk management, objectives and policies

The Company is newly formed and has not conducted any operations and currently generates no revenue. The Company does not have material foreign currency transactions. Hence, currently the Company does not face foreign currency risks nor any interest rate risks as the financial instruments of the Company bear a fixed interest rate.

Liquidity risks

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. If the Placing contemplated by the Company is completed, 100% of the gross proceeds of this Placing will be deposited in a secured deposit account. The amount held in the secured deposit account will only be released in connection with the completion of the Business Combination or the Company's liquidation. Following the completion of the Placing, the Board of Directors believes that the funds available to the Company outside of the secured deposit account, together with the available shareholder loan will be sufficient to pay costs and expenses which are incurred by the Company prior to the completion of the Business Combination.

The objective of the Sponsor Warrants issued to the Sponsor at the time of the Placing, is to use the proceeds to pay the various costs and expenses incurred and contracted for as disclosed in the Separate Financial Statements, except the underwriting commission. The proceeds of the Placing of Public Shares will not be used to pay these expenses.

The Sponsor is committing additional funds to the Company through the Overfunding Subscription, the proceeds of which will be held in an escrow account. The purpose of the overfunding subscription is to provide additional cash funding into the Escrow Account, in addition to the funding from the proceeds of the Units sold in the Placing, for the redemption of the Public Shares by Public Shareholders ("Initial Overfunding Shares").

The Initial Overfunding Shares and Initial Overfunding Warrants are not part of the Placing but will be part of the applications for Shares Admissions and Warrants Admission.

To the extent that the Business Combination Deadline is extended, the Sponsor will commit further additional funds to the Company through the subscription of additional units as referred to in Part VIII. 4 of the Prospectus.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor, and market confidence and to sustain future development of the business. In order to meet the capital management objective described above, the Company intends to raise funds through a Placing reserved to certain qualified investors inside and outside of the United Kingdom, and to have the public shares and public warrants to be issued in such Placing admitted to listing and trading on the regulated market segment of London Stock Exchange in the near future. The above-mentioned financial instruments to be issued as part of this Placing will represent what the entity will manage as capital.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is currently exposed to credit risk from its deposit with banks.

5 Other operating expenses

The other operating expenses of GBP 152,560 consist of fees for accounting, legal, and other services not related to the Placing.

	20 Sept 2021 to 31 Dec 2021
	GBP
Accounting, tax consulting, auditing and similar fees	151,407
Notarial and similar fees	1,153
Other operating expenses	152,560

6 Income Tax

	20 Sept 2021 to 31 Dec 2021
	GBP
Loss for the period before tax	152,288
Theoretical tax charges, applying the tax rate of 22.8%	(34,722)
Tax effect of adjustments from Luxembourg GAAP to IFRS	(166,761)
Unrecognised deferred tax asset	201,783
Income Tax	-

Income tax

The tax rate used in reconciliation above is the Luxembourgish tax rate (22.8%) as the Company is domiciled in the Grand Duchy of Luxembourg.

Deferred tax

Deferred tax assets have not been recognised in respect of the loss incurred during the period ended 31 December 2021 because it is not probable that future taxable profit will be available against which the Company can utilise the benefits therefrom. Unused tax losses of the Company can be used within a period of 17 years as per Luxembourg tax law.

7 Earnings /(loss) per share

Basic earnings/(loss) per share ("**EPS**") is calculated by dividing the profit/(loss) for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit/(loss) attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

Currently, no other diluting instruments have been issued. Therefore, basic EPS equals diluted EPS as at 31 December 2021.

8 Financial assets at fair value through profit or loss

On the 8th of December 2021 the company incorporated HMA1 (ESCROW) Limited, under the Companies Act 2006 , in the United Kingdome, being a private company, limited by shares, with its registered office at 52 Lime Street, London, England.

9 Deferred costs

Deferred costs of GBP 731,407 as at 31 December 2021 are composed mainly of legal and administration costs incurred by the Company in relation to the public offering which will be offset against the proceeds from the planned Placing.

Other Placing related costs which have not been incurred relate to the underwriter fees, legal fees for the underwriter and escrow, exchange, regulatory, and listing fees. These costs once incurred will also be deducted from the proceeds of the Placing.

10 Cash and cash equivalents

The amount of cash and cash equivalents was GBP 30,000 as at 31 December 2021.

11 Issued capital and reserves

Share capital

As at 31 December 2021, the subscribed share capital amounts to GBP 30,000 consisting of 3,750,000 shares without nominal value held by the Sponsor, hereinafter referred to as the "**Sponsor Shares**". The Company's share capital may be increased or reduced by a resolution of the general meeting of shareholders adopted in the manner required for an amendment for the articles of association.

On 26 January 2022, the issued capital shares was reduced from 3,750,000 to 2,875,000 through a forfeiture of 875,000 Sponsor Shares at a nil cost.

It is planned that the Sponsor Shares shall convert into Public Shares subject to a certain schedule and trading price following the consummation of the Business Combination. The Sponsor Shares will convert into a number of Public Shares such that the number of Public Shares issuable to the Sponsor upon conversion of all Sponsor Shares will be equal, in the aggregate, on an as-converted basis, to 20% of the total ordinary shares in issue following the Placing. The Placing took place on 2 February 2022, refer to note 15.4 for detailed information of the effect of the placing on the Share capital and 15.5 on the Warrants at reporting date.

Authorised capital

As at 31 December 2021, the authorized capital of the Company is set at GBP 1,000,000 consisting of 100,000,000 shares without nominal value.

Legal reserves

The Company is required to allocate a minimum of 5% of its annual net profit to a legal reserve, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

12 Trade and other payables

	31 Dec2021
	GBP
Accounting, tax consulting, auditing and similar fees	151,135
Deferred costs	731,407
Notarial and similar fees	1,153
Payable to subsidiary	1
Trade and other payables	**883,696**

Trade and other payables are related to legal and other services received by the Company. The carrying amounts of these approximate their fair value.

13 Related party disclosures

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Terms and conditions of transactions with related parties

On 8 December 2021 the company incorporated HMA1 (ESCROW) LIMITED "(HMA1)" with Company Number 13788517 respired with The Companies House United Kingdom, with Share Capital of GBP 1. At reporting date the company has not transferred the Share Capital to the subsidiary, the amount due is included in trade and other payables. The Company subscribed for additional shares in HMA1 as disclosed in note 15.7.

There have been no guarantees provided or received for any related party receivables or payables as at 31 December 2021. Please refer to note 15.4 regarding the Shareholders loan put in place subsequent to 31 December 2021.

Transactions with key management personnel

There are no advances or loans granted to members of the Board of Directors as at 31 December 2021.

The Board of Directors consists of 6 members who did not receive any remuneration during the period ended 31 December 2021.

The Company entered into contracts with the non-executive directors which will be effective from the date of the Placing. The agreed directors fees are GBP 10,000 per annum; to be paid semi-annually in arrears in equal instalments after deduction of any taxes and other amounts that are required by law. In addition to the directors fee the Company will procure that the Sponsor transfers 25,000 Sponsor Shares in the Company held by the Sponsor to the non-executive directors.

14 Commitments and contingencies

In the context of the planned Placing, the Company entered into or is contemplating to enter into respective contracts with different providers, the total costs of which is estimated at approximately GBP 1,200,000 (excluding underwriting commission fees and the costs recorded as deferred costs). After the Placing, the Company expects to incur expenses as a result of being a publicly listed company (for legal, financial reporting, accounting and auditing compliance). The Company cannot estimate expenses incurred in connection with researching targets, the investigation of potential target businesses

and the negotiation, drafting and execution of the transaction documents appropriate for the Initial Business Combination, as the amounts will depend on the specific circumstances of the Initial Business Combination.

The Company has no other commitments and contingencies as at 31 December 2021.

15 Events after statement of financial position date

No events occurred after the reporting period which requires amendment to or disclosure in these separate financial statements, except from those disclosed below.

15.1 Impact of the COVID-19 pandemic

As a result of the COVID-19 pandemic business operations worldwide have been impacted in various ways. The COVID-19 pandemic may continue to impact the business operations and the intended Placing and Business Combination processes. There is uncertainty in the nature and degree of its continued effects over time.

15.2 Underwriting agreement

The Company entered into an agreement with Citigroup Global Markets Limited (Underwriting Agreement), by virtue of which the Company will be liable to pay Upfront Commission Fees of 2% of the aggregate gross proceeds of the Securities, payable at closing of the offering; and a deferred commission equal to 3.5% of the aggregate gross proceeds of the Securities, subject to completion of Business Combination and payable after such completion.

Commissions are not payable on Securities issued to certain Investors; subject to a maximum allocated amount of the greater of either GBP 32.5 million or 15% of the Offering.

15.3 Shareholders loan

On 19 January 2022, the Company entered into a loan agreement with the Sponsor for the purpose of settling its creditors and other costs which become due in the ordinary course of business, should the Placing for any reason not be successful. . At reporting date no amount was drawn. The Placing took place on 2 February 2022. The loan shall be available to the Company up until consummation of the Business Combination or the liquidation of the Company.

15.4 Listing on London Stock Exchange

On 2 February 2022 the Company's Prospectus was approved and published on the London Stock Exchange.

In terms of the Sponsor Private Placement Agreement; on 2 February 2022, the Sponsor subscribed to 310,500 Overfunding shares at £10 per share, and 5,070,000 Class B Sponsor Warrants at GBP1 per warrant, raising capital in the amount of GBP 8,175,000.

On 7 February 2022, 11,500,000 of the Company's Public Shares were admitted to the standard listing segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities under ticker "HMA1", raising capital in the amount of GBP 115,000,000.

On 7 February 2022 Citigroup Global Markets Limited, acting as stabilising manager, gave notice on of its non-exercise of the put option granted by the Company.

On 8 February 2022 the Sponsor subscribed for a further 34,500 Shares cum Rights at a price of GBP 10.00 per share, (the "Overfunding Shares Subscription"). The non-exercise of the Put Option and the Overfunding Shares Subscription brings the total number of Shares cum Rights in issue at 11,845,000.

The total number of voting rights in the Company following the Overfunding Subscription is 14,720,000. This including the 2,875,000 unlisted class B ordinary shares with no par value held by the Sponsor.

15.5 Warrants Admission to Trading on the London Stock Exchange

On 8 February 2022 the company published its notice on the stock exchange that it intends to accelerate the proposed issue and admission of the Public Warrants as follows:

- Warrants Ex Date	22 February 2022
- Warrants Record Date	6.00 p.m. on 23 February 2022
- Warrants Admission Date	8.00 a.m. on 24 February 2022

On 8 February 2022, the Sponsor, in terms of the Sponsor Private Placement Agreement; subscribed for a further 230,000 Sponsor Warrants at £1 per warrant.

On 24 February 2022, the Company admitted 5,922,500 Public Warrants to the standard listing segment of the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's main market for listed securities under ticker "HM1W".

15.6 Subscription of shares in HMA1 (Escrow) Limited

On 11 February 2022, the Company entered into a Subscription agreement with it's wholly owned subsidiary HMA1to subscribe for 11,845,000 ordinary shares at nominal value of GBP 1 per share. The consideration was fully paid up on the 15th of February 2022.

15.7 Geopolitical Situation

Management considered the effects of the invasion of Ukraine by Russia and it has no impact on the company and consequently does not affect the measurement of companies' assets and liabilities as at 31 December 2021.