eSports Mogul Limited

Appendix 4E Preliminary Final Report

1. **Reporting period**
   - Year ended 31 December 2021

   Previous corresponding period
   - Year ended 31 December 2020

2. **Results for announcement to the market**

	31 December 2021 Current Year $	Percentage Change Up /(Down) $	Change Up / (Down) $	31 December 2020 Previous Corresponding Year $
2(a) Revenue from ordinary activities	264,305	(12.95)%	(39,316)	303,621
2(b) Loss from ordinary activities after tax	(7,126,011)	29.96%	(1,642,579)	(5,483,432)
2(c) Net Loss for the year attributable to members	(7,126,011)	29.96%	(1,642,759)	(5,483,432)

2(d) Dividends: The Company does not propose to pay any dividends in the current year.

2(e) Record Date: Not applicable

2(f) See attached Director's Report

3. **Statement of Profit or Loss and Other Comprehensive Income**
   - See attached Annual Report

4. **Statement of Financial Position**
   - See attached Annual Report

5. **Statements of Cash Flows**
   - See attached Annual Report

6. **Statements of Changes in Equity / Statement of Retained Earnings**
   - See attached Annual Report

7. **Dividends**
   - The Company does not propose to pay any dividends in the current year.

8. Dividend reinvestment plan

- The Company does not propose to pay any dividends in the current year and does not have a dividend reinvestment plan.

9. Net tangible assets per security

	Current Year (31 December 2021)	**Previous Corresponding Year (31 December 2020)**
Cents per ordinary share	0.16 cents	0.29 cents

10. Details of entities over which control has been gained or lost

- **Control gained over entities:** Please refer to Note 10 of the attached Annual Report
- **Control lost over entities:** Please refer to Note 10 of the attached Annual Report

11. Details of Associates / Joint Ventures

- Not applicable

12. Other significant information

- Not applicable

13. Accounting Standards

- **For foreign entities, the set of accounting standards used in compiling the report:**

- International Financial Reporting Standards (IFRS)

14. Results of the period

- Refer to Director's Report in attached Annual Report

15. Statement on the financial statements

- Financial Statements are based on audited accounts.

16. Unaudited Accounts

- Not applicable

17. Auditor's audit report

- **For all entities, if the accounts are subject to audit dispute or qualification, include a description of the dispute or qualification:** Not applicable

eSports Mogul Limited
(ACN 148 878 782)

Annual Report

For the year ended 31 December 2021

CONTENTS

CORPORATE DIRECTORY

DIRECTORS

Executive Chairman
Gernot Abl

Executive Director
Christopher Bergstresser

Non-Executive Directors
Kate Vale
George Lazarou

COMPANY SECRETARY
George Lazarou

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221 Queen St
Melbourne VIC 3000
Telephone: (03) 9642 2205

AUDITORS
Moore Australia Audit (VIC)
Level 44
600 Bourke St
Melbourne VIC 3000

SHARE REGISTRAR
Automic Pty Ltd
Level 5
191 St Georges Terrace
PERTH WA 6000

SOLICITORS
Addisons
Level 12, 60 Carrington Street
Sydney NSW 2000
Telephone: +61 (2) 8915 1000
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STOCK EXCHANGE LISTING
Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: ESH, ESHOA

DIRECTORS' REPORT

The directors present the following report on eSport Mogul Limited ("the Company") and the entities it controlled ("Group") during or at the end of the financial year ended 31 December 2021.

1. DIRECTORS

The names and details of the Company's directors in office during and since the financial year end until the date of the report are as follows.

Mr Gernot Abl	– Non-Executive Chairman (10 September 2020 - 19 December 2021) & Executive Chairman (from 20 December 2021)
Ms Kate Vale	– Independent Non-Executive Director (appointed 1 August 2020)
Mr Cameron Adams	– Independent Non-Executive Director (resigned on 11 November 2021)
Mr George Lazarou	– Non-Executive Director (appointed 11 November 2021)
Mr Christopher Bergstresser	– Independent Non-Executive Director (appointed 11 November 2021 - 14 December 2021) & Executive Director (from 15 December 2021)

INFORMATION ON DIRECTORS

Gernot Abl	**Executive Chairman (since 20 December 2021)** **Non-Executive Chairman (until 20 December 2021)** **Managing Director (until 10 September 2020)** **Director since 14 November 2016**
Qualifications	B.Com & Law (First Class Honours in Finance), Finsia (Applied Finance and Valuations)
Experience	Mr Abl's background is in Law, Corporate Finance and Strategic Consulting and has over 15 years of entrepreneurial, business strategy, and investment experience gained as a management consultant with Deloitte Consulting and Deloitte Corporate Finance. Mr Abl has had significant success in the online gaming industry and currently serves as a director of several private start-up technology companies. Mr Abl also currently serves as the Non-Executive Chairman of Live Verdure Limited (ASX:LV1) - an Australian Direct to Consumer (DtoC) plant-based food, nutraceutical and skin care company.
Interest in Shares	26,875,000 Fully paid Ordinary Shares
Interest in Options	2,500,000 Listed Options with an exercise price of $0.02 expiring on or before 31 October 2022.
Interest in Performance Rights	23,125,000 Performance rights subjected to tenure and business performance related vesting conditions

Cameron Adams	**Independent Non-Executive Director (resigned 11 November 2021)**
Qualifications	Bachelor of Law LLB Bachelor of Science BSc
Experience	Mr Adams is a co-founder and Chief Product Officer at Canva, an online design platform with over 25 million users (and one of the most exciting startups in Australia). He leads the design and product teams there as well as focusing on future product directions and innovative experiences.

DIRECTORS' REPORT (Continued)

INFORMATION ON DIRECTORS (Continued)

After graduating with a Bachelor of Law/Bachelor of Science from the University of Melbourne in 2001, Cameron started a design agency that produced work for global clients such as Atlassian, NEC, TEDx and Sydney Festival. When Google came knocking in 2007 he couldn't resist the call and spent the next 4 years helping Lars and Jens Rasmussen — co-founders of Google Maps — realise the design vision for their ground-breaking communication tool Google Wave.

In 2011 Mr Adams founded an ambitious email start-up with two other Google alumni before meeting Melanie Perkins & Cliff Obrecht and deciding to help them build the beginnings of Canva. Mr Adams now leads the design and product strategy for Canva's apps, which has today grown to over 25 million users.

Through his work and his writing — which spans five books and numerous articles — Mr Adams has contributed to the foundations that underpin modern web design and has been asked to speak around the world at events such as South by Southwest, Fronteers, CeBIT, and Web Directions.

Interest in Shares 5,114,978 Fully paid Ordinary Shares (at date of resignation)

Kate Vale **Independent Non-Executive Director**
Director since 1 August 2020

Qualifications Bachelor of Business

Experience Ms Vale is a visionary experienced Senior Executive and Consultant with more than 24 years of success across digital media, social media and technology industries.

Ms Vale has held senior leadership positions with organisations including Google, YouTube and Spotify.

As Managing Director, Australia and New Zealand with Spotify, Ms Vale was hired as the first regional employee and managed all aspects of the business across Australia and New Zealand. Ms Vale was instrumental in setting up the Asian operations in 2013. Ms Vale was instrumental in driving music streaming in Australia to reach the position of No. 1 revenue source for record labels in the country.

As Country Manager for Google Australia & New Zealand, Ms Vale established the Australian and New Zealand offices, hired and managed 150+ employees, and grew revenues from zero to US$500 million over a six-year period. Ms Vale also drove YouTube product and sales strategy for ANZ managing sale of advertising solutions to advertisers and agencies.

Ms Vale served as a founding member of the IAB Australian Board. Ms Vale has achieved recognition for her success through her listing in the Top 40 Under 40 in Digital Age.

DIRECTORS' REPORT (Continued)

INFORMATION ON DIRECTORS (Continued)

Interest in Shares 1,946,938 Fully paid Ordinary Shares

Christopher Bergstresser **Independent Non-Executive Director (appointed 11 November 2021)**
Executive Director (from 15 December 2021)

Qualifications Bachelor of Arts (Economics)

Experience Mr Bergstresser is a senior entertainment executive with 20 years of experience founding, buying and building companies in the gaming and mobile sectors.

Most recently Mr Bergstresser was Group Chief Operating Officer of Enad Global 7, a Nasdaq First North listed, Swedish based, games company with games holdings in Germany, Russia, Sweden, UK and the US. Mr Bergstresser was responsible for building the expansion of the company, through a buy and build strategy (M&A investments) in games. Between October 2019 and January 2021 Enad Global 7's share price grew from ~16 SEK to a high of ~120SEK.

Prior to that, as Partner at MTG (Modern Times Group), Mr Bergstresser operated in a key advisory role to help MTG broaden its reach into games investment. MTG operates as a strategic and operational investment holding company managing a unique portfolio including esports businesses ESL and DreamHack, gaming companies InnoGames, Ninja Kiwi and Kongregate as well as digital network company Zoomin.TV.

Across an impressive career Mr Bergstresser has held senior gaming executive positions in major global gaming and media companies including SEGA, Atari and Konami (working with Microsoft, Disney and ESPN). Mr Bergstresser is also an experienced founder, having co-founded mobile analytics start-up Appscotch (sold to App Annie), video game software start-up Vector Entertainment and gaming TV producer Gamer.TV.

Mr Bergstresser's expert leadership in strategic planning and execution has seen him engaged by many businesses to transform, innovate and drive sustained growth. Mr Bergstresser has served as adviser and Board member with multiple companies including Lottoland, Nitro Games, Appscotch and Reflection.io and currently sits on the board of Flexion Mobile Inc (listed on Nasdaq First North).

Interest in Shares Nil

DIRECTORS' REPORT (Continued)

INFORMATION ON DIRECTORS (Continued)

George Lazarou	**Non-Executive Director (appointed 11 November 2021)**
Qualifications	Bachelor of Commerce, CA
Experience	Mr Lazarou is a qualified Chartered Accountant with over 20 years' experience, including five years as a partner of a mid-tier accounting firm, specialising in the areas of audit, advisory and corporate services. Mr Lazarou has extensive skills in the areas of corporate services, due diligence, independent expert reports, mergers & acquisitions and valuations. Mr Lazarou also brings with him a high level of commercial skills having worked closely with publicly listed companies in the mining, building, engineering, environmental and construction industries. Mr Lazarou has previously held the position of Chairman or Non-Executive Director on a number of ASX listed companies. Mr Lazarou is currently the Managing Director of corporate advisory firm Citadel Capital.
Interest in Shares	Nil

Chief Executive Officer

Mr Michael Rubinelli resigned as Chief Executive Officer on 15 December 2021.

Company Secretary

Mr George Lazarou has held the position of Company Secretary during and at the end of the financial period.

Directorships of other listed companies

Name	***Company***	***Period of directorship***
Gernot Abl	Vortiv Limited	Appointed 30 June 2017 Resigned 31 July 2019
	Live Verdure Limited	Appointed 17 October 2020
Cameron Adams	-	-
Kate Vale	-	-
George Lazarou	-	-
Christopher Bergstresser	-	-

2. PRINCIPAL ACTIVITIES

The principal activities of the Group primarily are an esports media and software business. At its core is the mogul.gg tournament platform technology – a tournament and matchmaking platform with automation for major esports titles.

DIRECTORS' REPORT (Continued)

3. OPERATING RESULTS

The consolidated loss of the Group after providing for income tax amounted to $7,126,011 (2020: $5,483,432).

4. DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

5. REVIEW OF OPERATIONS

The Company's primary focus during the year was:

- adding further product features to deliver immediate activities for all players, leading to a higher degree of gratification;
- a greater focus on brands, allowing for varying degrees of platform customisation; and
- accelerating Mogul's execution against our buy and build strategy in the games sector.

Mogul successfully concluded its innovative technology and product feature test in South East Asia (SEA)

Mogul, employing an agile approach to feature roll out in test markets, wrapped up a test in SEA in February 2021. The main takeaway was significantly increased user retention when players engaged with an "always on" asynchronous tournament ladder format. Repeat rate (day to day retention) for players in this ~2,500 person competition was as high as 92% and on average clocked in around 70%. Expected repeat rate for sites and games is typically in the 50% range. This is one of several features that was deployed during the year to our tiered product offerings to Brands to increase overall player engagement.

Further Platform Development

Sit & Go lobbies, another tournament variant was completed during the year, allowing an "always-on" engagement opportunity, delivering immediate activities for all players and leading to a higher degree of gratification. Mogul has identified that players want to define their own schedules and play when it best suits them. The Sit & Go lobbies eliminate the participant cap on tournament play and, additionally, the friction tied to waiting for a time slot to compete.

The ability to scale and do so efficiently at a reasonable cost is critical. Key members of Mogul's development team have spent the year focused heavily on a codebase and infrastructure refactor that is tuned and ready to take on the volume accompanying platform initiatives with brands.

We see scaling and efficiency as crucial points of focus for our team. The "Road to ReWired" lays the groundwork for other branded experiences to come through faster deployment processes and further product offerings for brands with greatly improved unit economics.

Mogul deployed its first ever North American engagement for Kellogg's, sponsored Halo 5 tournament, in collaboration with Esport Arena

Combining the Company's technology and esports marketing expertise, Mogul worked with the game publisher, brand, and event organiser to deliver Halo tournaments to households across the country. With COVID-19 making it impossible for people to participate through physical gaming centres, Mogul was

DIRECTORS' REPORT (Continued)

tasked with bringing an entire tournament series online, making it accessible for a broad Kellogg consumer base.

Gamers were notified of the event through Kellogg's 4.2 million product packages bought and sold at Walmart's across the United States. A total prize pool of US$25,000 and the challenge "battle the nation and test your skill" incentivised both serious and amateur gamers.

Mogul was able to work quickly and diligently in designing & deploying the tournament experience for this series. End-to-end, Mogul was able to demonstrate why our SAAS model is considered a global leader in esports tournament design and implementation.

Mogul delivers esports tournaments for ReWired Fest, powered by Walmart

During the year Mogul engaged with Inclusion Companies to be the tournament platform provider for ReWired Fest, powered by Walmart. ReWired Fest is designed to inspire young minds, BIPOC communities, women, and people with different abilities to pursue careers in STEAM.

The ReWired Festival powered by Walmart, is an immersive esports and tech experience designed to inspire and encourage young, diverse minds to pursue passions in science, technology, engineering, arts and math (S.T.E.A.M). ReWired's online esports qualifier tournament leads up to an in-person championship finale; a two-day festival celebration in Northwest Arkansas, featuring unbeatable prizes, retro gameplay, music and action sports.

ReWired Fest was created by Inclusion Companies, an events and consulting company focused on driving its client's strategic growth initiatives through consumer events, retail sales, marketing, ecommerce and emerging technology services.

Our involvement with ReWired Fest, which was for an initial 6 month period has now come to an end.

Chris Bergstresser Joins Mogul Board

During November it was announced that Christopher Bergstresser had joined the Mogul Board as a Non-Executive Director. On 15 December Mogul announced that Chris had been appointed as an Executive Director, with his main focus being to lead Mogul's buy and build strategy in the video games sector.

Private Placement to Accelerate Buy and Build Strategy

On 23 December 2021, Mogul completed an oversubscribed placement of $1,600,000.

With ~$A5.13m in cash after the completion of the placement, Mogul will use the proceeds from the placement to provide additional working capital to accelerate Mogul's execution against our buy and build strategy in the games sector. Buy and build is a proven approach to achieve significant investor returns - especially in video games.

Initially, the focus will be on profitable small to midsize games companies with strong founder lead teams, great IP, and engaged audiences to ensure future scalability and continuous growth. These companies may be Mobile or PC games and include existing or new business models - including play-to-earn.

The key difference for Mogul versus other buy and build games companies is our focus on managing operational synergies from the first acquisition onwards. These operational synergies will include common financial infrastructure across all group companies, centralised legal & HR and common data visualisation across all group companies.

DIRECTORS' REPORT (Continued)

Mogul feel this will allow group companies to focus on what they do best: make best-in-class games. Moreover, this structure enables group companies to learn from one another. By sharing experiences, they will assist each other in finding new ways to innovate and lower risk pathways to rapidly scale.

6. SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The following significant changes in the state of affairs of the Company occurred during the financial year:

- On 26 May 2021, the Company obtained shareholder approval at a meeting of shareholders and issued 3,110,925 fully paid ordinary shares as remuneration to Mr Adams and 1,946,938 fully paid ordinary shares as remuneration to Ms Vale;
- On 26 May 2021, the Company obtained shareholder approval at a meeting of shareholders and issued 25,000,000 performance rights to Mr Abl;
- On 23 July 2021, 340,150,000 unlisted options exercisable at $0.02 expired;
- On 9 August 2021, 9,000,000 performance rights issued to Mr Rubinelli met the vesting conditions and were exercised into 9,000,000 fully paid ordinary shares;
- On 21 August 2021, 25,000,000 employee incentive unlisted options exercisable at $0.02 expired;
- On 29 November 2021, 3,750,000 performance rights issued to Mr Rubinelli met the vesting conditions and were exercised into 3,750,000 fully paid ordinary shares;
- On 29 November 2021, 1,875,000 performance rights issued to Mr Abl in relation met the vesting conditions and were exercised into 1,875,000 fully paid ordinary shares;
- On 29 November 2021, the Company issued 5,144, 771 fully ordinary shares to an employee under his employment agreement; and
- On 23 December 2021, the Company issued:
  - 320,000,000 fully paid ordinary shares under a placement raising $1,600,000, with each subscriber in the placement to receive one (1) free-attaching listed option for every two (2) placement shares subscribed for and issued, exercisable at $0.01 per option on or before 30 November 2023.

There were no other significant changes in the state of affairs of the Company during the financial year.

7. AFTER REPORTING DATE EVENTS

COVID-19 and its impact on the Company has created unprecedented uncertainty in the economic environment that the Group operates within. In the event the COVID-19 pandemic impacts are more severe or prolonged than anticipated, this may have further effects on the financial position and performance of the Company. As at the date of this financial report, an estimate of the future effects of the COVID-19 pandemic on the Company’s financial performance and/or financial position cannot be made, as the impact will depend on the magnitude and duration of the economic downturn with the full range of monetary impacts unknown.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

MEETINGS OF DIRECTORS

To assist it in undertaking its duties, the Board has established the following standing committees towards the end of the financial year, and as such, did not have any meetings during the year:

- Audit & Risk Committee; and
- Nomination & Remuneration Committee.

DIRECTORS' REPORT (Continued)

Details of Directors' membership of each committee and those eligible members' attendance at meetings throughout the period from 1 January 2021 to 31 December 2021 are set out below.

During the period, 6 meetings of directors were held. Attendances by each director during the period were as follows:

	Directors' Meetings		Audit & Risk		Nomination & Remuneration	
Directors	**Eligible to Attend**	**Attended**	**Eligible to Attend**	**Attended**	**Eligible to Attend**	**Attended**
Gernot Abl	6	6	2	2	1	1
Kate Vale *	6	6	2	2	1	1
Cameron Adams (resigned 11 November 2021) *	5	5	2	2	1	1
Christopher Bergstresser (appointed 11 November 2021)	1	1	-	-	-	-
George Lazarou (appointed 11 November 2021)	1	1	-	-	-	-

* Mr Adams was the Chairperson of the audit and risk committee up to his resignation and Ms Vale the Chairperson of the Nomination and Remuneration Committee.

9. FUTURE DEVELOPMENTS

The Company will work to execute against our buy and build strategy in the games sector. Buy and build is a proven approach to achieve significant investor returns - especially in video games.

Initially, the focus will be on profitable small to midsize games companies with strong founder lead teams, great IP, and engaged audiences to ensure future scalability and continuous growth. These companies may be Mobile or PC games and include existing or new business models - including play-to-earn.

The key difference for the Company versus other buy and build games companies is our focus on managing operational synergies from the first acquisition onwards. These operational synergies will include common financial infrastructure across all group companies, centralised legal & HR and common data visualisation across all group companies.

The Company believes this will allow group companies to focus on what they do best: make best-in-class games. Moreover, this structure enables group companies to learn from one another. By sharing experiences, they will assist each other in finding new ways to innovate and lower risk pathways to rapidly scale.

10. ENVIRONMENTAL ISSUES

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

DIRECTORS' REPORT (Continued)

11. OPTIONS

At the date of this report unissued ordinary shares of the Company under option are:

Expiry Date	**Exercise Price**	**Number of Options**
31 October 2022	$0.02	482,000,000
30 November 2023	$0.01	160,000,000

160,000,000 options were issued, and 365,150,000 options expired during the year.

12. INDEMNIFYING OFFICERS OR AUDITOR

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Officer or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

The Company has paid premiums to insure each Director and officer against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in their capacity of Director or officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The total amount of premiums paid was $42,908.

13. PROCEEDINGS ON BEHALF OF COMPANY

There are no proceedings on behalf of the company for the year ended 31 December 2021.

14. AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 31 December 2021 has been received and can be found on page 23 of the annual report.

15. NON-AUDIT SERVICES

The following non-audit services were provided by the entity's auditor, Moore Australia. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Moore Australia received or are due to receive the following amounts for the provision of non-audit services:

	2021	**2020**
	$	**$**
Tax compliance & consultancy	-	11,000
	-	11,000

16. DIVERSITY

The Company believes that the promotion of diversity on its Board and within the organisation generally is good practice and is committed to managing diversity as a means of enhancing the Company's performance. The Company will continue to focus on participation of women on its Board and within senior management and has set measurable objectives for achieving gender diversity.

DIRECTORS' REPORT (Continued)

Gender diversity objectives for the employment of women are as follows:

- to the Board – currently 25%, aim is at least 33% by 2023;
- to senior management (including board and company secretary) – 40% by 2023
- to the organisation as a whole – 40% by 2023

As at the date of this report, the Company has the following proportion of women appointed:

- to the Board – 25%
- to senior management (including board and company secretary) – 20%
- to the organisation as a whole – 32%

17. REMUNERATION REPORT - AUDITED

Details of key management personnel

The following persons were directors of the Company during the financial year unless otherwise stated:-

Mr Gernot Abl	– Non-Executive Chairman (10 September 2020 - 19 December 2021) & Executive Chairman (from 20 December 2021)
Ms Kate Vale	– Independent Non-Executive Director (appointed 1 August 2020)
Mr Cameron Adams	– Independent Non-Executive Director (resigned on 11 November 2020)
Mr George Lazarou	– Non-Executive Director (appointed 11 November 2021)
Mr Christopher Bergstresser	– Independent Non-Executive Director (appointed 11 November 2021 - 14 December 2021) & Executive Director (from 15 December 2021)

Remuneration Policy

The remuneration policy of the Group has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors and executives to run and manage the Group.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the Group is as follows:-

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The board reviews executive packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The board may exercise discretion in relation to approving incentives, bonuses and options. The policy is to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

DIRECTORS' REPORT (Continued)

17. REMUNERATION REPORT (Continued)

Executives are also entitled to participate in the employee share and option arrangements.

The executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 10%, and do not receive any other retirement benefits.

All remuneration paid to directors and executives is valued at the cost to the Group and expensed. Shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using a binomial option pricing method or Black Scholes model.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment, and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties, and accountability.

Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently $250,000). Fees for non-executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and are able to participate in the employee option plan.

Performance based remuneration

The Group has shared based and performance-based remuneration component built into director and executive remuneration packages.

Company performance, shareholder wealth and director's and executive's remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders and directors and executives. This will be facilitated through the issue of options and performance rights to the majority of directors and executives to encourage the alignment of personal and shareholder interests. The Group believes the policy will be effective in increasing shareholder wealth.

Compensation of key management personnel for the period ended 31 December 2021

	Short-Term Benefits	Post-Employment Benefits	Share-Based Payments		Value of equity as Proportion of remuneration
	Salary and Fees	Superannuation	Equity	Total	
	$	$	$	$	%
Directors					
Gernot Abl	90,000	8,775	4,839	103,614	4.67
Cameron Adams [1]	20,818	2,022	52,560	75,400	69.71
Kate Vale	-	-	72,000	72,000	100
George Lazarou [2]	6,545	655	-	7,200	-
Christopher Bergstresser [3]	-	-	15,606	15,606	100
Executives					
Michael Rubinelli (CEO) [4]	339,863	-	191,250	531,113	36.01
James Clyne (CFO) [5]	110,610	-	-	110,610	-
Total	**567,836**	**11,452**	**336,255**	**915,543**	

DIRECTORS' REPORT (Continued)

17. REMUNERATION REPORT (Continued)

[1] Cameron Adams resigned as Director on 11 November 2021
[2] George Lazarou was appointed as Director on 11 November 2021
[3] Christopher Bergstresser was appointed as Director on 11 November 2021
[4] Michael Rubinelli resigned as CEO on 15 December 2021
[5] James Clyne receives his fees through Clyne Partners

Compensation of key management personnel for the period ended 31 December 2020

	Short-Term Benefits	Post-Employment Benefits	Share-Based Payments		Value of equity as Proportion of remuneration
	Salary and Fees	Superannuation	Equity	Total	
	$	$	$	$	%
Directors					
Gernot Abl	456,058	20,227	-	476,285	-
Cameron Adams	26,000	2,470	56,940	85,410	66.67
Kate Vale[1]	-	-	32,850	32,850	100
Adam Jacoby[2]	44,000	4,180	-	48,180	-
Executives					
Michael Rubinelli (CEO) [3]	104,549	-	412,068	516,617	79.76
Remco Marcelis (CFO) [4]	42,045	-	-	42,045	-
James Clyne (CFO) [5]	58,936	-	-	58,936	-
Jamie Skella (COPO) [6]	177,026	15,200	-	192,226	-
Mark Warburton (CMO) [7]	86,762	7,521	-	94,283	-
Total	**995,376**	**49,598**	**501,858**	**1,546,832**	

[1] Kate Vale appointed as a Director on 1 August 2020
[2] Adam Jacoby resigned as Director on 30 October 2020
[3] Michael Rubinelli appointed as CEO on 6 August 2020
[4] Remco Marcelis receives his fees through Standard Ledger. He resigned on 19 May 2020.
[5] James Clyne receives his fees through Clyne Partners
[6] Jamie Skella resigned on 30 November 2020
[7] Mark Warburton resigned on 30 April 2020

Equity issued as part of remuneration

During the financial year ended 31 December 2021, the following equity was issued as part of remuneration to Key Management Personnel:

- 14,625,000 fully paid ordinary shares; and
- 25,000,000 performance rights

For details on the valuation of the above equities, including models and assumptions used, please refer to Note 22 There were no alterations to the terms and conditions of any securities granted as remuneration since their grant date.

DIRECTORS' REPORT (Continued)

17. REMUNERATION REPORT (Continued)

Remuneration policy of key management personnel

The objective of the Group's executive reward framework is set to attract and retain the most qualified and experienced directors and senior executives. The board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness
- Acceptability to shareholders
- Performance linkage
- Capital management

Non-Executive Directors

The constitution of the Company provides that the non-executive Directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum per annum from time to time determined by the Company in a general meeting (currently $250,000). The Chairman's fees are determined independently to the fees of non-executive Directors based on comparative roles in the external market. The remuneration policy has been tailored to increase goal congruence between shareholders and Directors. This will be facilitated through the issue of free options to Directors to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing wealth.

Directors' fees

A director may be paid fees or other amounts as the directors determine where a director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director. A director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Service Agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:-

Name:	Gernot Abl
Title:	Non-Executive Chairman (from 10 September 2020) Executive Chairman (from 20 December 2021)
Agreement Commenced:	10 September 2020 (as Non-Executive Chairman)
Agreement Updated:	20 December 2021 (as Executive Chairman)
Term of Agreement:	Subject to re - election every 3 years
Details:	Director Fees of $90,000 plus superannuation per annum, to be reviewed annually by the Board. The Company entered into a consultancy agreement with Mr Abl to fulfil the role of Executive Chairman, effect from 20 December 2021. The Company will pay Mr Abl $10,000 per month ($60,000 in total) in addition to his Director fees via the issue of 1,666,666 fully paid ordinary shares (deemed issued price of $0.006), 10,000,000 fully paid ordinary shares in total over the initial 6 months period of the consultancy agreement. The issue of the fully paid ordinary shares will be subject to shareholder approval at a meeting of shareholders. If shareholder approval at a meeting of the shareholders is not obtained the amount will be paid in cash.

DIRECTORS' REPORT (Continued)

17. REMUNERATION REPORT (Continued)

Long Term Incentive Benefits

The Company issued the following securities to Mr Abl (or his nominee) on 26 May 2021 after obtaining shareholder approval:

(a) 7,500,000 Performance Rights subject to the following Tenure related vesting conditions:

(i) 1,875,000 Performance Rights, twelve (12) months from date of employment (**Tranche 1**);

(ii) 156,250 Performance Rights to vest on a monthly basis (1,875,000 in total) after Tranche 1 has been met but not issued until twenty four (24) months from date of employment (**Tranche 2**);

(iii) 156,250 Performance Rights to vest on a monthly basis (1,875,000 in total) after Tranche 2 has been met but not issued until thirty six (36) months from date of employment (**Tranche 3**); and

(iv) 156,250 Performance Rights to vest on a monthly basis (1,875,000 in total) after Tranche 3 has been met but not issued until forty eight (48) months from date of employment (**Tranche 4**).

(b) 17,500,000 Performance Rights will be subject to the following Business Performance related vesting conditions:

(i) Milestone 1: 2,187,500 Performance Rights will independently vest (up to 4,375,000 Performance Rights in total), upon the achievement of either of the below vesting conditions being met:

A. 1 million Monthly Active Users (MAU's) for a consecutive 90 day period ("Active" is defined as a unique user who participates in content offered by Mogul); or

B. AU$2.5 million in revenue to Mogul within 24 months from date of employment.

(the Initial Vesting Events); and

(ii) Milestone 2: 6,562,500 Performance Rights will vest (up to 13,125,000 Performance Rights in total) provided each of the Initial Vesting Events as outlined at clause above has been met as follows:

A. 2,187,500 Performance Rights (up to 4,375,000 Performance Rights in total) twelve (12) months from date of Initial Vesting Event (Tranche 1);

B. 2,187,500 Performance Rights (up to 4,375,000 Performance Rights in total) twenty four (24) months from date of Initial Vesting Event (Tranche 2); and

C. 2,187,500 Performance Rights (up to 4,375,000 Performance Rights in total) thirty six (36) months from date of Initial Vesting Event (Tranche 3).

DIRECTORS' REPORT (Continued)

17. REMUNERATION REPORT (Continued)

In the event of a Change of Control, all Performance Rights immediately vest, provided the Initial Vesting Events have been met. Any Performance Rights that do not vest and become exercisable in accordance with the Initial Vesting Events as outlined in clause (b)(i) will automatically lapse.

Any Performance Rights that do not vest and become exercisable in accordance with the Initial Vesting Events as outlined in clause (b)(i) will automatically lapse.

Name:	Cameron Adams
Title:	Independent Non-Executive Director
Agreement Commenced:	19 November 2019 (Resigned 11 November 2021)
Terms of Agreement:	Resigned in accordance with the agreement

Details:

Director Fees of $90,000 plus superannuation per annum, subject to annual review by the Board of the Company, however, it cannot be reduced and must increase by at least 3% per annum each year.

Director Fees reduced to $72,000 plus superannuation per annum from May 2020.

The Company will accrue and not pay in cash $48,000 per annum. The remaining portion of the Director Fees will be paid on a monthly basis.

Prior to each Annual General Meeting of the Company, the Board of Directors may elect to seek shareholder and regulatory approval for the accrued Director Fees to be paid by the issuance of the equal value of fully paid ordinary shares in the Company to Mr Adams or his nominee. The issue price will be calculated on a monthly basis at the monthly Volume Weighed Average Price (VWAP) for the month in which the accrued Director Fees is to be paid. If the shares are not issued to Mr Adams or his nominee, the Board of Directors must pay the accrued Director Fees in cash.

Name:	Kate Vale
Title:	Independent Non-Executive Director
Agreement Commenced:	1 August 2020
Term of Agreement:	Subject to re - election every 3 years

Details:

Director Fees of $72,000 plus superannuation (if applicable) per annum, subject to annual review by the Board of the Company.

The Company will accrue and not pay in cash all of the Director Fees of $72,000.

Prior to each Annual General Meeting of the Company, the Board of Directors may elect to seek shareholder and regulatory approval for the accrued Director Fees to be paid by the issuance of the equal value of fully paid ordinary shares in the Company to Ms Vale or her nominee. The issue price will be calculated on a monthly basis at the monthly Volume Weighed

DIRECTORS' REPORT (Continued)

17. REMUNERATION REPORT (Continued)

Average Price (VWAP) for the month in which the accrued Director Fees is to be paid. If the shares are not issued to Ms Vale or her nominee, the Board of Directors must pay the accrued Director Fees in cash.

Name:	George Lazarou
Title:	Non-Executive Director
Agreement Commenced:	11 November 2021
Term of Agreement:	Subject to re - election every 3 years
Details:	Director Fees of $48,000 plus superannuation per annum, to be reviewed annually by the Board. The Company also has an Agreement with Citadel Capital Pty Ltd (Mr George Lazarou is a Director and Shareholder) for the provision of Company Secretarial services by Mr George Lazarou at a fixed fee of $5,000 plus GST per month, with a 2-month termination period.

Name	Christopher Bergstresser
Title:	Independent Non-Executive Director (from 11 November 2021 to 14 December 2021) Executive Director (from 15 December 2021)
Agreement Commenced	11 November 2021 (Non-Executive Director) & 15 December 2021 (Executive Director)
Term of Agreement:	Subject to re - election every 3 years
Details	Director Fees of $72,000 plus superannuation (if applicable) per annum, subject to annual review by the Board of the Company

The Company will accrue and not pay in cash all of the Director Fees of $72,000.

Prior to each Annual General Meeting of the Company, the Board of Directors may elect to seek shareholder and regulatory approval for the Director Fees to be paid by the issuance of the equal value of fully paid ordinary shares in the Company to Mr Bergstresser or his nominee. The issue price will be calculated on a monthly basis at the monthly Volume Weighed Average Price (VWAP) for the month in which the accrued Director Fees is to be paid. If the shares are not issued to Mr Bergstresser or her nominee, the Board of Directors must pay the accrued Director Fees in cash.

The Company entered into a consultancy agreement with Mr Bergstresser to under the role of Executive Director, effect from 15 December 2021. The Company will pay Mr Bergstresser $10,000 per month ($60,000 in total) in addition to his Director fees via the issue of 1,666,666 fully paid ordinary shares (deemed issued price of $0.006), 10,000,000 fully paid ordinary shares in total over the initial 6 months period of the consultancy agreement.

The issue of the fully paid ordinary shares will be subject to shareholder approval at a meeting of shareholders. If shareholder approval at a meeting of the shareholders is not obtained the amount will be paid in cash.

DIRECTORS' REPORT (Continued)

17. REMUNERATION REPORT (Continued)

Name:	James Clyne
Title:	Chief Financial Officer (CFO)
Agreement Commenced:	19 May 2020
Term of Agreement:	Continue until terminated in accordance with the agreement
Details	The Company has an Agreement with Clyne Partners Chartered Accountants (Mr James Clyne is a Director and Shareholder) for the provision of Chief Financial Officer services by Mr James Clyne at a fixed fee of $90,000 plus GST per year.

Retirement benefits

Other retirement benefits may be provided directly by the Group if approved by shareholders.

Shareholdings of key management personnel

2021	**Balance at 1 January 2021**	**Holding on Date of Appointment**	**Bought& (Sold)**	**Holding on Date of Resignation**	**Balance at 31 December 2021**
Gernot Abl	25,000,000	-	1,875,000	-	26,875,000
Cameron Adams [1]	2,004,053	-	3,110,925	(5,114,978)	-
Kate Vale	-	-	1,946,938	-	1,946,938
Michael Rubinelli [2]	-	-	-	-	-
George Lazarou [3]	-	-	-	-	-
Christopher Bergstresser [4]	-	-	-	-	-
James Clyne	-	-	-	-	-
	27,004,053	-	6,932,863	(5,114,978)	28,821,938

[1] Cameron Adams resigned on 11 November 2021
[2] Michael Rubinelli resigned as Director on 15 December 2021
[3] George Lazarou was appointed on 11 November 2021
[4] Christopher Bergstresser was appointed on 11 November 2021

2020	**Balance at 1 January 2020**	**Holding on Date of Appointment**	**Bought& (Sold)**	**Holding on Date of Resignation**	**Balance at 31 December 2020**
Gernot Abl	20,000,000	-	5,000,000	-	25,000,000
Cameron Adams	-	-	2,004,053	-	2,004,053
Kate Vale [1]	-	-	-	-	-
Adam Jacoby [2]	250,000	-	-	(250,000)	-
Michael Rubinelli [3]	-	-	-	-	-
Remco Marcelis [4]	-	-	-	-	-
James Clyne [5]	-	-	-	-	-
Jamie Skella [6]	5,100,000	-	-	(5,100,000)	-
Mark Warburton [7]	6,600,000	-	-	(6,600,000)	-
	31,950,000	-	7,004,053	(11,950,000	27,004,053

[1] Kate Vale appointed as a Director on 1 August 2020
[2] Adam Jacoby resigned as Director on 30 October 2020
[3] Michael Rubinelli appointed as CEO on 6 August 2020
[4] Remco Marcelis resigned on 19 May 2020.
[5] James Clyne appointed as CFO on 20 May 2020
[6] Jamie Skella resigned on 30 November 2020
[7] Mark Warburton resigned on 30 April 2020

DIRECTORS' REPORT (Continued)

17. REMUNERATION REPORT (Continued)

Option holdings of key management personnel

The movement during the reporting period in the number of options over ordinary shares in eSports Mogul Limited held, directly, indirectly or beneficially, by each key management person, including related parties, is as follows:

2021	Balance at 1 January 2021	Holding on Date of Appointment	Expired	Issued	Holding at Date of Resignation	Balance at 31 December 2021	Total Vested at 31 December 2021	Total Exercisable at 31 December 2021
Gernot Abl	2,500,000	-	-	-	-	2,500,000	-	2,500,000
Cameron Adams [1]	-	-	-	-	-	-	-	-
Kate Vale	-	-	-	-	-	-	-	-
Michael Rubinelli [2]	-	-	-	-	-	-	-	-
George Lazarou [3]	-	-	-	-	-	-	-	-
Christopher Bergstresser [4]	-	-	-	-	-	-	-	-
James Clyne	-	-	-	-	-	-	-	-
	2,500,000	**-**	**-**	**-**	**-**	**2,5000,000**	**-**	**2,500,000**

[1] Cameron Adams resigned on 11 November 2021
[2] Michael Rubinelli resigned as Director on 15 December 2021
[3] George Lazarou was appointed on 11 November 2021
[4] Christopher Bergstresser was appointed on 11 November 2021

2020	Balance at 1 January 2020	Holding on Date of Appointment	Expired	Issued	Holding at Date of Resignation	Balance at 31 December 2020	Total Vested at 31 December 2020	Total Exercisable at 31 December 2020
Gernot Abl	-	-	-	2,500,000	-	2,500,000	2,500,000	2,500,000
Cameron Adams	-	-	-	-	-	-	-	-
Kate Vale [1]	-	-	-	-	-	-	-	-
Adam Jacoby [2]	-	-	-	-	-	-	-	-
Michael Rubinelli [3]	-	-	-	-	-	-	-	-
Remco Marcelis [4]	-	-	-	-	-	-	-	-
James Clyne [5]	-	-	-	-	-	-	-	-
Jamie Skella [6]	10,000,000	-	(5,000,000)	-	(5,000,000)	-	-	-
Mark Warburton [7]	20,000,000	-	(20,000,000)	-	-	-	-	-
	30,000,000	**-**	**(25,000,000)**	**2,500,000**	**(5,000,000)**	**2,500,000**	**2,500,000**	**2,500,000**

[1] Kate Vale appointed as a Director on 1 August 2020
[2] Adam Jacoby resigned as Director on 30 October 2020
[3] Michael Rubinelli appointed as CEO on 6 August 2020
[4] Remco Marcelis resigned on 19 May 2020.
[5] James Clyne appointed as CFO on 20 May 2020
[6] Jamie Skella resigned on 30 November 2020
[7] Mark Warburton resigned on 30 April 2020

DIRECTORS' REPORT (Continued)

17. REMUNERATION REPORT (Continued)

Performance Rights holdings of key management personnel

The movement during the reporting period in the number of performance rights in eSports Mogul Limited held, directly, indirectly or beneficially, by each key management person, including related parties, is as follows:

2021	Balance at 1 January 2021	Holding on Date of Appointment	Issued	Lapsed	Exercised	Balance at 31 December 2021	Total Vested at 31 December 2021	Total Exercisable at 31 December 2021
Gernot Abl	-	-	25,000,000	-	(1,875,000)	23,125,000	468,750	468,750
Cameron Adams [1]	-	-	-	-	-	-	-	-
Kate Vale	-	-	-	-	-	-	-	-
Michael Rubinelli [2]	120,000,000	-	-	(107,250,000)	(12,750,000)	-	-	-
George Lazarou [3]	-	-	-	-	-	-	-	-
Christopher Bergstresser [4]	-	-	-	-	-	-	-	-
James Clyne	-	-	-	-	-	-	-	-
Gernot Abl	-	-	-	-	-	-	-	-
	120,000,000	-	25,000,000	(107,250,000)	(14,625,000)	23,125,000	468,750	468,750

[1] Cameron Adams resigned on 11 November 2021
[2] Michael Rubinelli resigned as Director on 15 December 2021
[3] George Lazarou was appointed on 11 November 2021
[4] Christopher Bergstresser was appointed on 11 November 2021

2020	Balance at 1 January 2020	Holding on Date of Appointment	Issued	Lapsed	Holding at Date of Resignation	Balance at 31 December 2020	Total Vested at 31 December 2020	Total Exercisable at 31 December 2020
Gernot Abl	-	-	-	-	-	-	-	-
Cameron Adams	-	-	-	-	-	-	-	-
Kate Vale [1]	-	-	-	-	-	-	-	-
Adam Jacoby [2]	-	-	-	-	-	-	-	-
Michael Rubinelli [3]	-	-	120,000,000	-	-	120,000,000 -	-	-
	-	-	-	-	-	-	-	-
Remco Marcelis [4]	-	-	-	-	-	-	-	-
James Clyne [5]	30,800,000	-	-	(30,800,000)	-		-	-
Jamie Skella [6]								
Mark Warburton [7]	13,200,000	-	-	(13,200,000)	-	-	-	-
	44,000,000	-	120,000,000	(44,000,000)	-	120,000,000	-	-

[1] Kate Vale appointed as a Director on 1 August 2020
[2] Adam Jacoby resigned as Director on 30 October 2020
[3] Michael Rubinelli was issued 120,000,000 performance rights under the Company's Employee Incentive Plan
[4] Remco Marcelis resigned on 19 May 2020.
[5] James Clyne appointed as CFO on 20 May 2020
[6] Jamie Skella resigned on 30 November 2020
[7] Mark Warburton resigned on 30 April 2020

DIRECTORS' REPORT (Continued)

Signed in accordance with a resolution of the Board of Directors.

Gernot Abl
Executive Chairman

Dated this 28th day of February 2022

MOORE

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ESPORTS MOGUL LIMITED & CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2021, there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Moore Australia

MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257

GEORGE S DAKIS
Partner
Audit and Assurance

Melbourne, Victoria

28 February 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2021

	Note	2021 $	2020 $
Revenue from continuing operations	2	264,305	303,621
Other income	2a	102,522	253,872
Unrealised foreign exchange gain		-	112
Administration expenses		(599,953)	(341,806)
Amortisation expense		(610,756)	(414,304)
Compliance & professional expenses		(769,378)	(1,510,687)
Cost of sales		(116)	(18,002)
Depreciation expense	11	(3,892)	(7,063)
Employee benefits	3	(3,648,518)	(2,333,125)
Finance costs		(14,748)	(18,945)
Foreign exchange loss		(12,458)	(26,271)
Impairment on intangibles	12	(1,433,039)	-
Impairment on equity investment		-	(105,325)
Marketing & promotional		(66,022)	(792,888)
Occupancy		-	(16,620)
Tournament operations		(251,049)	(446,616)
Travel expenses		(82,909)	(9,385)
Loss before income tax expense		**(7,126,011)**	**(5,483,432)**
Income tax expense	4	-	-
Total comprehensive loss for the period		**(7,126,011)**	**(5,483,432)**
Basic and diluted earnings per share (cents per share)	21	(0.20)	(0.22)

The Company’s potential ordinary shares were not considered dilutive as the Company is in a loss position.

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2021

	Note	2021 $	2020 $
CURRENT ASSETS			
Cash and cash equivalents	7	5,132,442	8,133,052
Trade & other receivables	8	75,535	363,770
Other assets	9	155,823	39,438
TOTAL CURRENT ASSETS		**5,363,800**	**8,536,260**
NON-CURRENT ASSETS			
Plant and equipment	11	4,663	7,064
Intangibles	12	1,268,379	1,933,119
TOTAL NON-CURRENT ASSETS		**1,273,042**	**1,940,183**
TOTAL ASSETS		**6,636,842**	**10,476,443**
CURRENT LIABILITIES			
Trade and other payables	13	268,563	311,458
Provisions	14	9,230	5,128
TOTAL CURRENT LIABILITIES		**277,793**	**316,586**
TOTAL LIABILITIES		**277,793**	**316,586**
NET ASSETS		**6,359,049**	**10,159,857**
EQUITY			
Issued capital	15	46,992,642	45,619,522
Reserves	16	11,693,615	9,741,532
Accumulated losses	17	(52,327,208)	(45,201,197)
TOTAL EQUITY		**6,359,049**	**10,159,857**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2021

	Issued Capital	**Accumulated Losses**	**Option Reserve**	**Share Based Payments Reserve**	**Acquisition Reserve-Controlling Interest**	**Total**
	$	**$**	**$**	**$**		**$**
Balance at 1 January 2021	**45,619,522**	**(45,201,197)**	**7,730,227**	**2,307,226**	**(295,921)**	**10,159,857**
Total comprehensive income for the year						
Loss for the period	-	(7,126,011)	-	-	-	(7,126,011)
Other comprehensive income	-					
	-	(7,126,011)	-	-	-	(7,126,011)
Transaction with owners in their capacity as owners:						
Issue of shares – capital raising (net of expenses)	1,588,000	-	-	-	-	1,588,000
Issue of share-based payments	105,120	-	18,324	1,613,759	-	1,737,203
Reclassification of free attaching options – cap raising	(320,000)	-	320,000	-	-	-
Balance at 31 December 2021	**46,992,642**	**(52,327,208)**	**8,068,551**	**3,920,985**	**(295,921)**	**6,359,049**

	Issued Capital	**Accumulated Losses**	**Option Reserve**	**Share Based Payments Reserve**	**Acquisition Reserve-Controlling Interest**	**Total**
	$	**$**	**$**	**$**		**$**
Balance at 1 January 2020	40,439,178	(39,717,765)	4,358,558	1,334,841	(295,921)	6,118,891
Total comprehensive income for the year						
Loss for the period	-	(5,483,432)	-	-	-	(5,483,432)
Other comprehensive income	-	-	-	-	-	-
	-	(5,483,432)	-	-	-	(5,483,432)
Transaction with owners in their capacity as owners:						
Issue of shares – capital raising (net of expenses)	7,685,570	-	-	-	-	7,685,570
Issue of share-based payments	15,750	-	170,849	972,385	-	1,158,984
Issue of options to brokers		-	820	-	-	820
Issue of shares – HOA	12,024	-	-	-	-	12,024
Reclassification of free attaching options – cap raising	(3,200,000)	-	3,200,000	-	-	-
Redemption of Performance Shares	667,000	-	-	-	-	667,000
Balance at 31 December 2020	**45,619,522**	**(45,201,197)**	**7,730,227**	**2,307,226**	**(295,921)**	**10,159,857**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2021

	Note	2021 $	2020 $
Cash Flows from Operating Activities			
- Receipts from customers		314,302	291,062
- Interest received		2,531	3,067
- Payments to suppliers and employees		(3,707,512)	(3,491,570)
- Payment of rent bond		-	(32,369)
- Receipt of government grant and tax incentives		212,548	100,000
Net cash used in operating activities	21 (a)	(3,178,131)	(3,129,810)
Cash Flows from Investing Activities			
- Payment for plant and equipment		(1,492)	-
- Payment for intangibles		(1,379,055)	(982,175)
- Proceeds from sale of investments		43,846	45,391
Net cash used in investing activities		(1,336,701)	(936,784)
Cash Flows from Financing Activities			
- Proceeds from issue of shares		1,600,000	8,015,750
- Proceeds from exercise of options		-	667,820
- Payments for cost of issue of shares		(73,320)	(750,983)
Net cash provided by financing activities		1,526,680	7,932,587
Net increase/(decrease) in cash and cash equivalents held		(2,988,152)	3,865,993
Cash and cash equivalents at beginning of financial period		8,133,052	4,293,217
Effect of movement in exchange rates on cash held		(12,458)	(26,158)
Cash and cash equivalents at end of financial period	21 (b)	**5,132,442**	**8,133,052**

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

eSports Mogul Limited (the "Company") is a Company domiciled in Australia and listed on the ASX.

The consolidated financial statements of the Company as at and for the year ended 31 December 2021 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates and jointly controlled entities.

The principal activities of the Group primarily are an esports media and software business. At its core is the mogul.gg tournament platform technology – a tournament and matchmaking platform with automation for major esports titles.

Basis of Preparation
The accounting policies set out below have been consistently applied to all years presented.

Statement of Compliance
The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) as issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 for profit oriented entities. The consolidated financial report of the Group comply with International Financial Reporting Standards (lFRSs) as issued by the International Accounting Standards Board.

The consolidated financial statements were authorised for issue by the Board of Directors on 25th February 2022.

Basis of Measurement
The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- financial instruments at fair value through profit or loss are measured at fair value
- liabilities for cash-settled share-based payment arrangements are measured at fair value

Functional and Presentation Currency
These consolidated financial statements are presented in Australian dollars, which is the Group's functional currency.

Use of Estimates and Judgements
The preparation of financial statements in conformity with AASBs 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 may differ from these estimates.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Critical Accounting Judgements, Estimates and Assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Share Based Payment Transactions
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using either a binomial option pricing model or Black Scholes Model.

Income Tax Expenses
Judgement is required in assessing whether deferred tax assets and liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from temporary differences, are recognised only when it is considered more likely than not that they will be recovered, which is dependent on the generation of future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised.

Fair Value Measurement
The Group measures financial instruments, such as derivatives, at fair value at each balance sheet date. The fair values of financial instruments measured at amortised cost are disclosed in Note 27. Also, from time to time, the fair values of non-financial assets and liabilities are required to be determined, e.g., when the entity acquires a business, or where an entity measures the recoverable amount of an asset or cash-generating unit (CGU) at fair value less costs of disposal.

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 of an asset or 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. Changes in estimates and assumptions about these inputs could affect the reported fair value.

Going concern
The consolidated financial statement has been prepared on a going concern basis, which assumes the continuity of normal business activities and the settlement of liabilities in the normal course of business. During the year ended 31 December 2021 the Group incurred net loss after tax of $7,126,011 (2020: loss of $5,483,432). In determining that the going concern basis is appropriate, the directors have had regard to: - the Group's ability to raise equity; - Current Assets exceeds all Liabilities by $5.086m; - The potential sale value of the intangible asset. The Group's ability to continue to operate as a going concern is dependent upon these items. Should these events not occur as anticipated, the Group may not be able to pursue its business objectives and will have difficulty continuing to operate as a going concern, including realising its assets and extinguishing its liabilities at the amounts shown in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of eSports Mogul Limited ('company' or 'parent entity') as at 31 December 2021 and the results of all subsidiaries for the year then ended. eSports Mogul Limited and its subsidiaries together are referred to in these financial statements as the 'group entity'.

Subsidiaries are all those entities over which the parent entity is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect returns through its power over the entity, generally accompanying a shareholding of more than one-half of the voting rights. The effects of potential exercisable voting rights are considered when assessing whether control exists. Subsidiaries are fully consolidated from the date on which control is transferred to the group entity. They are de-consolidated from the date that control ceases.

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. Refer to the 'business combinations' accounting policy for further details. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the group entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the group entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The group entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(c) Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument, is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

(d) Income Tax

Current Tax
Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred Tax
Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither that accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences will not reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity are not in the profit or loss in the statement of comprehensive income.

(e) Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses.

Impairment
The carrying amounts of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If any such indication exists and where the carrying values exceed the recoverable amount, the assets or cash generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognised in the profit or loss in the statement of comprehensive income in the cost of sales line item.

Depreciation
The depreciable amount of all fixed assets is depreciated on a diminishing value basis over their useful lives to the Group commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets vary from 40% to 50%.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Leases

The Group as lessee

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

– fixed lease payments less any lease incentives;
– variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
– the amount expected to be payable by the lessee under residual value guarantees;
– the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
– lease payments under extension options, if lessee is reasonably certain to exercise the options; and
– payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Group anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(g) Earnings Per Share

Basic earnings per share ("EPS") is calculated by dividing the net loss attributable to members for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated as net loss attributable to members, adjusted for, costs of servicing equity (other than dividends) and preference share dividends; the after tax effect of dividends and interest associated with dilutive potential ordinary shares that would have been recognised as expenses; and other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Revenue
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The Group has concluded that it is the principal in all of its revenue arrangements, since it is the primary obligator in all revenue arrangements, has pricing latitude and is also exposed to inventory and credit risks. The specific recognition criteria described below must also be met before revenue is recognised.

Government grants
Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Grants that compensate the Group for expenses incurred are recognised in profit or loss; within 'Other income'; on a systematic basis in the periods in which the expenses are recognised. Note 2 provides further information on government grants. For the year ended 31 December 2021, the Group self-assessed its eligibility to access Australian government COVID-19 related grants. There were no unfulfilled conditions or other contingencies attaching to these government grants.

Interest income
Interest income is accrued when earnt.

Licensing Fee Revenue
License fee revenue comprises of fees for service to provide tournament hosting to clients. Clients would pay on account at agreed completed milestones throughout the engagement.

Other Revenue
Other revenue comprises of revenue that is not license fee revenue and not considered normal business activity. Examples include the sale of assets and government grants.

(i) Cash and Cash Equivalents
Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(j) Goods and Services Tax (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Impairment

Financial Assets
A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in Groups that share similar credit risk characteristics. All impairment losses are recognised either in the profit or loss in the statement of comprehensive income or revaluation reserves in the period in which the impairment arises.

Non-Financial Assets
The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit or loss in the statement of comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units, then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exits.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Investments

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

After initial recognition, investments, which are classified as held as financial assets at fair value through profit and loss, are measured at fair value. Gains or losses on investments held as financial assets at fair value are recognised in the profit or loss in the statement of comprehensive income.

For investments that are actively traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the reporting date.

(m) Intangible Assets

Licences

Licences that the Company acquires are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the term of the licence. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period.

Software under development and acquired

Costs incurred in developing products or systems and costs incurred in acquiring software and licences that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and services and employee costs.

Assets in the course of construction include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the Company has an intention and ability to use the asset.

Other licences that the Company acquires are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period.

The Razer license fee is amortised over a useful life of 2 years and has been fully amortised. The Mogul Platform is amortised over a useful life of 5 years.

(n) Provisions

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 outlay of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss in the statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

(p) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of consideration to be paid in the future for goods and services received, whether or not billed to the Group.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

(q) Share-Based Payment Transactions

The Company provides benefits to employees (including Directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transaction").

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using either the binomial option pricing model or Black Scholes model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date").

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at reporting date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Issued Capital

Ordinary shares are classified as equity.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(s) Trade and Other Receivables

The Company applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 8. The class of assets described as "trade and other receivables" is considered to be the main source of credit risk related to the Group.

On a geographical basis, the Company's credit risk exposure is located in Singapore and Australia.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor (where applicable) and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operates and an assessment of both the current and the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques used or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery; for example, when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two or more years past due, whichever occurs earlier. None of the trade receivables that have been written off are subject to enforcement activities.

(t) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(u) Fair Value Measurement

Fair values of financial instruments measured at fair value through profit and loss are disclosed in Note 27.

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
- 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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 value measured or disclosed in the 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest-level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Board determines the policies and procedures for both recurring fair value measurement, such as derivatives, and non-recurring measurement, such as impairment tests.

At each reporting date, the Board analyses the movements in the values of assets and liabilities which are required to be re-measured or reassessed as per the Group's accounting policies. For this analysis, the Board verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents

The Board also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(v) **New and amended accounting standards adopted by the Group**

The Group has adopted all standards which became effective for the first time at 31 December 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

2. REVENUE FROM CONTINUING ACTIVITIES	**2021 $**	**2020 $**
License income	260,837	44,118
Fees charged on withdrawals	1,126	4,387
Subscriptions	(189)	112,416
Tournament entry fees	-	92,150
Interest received	2,531	3,067
Other revenue	-	47,483
	264,305	303,621

2a. OTHER INCOME		
Cashflow Boost	-	100,000
Government Grants	17,500	-
EDMG Grant	41,175	-
Proceeds from sale of assets	43,846	-
R&D revenue	-	153,872
	102,522	253,872

3. EXPENSES

Loss has been determined after the following specific expenses:		
- Auditing or reviewing the financial report	43,264	45,000
- Depreciation	3,892	7,063
- Amortisation	610,756	414,304
- Operating lease expense – rental	-	16,620
Employee benefits expense:		
- Annual leave	4,102	5,250
- Director’s fees	150,630	157,532
- Recruitment	54,188	139,775
- Share based payments	1,679,029	1,170,289
- Superannuation	15,478	54,546
- Wages	1,745,091	805,733
	3,648,518	2,333,125
Impairment:		
- Impairment on intangibles	1,433,039	-
- Impairment on equity investments	-	105,325
	1,433,039	105,325

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

4. INCOME TAX

(a) The components of tax expense comprise:	2021 $	2020 $
Current income tax	-	-
Deferred tax	-	-
	-	-

(b) The prima facie tax benefit on loss from ordinary activities before income tax is reconciled to the income tax as follows:

	2021 $	2020 $
Prima facie tax benefit on loss from ordinary activities before income tax at 26% (2020: 27.5%) from continuing operations	(1,959,653)	(1,550,283)
Add tax effect of:		
- Other non-allowable items	450,521	322,416
- Revenue losses not recognised	1,534,192	1,258,852
- Other deferred tax balances not recognised	(25,060)	(3,485)
- Other non-assessable items	-	(27,500)
Income tax benefit reported in the consolidated statement of profit or loss and other comprehensive income from continuing operations	-	-

(c) Unrecognised deferred tax assets at 26% (2020: 27.5%) (Note 1):	2021 $	2020 $
Carried forward revenue losses	8,404,917	7,429,493
Carried forward capital losses	3,541,332	3,541,332
Capital raising costs	124,193	170,726
Provisions and accruals	24,044	5,226
Financial investments	-	28,964
Impairment of Asset	394,086	-
	12,488,572	11,175,741

(d) The tax benefits of the above Deferred Tax Assets will only be obtained if:

(i) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
(ii) the Group continues to comply with the conditions for deductibility imposed by law; and
(iii) no changes in income tax legislation adversely affect the Group in utilising benefits.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

4. INCOME TAX (Continued)

(e) Tax Consolidation

eSports Mogul Limited and its wholly owned Australian resident subsidiaries formed a tax consolidated group with effect from 5 February 2014. eSports Mogul Limited is the head entity of the tax consolidated group.

Note 1 - the corporate tax rate for eligible companies will reduce from 27.5% to 25% by 30 June 2022 providing certain turnover thresholds and other criteria are met. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised or the liability is settled. The Directors have determined that the deferred tax balances be measured at the tax rates stated.

	2021 $	**2020 $**
5. AUDITOR'S REMUNERATION		
Remuneration of the auditor Moore Australia:		
Auditing and reviewing the financial statements of Group	43,264	45,000

6. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

No dividends were paid during the year. No recommendation for payment of dividends has been made.

	2021 $	**2020 $**
7. CASH AND CASH EQUIVALENTS		
Current		
Cash at bank and on hand	5,132,442	8,133,052

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

8. TRADE AND OTHER RECEIVABLES	2021 $	2020 $
Current		
Trade receivables[1]	23,448	82,672
Other receivables	-	-
R&D receivable	-	153,872
GST receivable	52,087	127,226
	75,535	363,770

[1] *Aging of gross carrying amounts due*		
0-30 days	-	12,433
30-60 days	23,448	52,864
60-90 days	-	2,195
90+ days	-	15,180
Total	23,448	82,672

[1]This is net trade receivables which comprises of $78,620 less the loss allowance provision as at 31 December 2021 which is $55,172.

The Company applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Credit risk

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 8. The class of assets described as "trade and other receivables" is considered to be the main source of credit risk related to the Group.

On a geographical basis, the Company's credit risk exposure is located in Australia and Singapore.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor (where applicable) and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operates and an assessment of both the current and the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques used or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery; for example, when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two or more years past due, whichever occurs earlier. None of the trade receivables that have been written off are subject to enforcement activities.

The Company does not currently hold any collateral as security.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

9. OTHER ASSETS

	2021 $	2020 $
Current		
Prepayments	7,885	3
Bond on office rental	31,753	39,435
Amex	116,185	-
	155,823	39,438

10. INTERESTS IN CONTROLLED ENTITIES

(a) Controlled entities consolidated

The consolidated financial statements incorporate the assets, liabilities, and the results of the following subsidiaries in accordance with the accounting policy described in Note 1(b):

Name	Country of Incorporation	Class of Shares	Equity Holding*		Investment($)	
			2021	2020	2021	2020
eSports Nominees Pty Ltd	Australia	Ordinary	100%	100%	-	-
SEA Esports Pte Ltd	Singapore	Ordinary	100%	100%	95	95
GameGeek Pte Ltd	Singapore	Ordinary	100%	100%	-	-
eSports Mogul LLC	United States	Ordinary	100%	N/A	-	-
					95	95

* Percentage of voting power is in proportion to ownership.

11. PLANT AND EQUIPMENT

	2021 $	2020 $
Office Equipment		
At cost	35,743	34,252
Accumulated depreciation	(31,080)	(27,188)
Total	4,663	7,064

Movements in carrying amounts

	2021 $	2020 $
Office Equipment		
Carrying amount at beginning of reporting period	7,064	14,127
Additions	1,491	-
Disposals	-	-
Depreciation expense	(3,892)	(7,063)
Carrying amount at end of reporting period	4,663	7,064

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

12. INTANGIBLES

	2021	2020
Non-Current	**$**	**$**
Mogul Platform		
Razer licence fee – at cost[1]	271,712	271,712
Accumulated amortisation	(271,712)	(271,712)
WDV Razer	-	-
Mogul platform – at cost[2]	3,879,455	2,500,400
Accumulated amortisation	(1,178,037)	(567,281)
Accumulated impairment	(1,433,039)	-
WDV Mogul	1,268,379	1,933,119
Total cost	**4,151,166**	**2,772,112**
Total accumulated amortisation	**(1,449,748)**	**(838,993)**
Total impairments	**(1,433,039)**	**-**
WDV	**1,268,379**	**1,933,119**

[1] The licence fee relates to the Razer (Asia-Pacific) Pte Ltd Tournament Platform, that has subsequently been renamed "Mogul" and ran for an initial 2-year period. The license fee has been fully amortised.

[2] Relates to costs associated with building out the Mogul Platform with additional functionality, games, etc. The Group is amortising the costs over a period of 5 years.

As the company takes a different strategic direction the platform has been assessed for its future value. Specifically, the components of the platform that will form part of this new commercial direction. Certain areas of the platform will no longer be utilised, as a result and have been assessed to no longer have commercial value to the company.

Understanding this assessment, the Mogul Platform has been impaired as at 31 December 2021. The impairment was assessed in relation to the current trading position of the company and future commercial value of the platform under the guidance of relevant accounting standards.

13. TRADE AND OTHER PAYABLES

	2021	2020
Current (unsecured)	**$**	**$**
Trade creditors [1]	66,771	154,004
Other creditors & accruals [2]	201,792	157,454
	268,563	311,458

Terms and conditions relating to the above financial instruments.

1. *Trade creditors are non-interest bearing and generally on 30 day terms.*
2. *Other creditors are non-interest bearing have no fixed repayment terms.*

For further details refer to note 19 Financial Instruments.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

14. PROVISIONS	**2021**	**2020**
	$	**$**
Current		
Employee benefits	9,231	5,128

There are currently two employees and four contractors in the company. Of the six people four of them are Directors of the company

15. ISSUED CAPITAL	**2021**	**2020**
	$	$
(2021: 3,221,993,962) fully paid ordinary shares	46,992,642	45,619,522

(a) Movements in fully paid ordinary shares on issue	**2021**	
	$	**Number**
At the beginning of the reporting period	45,619,522	2,877,166,328
Shares issued during the period:		
Issue of shares on exercise of performance rights	-	14,625,000
Issue of shares to employee under their employment agreement	-	5,144,771
Issue of shares to directors in lieu of remuneration	105,120	5,057,863
Capital raising – placement	1,600,000	320,000,000
Reclass of free attaching options from issued capital to options reserve	(320,000)	-
Capital raising costs	(12,000)	-
Balance at 31 December 2021	46,992,642	3,221,993,962

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

15. ISSUED CAPITAL (Continued)

	2020 $	Number
At the beginning of the reporting period	40,439,178	2,031,084,275
Shares issued during the period:		
Issue of shares on exercise of performance rights	-	4,978,000
Capital raising – placement	30,000	5,000,000
Issue of shares under employee incentive plan	12,024	2,004,053
Issue of shares under Heads of Agreement	15,750	750,000
Capital raising – placement	8,000,000	800,000,000
Issue of shares on exercise of performance rights	667,000	33,350,000
Reclass of free attaching options from issued capital to options reserve	(3,200,000)	-
Capital raising costs	(344,430)	-
Balance at 31 December 2020	45,619,522	2,877,166,328

(b) Terms of Ordinary Shares

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held.

At shareholder's meetings each ordinary share is entitled to one vote in proportion to the paid up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands. These fully paid ordinary shares have no par value.

(c) Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Group's activities, being an eSports media software business, it does not have ready access to credit facilities, with the primary source of funding being equity raisings, given the early stage of its business. Accordingly, the objective of the Group's capital risk management is to balance the current working capital position against the requirements of the Group to meet the building of its eSports media and software business and general corporate overheads. This is achieved by maintaining appropriate liquidity to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The Group is not subject to any externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

16. RESERVES	**2021 $**	**2020 $**
OPTION RESERVES		
642,000,000 (2020: 847,150,000) options	8,068,551	7,730,227

(a) Movements in listed options on issue:	**2021 $**	**2021 Number**
Options		
At the beginning of the reporting period	7,730,227	847,150,000
Options issued during the period:		
Free attaching options issued as part of capital raising to subscribers	320,000	160,000,000
Expense as part of Employee Incentive Plan	18,324	-
Expiry of unlisted options	-	(340,150,000)
Cancellation of employee options	-	(25,000,000)
Balance at 31 December 2021	8,068,551	642,000,000

	2020 $	**2020 Number**
Options		
At the beginning of the reporting period	4,358,558	225,000,000
Options issued during the period:		
Issued as part of capital raising to subscribers	-	598,500,000
Issued as part of capital raising to brokers	820	82,000,000
Expense as part of Employee Incentive Plan	170,849	-
Reclass of free attaching options from issued capital to options reserve	3,200,000	-
Exercise of Unlisted Options	-	(33,350,000)
Cancellation of Employee Incentive Plan	-	(25,000,000)
Balance at 31 December 2020	7,730,227	847,150,000

(b) Terms of Options

At the end of reporting period, there are 642,000,000 options over unissued shares as follows:

Expiry Date	**Exercise Price**	**Number of Options**
31 October 2022	$0.02	482,000,000
30 November 2023	$0.01	160,000,000
		642,000,000

SHARE BASED PAYMENTS RESERVE	**2021 $**	**2020 $**
Share based payments at the beginning of the reporting period	2,307,226	1,334,841
Employee equity settled transactions (refer note 23)	1,613,760	972,385
Redemption of Performance Shares		-
Share based payments at the end of the reporting period	3,920,986	2,307,226

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

17. ACCUMULATED LOSSES

	2021 $	2020 $
Accumulated losses at the beginning of the reporting period	(45,201,197)	(39,717,765)
Net loss attributable to members	(7,126,011)	(5,483,432)
Accumulated losses at the end of the reporting period	(52,327,208)	(45,201,197)

18. RELATED PARTY DISCLOSURES

(a) Parent entity

The ultimate parent entity within the Group is eSports Mogul Limited.

(b) Intercompany transactions

Loans

eSports Mogul Limited has provided an unsecured, interest free loan to its wholly owned subsidiary, eSports Nominees Pty Ltd totalling $1,740,190 (2020: $1,782,936) at reporting date. The Company has made a provision for impairment against the loan of $1,740,190 (2020: $1,782,936) during the year ended 31 December 2021. There were repayments totalling $42,746 (2020: $Nil) made during the year. This loan can be recalled on demand.

eSports Mogul Limited has provided an unsecured, interest free loan to its wholly owned subsidiary, SEA Esports Pte Ltd totalling $9,024,599 (2020: $7,324,556) at reporting date. The Company has made a provision for impairment against the loan of $9,024,599 (2020: $7,324,556) during the year ended 31 December 2021. There were no repayments made during the year. This loan can be recalled on demand.

eSports Mogul Limited has provided an unsecured, interest free loan to its wholly owned subsidiary GameGeek Pte Ltd totalling $236,764 (2020: $232,626) at reporting date. The Company has made a provision for impairment against the loan of $236,764 (2020: $232,626) during the year ended 31 December 2021. There were no repayments made during the year. This loan can be recalled on demand.

(c) Loans to key management personnel

There was no loan to key management personnel for the financial year ended 31 December 2021.

(d) Executive Agreement

On 20 December 2021, the Company entered into an Agreement with Mr Abl as Executive Chairman of Esports Mogul Limited. Pursuant to the term of the Agreement, Mr Abl will be paid $10,000 per month in addition to his director fees via the issue of 1,666,666 fully paid ordinary shares (deemed issued price of $0.006) in the company per month (10,000,000 fully paid ordinary over initial 6 months period of the agreement).

The issue of the fully paid ordinary shares will be subject to shareholder approval at a meeting of shareholders. If shareholder approval at a meeting of the shareholders is not obtained the amount will be paid in cash.

Either Mr Abl or the Company may terminate the Consultancy Agreement at any time in writing.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

18. RELATED PARTY DISCLOSURES (Continued)

On 15 December 2021, The Company entered into a consultancy agreement with Mr Bergstresser as Executive Director. Pursuant to the term of the Agreement, Mr Bergstresser will be paid $10,000 per month ($60,000 in total) in addition to his Director fees via the issue of 1,666,666 fully paid ordinary shares (deemed issued price of $0.006) in the company per month (10,000,000 fully paid ordinary shares in total over the initial 6 months period of the consultancy agreement).

The issue of the fully paid ordinary shares will be subject to shareholder approval at a meeting of shareholders. If shareholder approval at a meeting of the shareholders is not obtained the amount will be paid in cash.

Either Mr Bergstresser or the Company may terminate the Consultancy Agreement at any time in writing.

Payments totalling $Nil (2020: $222,813) were also made to CSNA Pty Ltd ATF CGL Trust, an entity of which Mr Abl is a beneficiary, for services provided by Mr Abl in relation to the short term incentives per his Letter of Appointment and other consulting services.

For the year ended 31 December 2021:
- $98,775 including statutory superannuation (2020: $253,472) was paid to Mr Abl.
- $Nil (2020: $222,813) excluding GST was paid to CSNA Pty Ltd ATF CGL Trust.

(f) Key management personnel compensation

	2021 $	2020 $
The key management personnel compensation comprised:		
Short term employment benefits	567,836	995,376
Post employment benefits	11,452	49,598
Share based payments	336,255	501,858
	915,543	1,546,832

Detailed remuneration disclosures are provided in the Remuneration Report on pages 12 to 21.

19. FINANCIAL INSTRUMENTS

(a) Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash, short term deposits and equity investments. The main purpose of the cash and term deposit is to earn the maximum amount of interest at a low risk to the Group. The Group also has other financial instruments such as trade debtors and creditors which arise directly from its operations. For the period under review, it has been the Group's policy not to trade in financial instruments.

The directors' overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

19. FINANCIAL INSTRUMENTS (Continued)

Financial Risk Exposures and Management

The main risks arising from the Group's financial instruments are foreign currency risk, interest rate risk, credit risk and equity price risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

(i) Interest Rate Risk

The Group is exposed to movements in market interest rates on short term deposits. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The Group does not have short or long term debt, and therefore this risk is minimal.

(ii) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group does not have any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the economic entities' maximum exposure to credit risk.

(iii) Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows. The Group does not have any significant liquidity risk as the Group does not have any collateral debts.

(iv) Equity Price Risk

Price risk relates to the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market prices for equities. The Group is exposed to equity price risk, which arises from financial assets at fair value through profit and loss of equity investments held. Such risk is managed through diversification of investments across industries and geographical locations.

(v) Equity Price Risk Sensitivity Analysis

	2021 **$**	**2020** **$**
Change in profit/(loss)		
Increase in financial assets at fair value through profit and loss by 10%	-	-
Decrease in financial assets at fair value through profit and loss by 10%	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

19. FINANCIAL INSTRUMENTS (Continued)

Change in equity	**2021 $**	**2020 $**
Increase in financial assets at fair value through profit and loss by 10%	-	-
Decrease in financial assets at fair value through profit and loss by 10%	-	-

There have been no changes in any of the methods or assumptions used to prepare the above sensitivity analysis from the prior year.

(b) Financial Instrument Composition and Maturity Analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts might not reconcile to the statement of financial position.

2021	**Weighted Average Effective Interest Rate**	**Floating interest rate**	**Fixed Interest Rate Maturing**		**Non-Interest bearing**
			Within 1 year	**Over 1 year**	
	%	**$**	**$**	**$**	**$**
Financial Assets					
Cash at bank	0.05%	5,086,480	-	-	45,962
Trade & other receivables		-	-	-	75,535
Equity investment		-	-	-	-
Total Financial Assets		5,086,480	-	-	121,497
Financial Liabilities					
Trade & other creditors		-	-	-	268,563
Total Financial Liabilities		-	-	-	268,563

2020	**Weighted Average Effective Interest Rate**	**Floating interest rate**	**Fixed Interest Rate Maturing**		**Non-Interest bearing**
			Within 1 year	**Over 1 year**	
	%	**$**	**$**	**$**	**$**
Financial Assets					
Cash at bank	0.09%	8,126,604	-	-	6,449
Trade & other receivables		-	-	-	363,770
Equity investment		-	-	-	-
Total Financial Assets		8,126,604	-	-	370,219
Financial Liabilities					
Trade & other creditors		-	-	-	311,458
Total Financial Liabilities		-	-	-	311,458

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

19. FINANCIAL INSTRUMENTS (Continued)

	2021 $	2020 $
Trade and sundry payables are expected to be paid as follows:		
Less than 6 months	268,563	311,458
6 months to 1 year	-	-
1-5 years	-	-
	268,563	311,458

(c) Net Fair Value of Financial Assets and Liabilities

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	2021 Carrying Value $	2021 Fair Value $	2020 Carrying Value $	2020 Fair Value $
Consolidated				
Cash and cash equivalents	5,132,442	5,132,442	8,133,052	8,133,052
Receivables	75,535	75,535	363,770	363,770
Equity investment	-	-	-	-
Consideration held in escrow	-	-	-	-
Payables	(268,563)	(268,563)	(311,458)	(311,458)
	4,939,414	4,939,414	8,185,364	8,185,364

(d) Interest Rate Sensitivity Analysis

At 31 December 2021, the effect on loss and equity as a result of changes in the interest rate, with all other variable remaining constant would be as follows:

	2021 $	2020 $
Change in profit/(loss)		
Increase in interest rate by 1% (100 basis points)	57,965	35,276
Decrease in interest rate by 1% (100 basis points)	(57,965)	(35,276)
Change in equity		
Increase in interest rate by 1% (100 basis points)	57,965	35,276
Decrease in interest rate by 1% (100 basis points)	(57,965)	(35,276)

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

19. FINANCIAL INSTRUMENTS (Continued)

(e) Foreign Currency Exchange Rate Sensitivity Analysis

The Group's main foreign currency risk arises from cash and cash equivalents held in foreign currency bank accounts and trade and other payable amounts denominated in currencies other than the functional currency. At 31 December 2021 and 31 December 2020, the Group's exposure to foreign currency risk is not considered material.

20. EARNINGS PER SHARE

	2021 $	2020 $
(a) (Loss) used in the calculation of basic and dilutive earnings per share for continuing operations	(7,126,011)	(5,483,432)

	Number of shares 2021	*Number of shares 2020*
(b) Weighted average number of ordinary shares outstanding during the reporting period used in calculation of basic and diluted earnings per share	3,582,899,170	2,500,221,364

21. CASH FLOW INFORMATION

(a) Reconciliation of cash flow from operations with loss from ordinary activities after income tax.	**2021 $**	**2020 $**
Loss after income tax	(7,126,011)	(5,483,432)
Adjustment for;		
- Depreciation	3,892	7,063
- Share based payments	1,816,967	1,155,258
- Annual leave accrual	4,102	5,251
- Unrealised foreign exchange gain	12,458	26,158
- Amortisation	610,756	414,304
- Impairment on intangibles	1,433,039	-
- Impairment on equity investments	-	105,325
- Proceeds from sales of investment	(43,846)	-
- Transaction costs related to issues of equity securities	61,320	-
- Bad Debt expenses	55,171	-
Changes in assets and liabilities		
- (Increase)/Decrease in trade and other receivables	104,895	269,112
- (Increase)Decrease in deposits	7,683	(7,066)
- Increase/(Decrease) in trade and other payables	(118,557)	378,217
Net cash flow used in operating activities	(3,178,131)	(3,129,810)

(b) Reconciliation of cash and cash equivalents	**2021 $**	**2020 $**
Cash and cash equivalents comprises:		
Cash at bank and on hand	5,132,442	8,133,052

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

21. CASH FLOW INFORMATION (Continued)

(c) Non-cash financing and investing activities

The was no non-cash financing and investing activities during the financial year.

22. SHARE BASED PAYMENTS

Recognised employee share based payment expenses

The expense recognised for employee services received during the period are as follows:

	2021 $	2020 $
Total expense rising from employee, consultant and Director share based payment transactions	1,613,759	972,385

<u>Performance Rights – 31 December 2021</u>

Director

On 26 May 2021, the Company issued 25,000,000 performance rights to Mr. Gernot Abl, as part of his Letter of Appointment and shareholder approval that was obtained on 26 May 2021.

The terms of the Performance Rights issued are as follows:-

(a) 7,500,000 Performance Rights subject to the following Tenure related vesting conditions:
- (i) 1,875,000 Performance Rights, twelve (12) months from date of employment (**Tranche 1**);
- (ii) 156,250 Performance Rights to vest on a monthly basis (1,875,000 in total) after Tranche 1 has been met but not issued until twenty four (24) months from date of employment (**Tranche 2**);
- (iii) 156,250 Performance Rights to vest on a monthly basis (1,875,000 in total) after Tranche 2 has been met but not issued until thirty six (36) months from date of employment (**Tranche 3**); and
- (iv) 156,250 Performance Rights to vest on a monthly basis (1,875,000 in total) after Tranche 3 has been met but not issued until forty eight (48) months from date of employment (**Tranche 4**).

(b) 17,500,000 Performance Rights will be subject to the following Business Performance related vesting conditions:
- (i) Milestone 1: 2,187,500 Performance Rights will independently vest (up to 4,375,000 Performance Rights in total), upon the achievement of either of the below vesting conditions being met:
  - A. 1 million Monthly Active Users (MAU's) for a consecutive 90 day period ("Active" is defined as a unique user who participates in content offered by Mogul); or
  - B. AU$2.5 million in revenue to Mogul within 24 months from date of employment.

NOTES TO THE FINANCIAL STATEMENTS
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22. SHARE BASED PAYMENTS (Continued)

(the Initial Vesting Events); and

(ii) Milestone 2: 6,562,500 Performance Rights will vest (up to 13,125,000 Performance Rights in total) provided each of the Initial Vesting Events as outlined at clause above has been met as follows:
A. 2,187,500 Performance Rights (up to 4,375,000 Performance Rights in total) twelve (12) months from date of Initial Vesting Event (Tranche 1);
B. 2,187,500 Performance Rights (up to 4,375,000 Performance Rights in total) twenty four (24) months from date of Initial Vesting Event (Tranche 2); and

C. 2,187,500 Performance Rights (up to 4,375,000 Performance Rights in total) thirty six (36) months from date of Initial Vesting Event (Tranche 3)

In the event of a Change of Control, all Performance Rights immediately vest, provided the Initial Vesting Events have been met. Any Performance Rights that do not vest and become exercisable in accordance with the Initial Vesting Events as outlined in clause (b)(i) will automatically lapse.

Any Performance Rights that do not vest and become exercisable in accordance with the Initial Vesting Events as outlined in clause (b)(i) will automatically lapse.

The value of performance rights granted during the period was calculated using the Black-Schole Option Pricing Model incorporating a Monte Carlo simulation and totalled $227,500. The expens during the period ended 31 December 2021 amounted to $1,613,759 (2020: $972,385). The values an inputs are as follows:

Director:

Performance Rights	
Performance rights issued	25,000,000
Underlying share value	$0.01
Exercise price of performance rights	Nil
Risk free interest rate	0.53%
Share price volatility	80%
Expiration period	3 September 2023
Probability of meeting milestone hurdle	100%
Valuation per performance right	$0.01

The expected life of the performance rights is based on historical data and is not necessarily indicativ of exercise patterns that may occur. The expected volatility reflects the assumption that historica volatility is indicative of future trends, which may also not necessarily be the actual outcome.

The Performance Rights were subscribed for nil consideration per Performance Right.

107,250,000 Performance Rights having been cancelled since the financial period and 14,625,000 Performance Rights have been exercised.

<u>Performance Rights – 31 December 2020</u>

Chief Executive Officer

On 26 August 2020, the Company issued 120,000,000 performance rights to Mr. Rubinelli, the Chief Executive Officer, as part of his Executive Services Agreement.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

22. SHARE BASED PAYMENTS (Continued)

The terms of the Performance Rights issued are as follows:-

(a) 36,000,000 Performance Rights will be subject to the following Tenure related vesting conditions:
- (i) 9,000,000 Performance Rights, twelve (12) months from date of employment (**Tranche 1**);
- (ii) 750,000 Performance Rights to vest on a monthly basis (9,000,000 in total) after Tranche 1 has been met but not issued until twenty-four (24) months from date of employment (**Tranche 2**);
- (iii) 750,000 Performance Rights to vest on a monthly basis (9,000,000 in total) after Tranche 2 has been met but not issued until thirty-six (36) months from date of employment (**Tranche 3**);
- (iv) 750,000 Performance Rights to vest on a monthly basis (9,000,000 in total) after Tranche 3 has been met but not issued until forty-eight (48) months from date of employment (**Tranche 4**).

(b) 84,000,000 Performance Rights will be subject to the following Business Performance related vesting conditions:
- (i) Milestone 1: 10,500,000 Performance Rights will independently vest (up to 21,000,000 Performance Rights in total), upon the achievement of either of the below vesting conditions being met:
  - A. 1 million Monthly Active Users (MAU's) for a consecutive 90-day period ("**Active**" is defined as a unique user who participates in content offer by Mogul); or
  - B. AU$2.5 million in revenue to Mogul within 24 months from date of employment.

  (together, the **Initial Vesting Events**); and

- (ii) Milestone 2: 31,500,000 Performance Rights will vest (up to 63,000,000 Performance Rights in total) provided each of the Initial Vesting Events as outlined in Milestone 1 has been met as follows:
  A. 10,500,000 Performance Rights (up to 21,000,000 Performance Rights in total) twelve (12) months from date of Initial Vesting Event (**Tranche 1**);
  B. 10,500,000 Performance Rights (up to 21,000,000 Performance Rights in total) twenty-four (24) months from date of Initial Vesting Event (**Tranche 2**); and
  C. 10,500,000 Performance Rights (up to 21,000,000 Performance Rights in total) thirty-six (36) months from date of Initial Vesting Event (**Tranche 3**).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

22. SHARE BASED PAYMENTS (Continued)

Consultants
On 24 December 2020, the Company issued 10,000,000 performance rights to a consultant.

The terms of the Performance Rights issued are as follows:-

(a) 3,000,000 Performance Rights will be subject to the following Tenure related vesting conditions:
  (i) 750,000 Performance Rights, twelve (12) months from date of employment (**Tranche 1**);

  (ii) 62,500 Performance Rights to vest on a monthly basis (750,000 in total) after Tranche 3 has been met but not issued until forty-eight (48) months from date of employment (**Tranche 4**).

(b) 7,000,000 Performance Rights will be subject to the following Business Performance related vesting conditions:
  (i) Milestone 1: 875,000 Performance Rights will independently vest (up to 1,750,000 Performance Rights in total), upon the achievement of either of the below vesting conditions being met:
    A. 1 million Monthly Active Users (MAU's) for a consecutive 90-day period ("Active" is
    defined as a unique user who participates in content offered by Mogul); or
    B. AU $2.5 million in revenue to Mogul within 24 months from 1 August 2020.
  (the **Initial Vesting Events**); and

  (ii) Milestone 2: 2,625,000 Performance Rights will vest (up to 5,250,000 Performance Rights in total) provided each of the Initial Vesting Events as outlined at clause (b)(i) above has been met as follows:
    A. 875,000 Performance Rights (up to 1,750,000 Performance Rights in total) twelve (12) months from date of Initial Vesting Event (Tranche 1);
    B. 875,000 Performance Rights (up to 1,750,000 Performance Rights in total) twenty-four (24) months from date of Initial Vesting Event (**Tranche 2**); and
    C. 875,000 Performance Rights (up to 1,750,000 Performance Rights in total) thirty-six (36) months from date of Initial Vesting Event (**Tranche 3**).

The value of performance rights granted during the period was calculated using the Black-Schole Option Pricing Model incorporating a Monte Carlo simulation and totalled $1,950,000. The expens during the period ended 31 December 2020 amounted to $412,068 (2019: $Nil). The values and input are as follows:

Chief Executive Officer:

Performance Rights	
Performance rights issued	120,000,000
Underlying share value	$0.015
Exercise price of performance rights	Nil
Risk free interest rate	0.09%
Share price volatility	80%
Expiration period	6 August 2024
Probability of meeting milestone hurdle	100%
Valuation per performance right	$0.015

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

22. SHARE BASED PAYMENTS (Continued)

Consultant:

Performance Rights	
Performance rights issued	10,000,000
Underlying share value	$0.015
Exercise price of performance rights	Nil
Risk free interest rate	0.09%
Share price volatility	80%
Expiration period	1 January 2025
Probability of meeting milestone hurdle	100%
Valuation per performance right	$0.015

The expected life of the performance rights is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

The Performance Rights were subscribed for nil consideration per Performance Right.

<u>Options – 31 December 2021</u>

On 23 December 2021, the Company issued 160,000,000 options to subscribers who participated in the placement undertaken by the Company in December 2021.

The options granted are free attaching options as part of the placement that occurred in December 2021. The value of these options is $320,000. The values and inputs are as follows:

Options	
Options issued	160,000,000
Underlying share value	$0.007
Exercise price of options	$0.01
Risk free interest rate	0.53%
Share price volatility	80%
Expiration period	30 November 2023
Probability of meeting milestone hurdle	100%
Valuation per option	$0.002

<u>Options – 31 December 2020</u>

On 28 May 2020, the Company issued 198,500,000 options to subscribers who participated in the placement undertaken by the Company in December 2019.

On 7 December 2020, the Company issued:

- 400,000,000 options to subscribers who participated in the placement undertaken by the Company in October and December 2020.
- 82,000,000 options to brokers who assisted in the placement.

The options granted are free attaching options as part of the placement that occurred in December 2019 and October and December 2020. The value of these options is $3,200,000.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

22. SHARE BASED PAYMENTS (Continued)

Employee Incentive Plan Shares – 31 December 2021

On 29 November 2021, the company issued 5,144,771 fully paid ordinary shares to an employee as part of his employment agreement, which relate to tenure of 12 months being met. The shares were issued to the employee for nil consideration.

Employee Incentive Plan Shares – 31 December 2020

On 26 October 2020, the company issued 750,000 fully paid ordinary shares under the Company's Employee Incentive Plan to a senior executive. The fair value of these shares amounted to $15,750 (2019: $Nil) and were expensed to profit and loss.

A summary of the movements of all company options issued is as follows:-

	Number	**Weighted Average Exercise Price**
Options outstanding as at 1 January 2020	**225,000,000**	**$0.02**
Options outstanding as at 31 December 2020	**847,150,000**	**$0.02**
Issued as part of capital raising	160,000,000	$0.01
Options exercised	(365,150,000)	($0.02)
Options outstanding as at 31 December 2021	**642,000,000**	**$0.017**
Options exercisable as at 31 December 2021	642,000,000	
Options exercisable as at 31 December 2020	847,150,000	

As at the date of this report, there 160,000,000 options were issued during the year and 365,150,000 options were expired during the year.

23. SEGMENT INFORMATION

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of its eSports, and corporate activities. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

Types of reportable segments

(i) eSports

Segment assets, such as equity investments and intangible assets and all expenses related to the eSports business are reported on in this segment.

(ii) Unallocated

Corporate, including treasury, corporate and regulatory expenses arising from operating an entity. Corporate assets, including cash and cash equivalents are reported in this segment.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

23. SEGMENT INFORMATION (Continued)

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the consolidated entity.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Segment liabilities include trade and other payables.

The following represents revenue, profit information, for reportable segments for the period ended 31 December 2021

2021	**eSports**	**Unallocated**	**Total**
	$	**$**	**$**
Revenue from continuing operations			
Proceeds from sale of assets	-	43,846	43,846
Fees charged on withdrawals	1,126	-	1,126
Interest revenue	-	2,531	2,531
License income	-	260,837	260,837
Other Revenue	-	58,676	58,676
Subscriptions	(189)	-	(189)
- Administration	(29,691)	(570,262)	(599,953)
- Amortisation	(610,756)	-	(610,756)
- Compliance & Professional	(19,789)	(749,589)	(769,378)
- Depreciation	-	(3,892)	(3,892)
- Employee Benefits	-	(3,648,518)	(3,648,518)
- Finance	(11,460)	(3,288)	(14,748)
- Foreign Exchange Gain/(Loss)	(6,843)	(5,615)	(12,458)
- Impairment of Intangibles	(1,433,039)	-	(1,433,039)
- Marketing & Promotional	(30,066)	(35,956)	(66,022)
- Tournament Operations	(246,741)	(4,308)	(251,049)
- Travel	-	(82,908)	(82,908)
Net profit/(loss) before tax from continuing operations	**(2,387,448)**	**(4,738,563)**	**(7,126,011)**
Segment assets	1,268,379	5,368,463	6,636,842
Segment liabilities	4,579	273,214	277,793

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

23. SEGMENT INFORMATION (Continued)

2020	**eSports**	**Unallocated**	**Total**
	$	**$**	**$**
Revenue from continuing operations			
Cash flow boost	-	100,000	100,000
Fees charged on withdrawals	4,387	-	4,387
Interest revenue	-	3,067	3,067
License income	-	44,118	44,118
Other Revenue	-	47,483	47,483
R&D Revenue	-	153,872	153,872
Subscriptions	112,416	-	112,416
Tournament entry fees	92,150	-	92,150
- Administration	(65,938)	(275,870)	(341,808)
- Amortisation	(414,304)	-	(414,304)
- Cost of sales	-	(18,002)	(18,002)
- Compliance & Professional	(17,751)	(1,492,935)	(1,510,686)
- Depreciation	-	(7,063)	(7,063)
- Employee Benefits	-	(2,333,125)	(2,333,125)
- Finance	(6,196)	(12,749)	(18,945)
- Foreign Exchange Gain/(Loss)	4,680	(4,568)	112
- Impairment of Intangibles	(67,325)	(38,000)	(105,325)
- Marketing & Promotional	(713,027)	(79,861)	(792,888)
- Occupancy	-	(16,620)	(16,620)
- Tournament Operations	(464,616)	-	(446,616)
- Travel	-	(9,385)	(9,385)
Net profit/(loss) before tax from continuing operations	**(1,495,330)**	**(3,988,102)**	**(5,483,432)**

2020			
	$	**$**	**$**
Segment assets	1,967,283	8,509,160	10,476,443
Segment liabilities	27,295	289,291	316,586

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

23. SEGMENT INFORMATION (Continued)

Revenue by geographical region
There was $937 in revenue attributable to external customers for the period ended 31 December 2021 (2020: $208,953), which relates to Asia.

Assets by geographical region
The only reportable segment assets located outside of Australia as at 31 December 2021 totalling $1,268,379 (2020: $1,967,283) are:-

- Intangibles of $1,268,379 in Singapore (2020: $1,967,283).

24 EVENTS SUBSEQUENT TO REPORTING DATE

COVID-19 and its impact on the Company has created unprecedented uncertainty in the economic environment that the Group operates within. In the event the COVID-19 pandemic impacts are more severe or prolonged than anticipated, this may have further effects on the financial position and performance of the Company. As at the date of this financial report, an estimate of the future effects of the COVID-19 pandemic on the Company's financial performance and/or financial position cannot be made, as the impact will depend on the magnitude and duration of the economic downturn with the full range of monetary impacts unknown.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

25. CONTINGENT LIABILITIES

There are no contingent liabilities to declare.

26. COMMITMENTS

	2021	2020
Operating lease expenditure commitments	**$**	**$**
No later than 6 months	-	-
Between 6 and 12 months	-	-
Between 12 and 18 months	-	-
	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

27. FAIR VALUE MEASUREMENTS

The Group measures and recognises the obligation for contingent consideration arising from a business combination at fair value on a recurring basis after initial recognition. The Group does not subsequently measure any liabilities at fair value on a non-recurring basis.

a) Fair Value Hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation Techniques

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:-

- *Market approach:* valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities;
- *Income approach:* valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value; or
- *Cost approach:* valuation techniques that reflect the current replacement cost of an asset as its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following table provides the fair values of the Groups assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

27. FAIR VALUE MEASUREMENTS (Continued)

	31 December 2021			
	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Equity investment	-	-	-	-
Total assets recognised at fair value	-	-	-	-

b) **Valuation Techniques and Unobservable Inputs Used to Measure Level 3 Fair Values**

Equity Investment

In circumstances where a valuation technique for financial instruments is based on significant unobservable inputs, such instruments are included in level 3. These include investments in unlisted equity investments. The Directors utilised as at period end information provided by the underlying entities and used its best estimate based on events during and subsequent to period end in valuing its investments.

Contingent consideration arising from acquisition of eSports Nominees Pty Ltd

On 14 November 2016, the Company acquired all the issued capital of eSports Nominees Pty Ltd. In acquiring eSports Nominees Pty Ltd, the Group incurred a contingent consideration liability consisting of an obligation to make an additional payment in fully paid ordinary shares provided various milestones are met. Those milestones were not met, and no contingent consideration liability exists.

28. PARENT ENTITY INFORMATION

Information for eSports Mogul Limited	**2021 $**	**2020 $**
Current assets	5,247,611	8,502,097
Total assets	5,252,370	8,509,257
Current liabilities	157,029	289,292
Total liabilities	157,029	289,292
Issued capital	51,239,454	49,854,334
Reserves	7,742,726	5,802,642
Accumulated losses	(53,886,838)	(47,437,010)
Total shareholders’ equity	5,095,342	8,219,966
Net loss after tax of the parent entity	(6,649,827)	(7,541,392)
Total comprehensive income of the parent	(6,649,827)	(7,541,392)

29. COMPARATIVE INFORMATION

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

30. COMPANY DETAILS

The registered office and principal place of business address is:

Suite 4, Level 10
221 Queen Street
Melbourne Victoria 3000

DIRECTORS' DECLARATION

The directors declare that:

1. The financial statements, notes and additional disclosures included in the Directors' report and designated as audited, are in accordance with the Corporations Act 2001 and:

   (a) comply with Accounting Standards and Corporations Regulations 2001;

   (b) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the year ended on that date;

   (c) the financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements.

2. The Chief Executive Officer and Chief Financial Officer have declared that:

   (b) the financial records of the company for the financial period have been properly maintained in accordance with section 295A of the Corporations Act 2001;

   (c) the financial statements and notes for the financial period comply with Accounting Standards; and

   (d) the financial statements and notes for the financial period give a true and fair view.

3. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Gernot Abl
Chairman

Dated this 28th day of February 2022

MOORE

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ESPORTS MOGUL LIMITED & CONTROLLED ENTITIES

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of eSports Mogul Limited & Controlled Entities (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.
In our opinion:

a) the accompanying financial report of the Group is in accordance with the *Corporations Act 2001,* including:

    i. giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the year then ended; and

    ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

KEY AUDIT MATTER 1 – VALUATION OF INTANGIBLES

Refer to Note 12 - Intangibles

As at 31 December 2021 the Group has intangible assets of $1,268,379 (2020: $1,933,119) which represents the capitalised development costs associated with the development of the Mogul operating platform. During the year, intangible assets were impaired by $1,433,039 (2020: $Nil). The valuation and recoverability of intangible assets was a key audit matter given the significance of the technology to the group's operations and the judgement involved in the assessment of its overall value.	Our procedures included, amongst others: • Obtained an understanding of the processes and assumptions involved in capitalisation of intangible assets. • Evaluated the progress made by management in developing the Mogul platform to date and assessing for any indicators of impairment by reviewing minutes of Board minutes, ASX announcement and management impairment assessment. Reviewed the impairment recognised for the year. • Tested capitalised expenditures related to these intangibles during the year on a sample basis against supporting documentation. • Reviewed the reasonableness of management estimates made, including useful life. • Reviewed the Group's revitalised business plan, direction and strategy to assess impact, if any, on the intangible assets value. • Compared the market capitalisation of the Group ($16m) to its net asset position ($6m) at balance date and noted the market capitalisation was significantly higher than its recorded amount; and • Assessed the appropriateness of the relevant disclosure in the financial statements.

KEY AUDIT MATTER 2 – SHARE BASED PAYMENTS Refer to Note 17 Reserves & Note 23 Share Based Payments	
During the year ended 31 December 2021, total share based payments amounting to $1,679,029 (2020: $1,170,289) was recognised by the Group arising from services provided by employees, contractors and consultants. The fair value of the share-based payments is determined using the Black Scholes model which takes into account the terms and conditions upon which the instruments were granted and a number of key underlying assumptions. The value of these share-based payments is considered a key audit matter due to it being a material balance and its valuation is subject to significant judgment and accounting estimation.	Our procedures included, amongst others: • Reviewed ASX announcements and other documentation (including the Company's Employee Incentive Plan & Various offer letters) pertaining to the underlying share-based payment; • Assessed the valuation methodology used by management to estimate the fair value of equity instruments issued (where they relate to performance rights and options), including testing the integrity of information provided, assessing the appropriateness of key assumptions input into the valuation model as applicable; • Ensured the proper expensing of the share-based payments on a proportionate basis across the relevant financial period from grant date to vesting date; • Assessing whether the share-based payments have been appropriately classified and accounted for in the financial statements; and • Assessing the appropriateness of the relevant disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2021, but does not include the financial report and our auditor's report thereon.

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

MOORE

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report 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 that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at:
https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

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Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages xx to xx of the directors' report for the year ended 31 December 2021.

In our opinion, the Remuneration Report of eSports Mogul Ltd & Controlled Entities, for the year ended 31 December 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257

GEORGE S DAKIS
Partner
Audit and Assurance

Melbourne, Victoria

28 February 2022

1. CORPORATE GOVERNANCE SUMMARY

1.1. Roles and Responsibilities of Board and Management

The Role of the Board and Delegations

The Board is accountable to shareholders for the activities and performance of Esports Mogul Limited by overseeing the creation of sustainable shareholder value within an appropriate risk framework and having regard for stakeholder interests and community expectations.

The Board is responsible for setting Esports Mogul Limited's vision and strategy. Esports Mogul Limited's vision is to leverage its existing tournament hosting technology whilst accelerating execution against a buy and build strategy in the games sector. Buy and build is a proven approach to achieve significant investor returns - especially in video games.

Initially, the focus will be on profitable small to midsize games companies with strong founder lead teams, great IP, and engaged audiences to ensure future scalability and continuous growth. These companies may be Mobile or PC games and include existing or new business models - including play-to-earn.

The key difference for Esports Mogul Limited versus other buy and build games companies is a focus on managing operational synergies from the first acquisition onwards. These operational synergies will include common financial infrastructure across all group companies, centralised legal & HR and common data visualisation across all group companies.

This will allow group companies to focus on what they do best: make best-in-class games. Moreover, this structure enables group companies to learn from one another. By sharing experiences, they will assist each other in finding new ways to innovate and lower risk pathways to rapidly scale.

This is a long-term vision and the Board sets strategic priorities each year to work towards fulfilling this vision.

Directors are actively involved in setting, approving and regularly monitoring Esports Mogul Limited's strategic priorities and holding management accountable for progress.

This process includes one annual Board strategy meeting, regular Board reporting and meetings, and discussion and review with management. Similarly, the Board ensures that rigorous governance processes operate effectively to guide decision making across the business.

The Board's responsibilities are set out in the Board Charter, which is available at Corporate Governance Plan

The Board's role and responsibilities include:

- establishing, promoting and maintaining the strategic direction of Esports Mogul Limited;
- approving business plans, budgets and financial policies;
- considering management recommendations on strategic business matters;
- establishing, promoting and maintaining proper processes and controls to maintain the integrity of accounting and financial records and reporting;
- fairly and responsibly rewarding executives, having regard to the performance of the executives, Esports Mogul Limited's risk management framework and culture, the interests of shareholders, market conditions and Esports Mogul Limited's overall performance;
- adopting and overseeing of implementation of corporate governance practices;
- overseeing the establishment, promotion and maintenance of effective risk management policies and processes;
- reviewing Board composition and performance;

CORPORATE GOVERNANCE SUMMARY (CONTINUED)

- appointing, evaluating and remunerating the Chief Executive Officer (CEO) or its equivalent, and approving the appointment of the Chief Financial Officer (CFO) and Company Secretary; and
- determining the CEO's or its equivalent's delegated authority.

The Board has now established committees to assist in carrying out its responsibilities and to consider certain issues and functions in detail.
The Board committees are discussed at section 1.3.

Management responsibility

The Board has delegated to the CEO, or its equivalent, the authority and powers necessary to implement the strategies approved by the Board and to manage the business affairs of Esports Mogul Limited within the policies and delegation limits specified by the Board from time to time. The CEO, or its equivalent may delegate authority to management but remains accountable for all authorities delegated to management.

1.2. Directors' Skills Matrix

The Board has determined that its current members have an appropriate collective mix of skills, experience and expertise to:

- exercise independent judgement;
- have a proper understanding of, and competence to deal with, current and emerging issues of the business;
- encourage enhanced Esports Mogul Limited performance; and
- effectively review and challenge the performance of management.

The Board's competencies are assessed annually and the results of the most recent (January 2022) assessment are shown in the table below.

Areas of expertise/leadership qualities	**Average Self-Assessment Rating***
Risk & Compliance	3.6
Financial & Audit	3.6
Strategy	4.25
Policy Development	4
Technology	3.4
Executive Management	4.4
Industry Specific Skills	3.5
Leadership	4.5
Ethics and Integrity	5
Contribution	4.25
Negotiation	4
Crisis Management	4.5
Previous Board Experience	4.25

*Self-assessment rating from 1 to 5, with 1 being the lowest and 5 being the highest

Given the relatively small size of the Board at present the Board skills matrix shows some skill gaps. The Board will consider adding Non-Executive Directors with complementary skills to augment, add perspective and to help improve diversity on the Board as the Company grows.

CORPORATE GOVERNANCE SUMMARY (CONTINUED)

1.3. Board Committees

To assist it in undertaking its duties, the Board has established the following standing committees:

- Audit & Risk Committee; and
- Nomination & Remuneration Committee.

Each committee has its own charter, copies of which are available at Corporate Governance Plan.

The charters specify the composition, responsibilities, duties, reporting obligations, meeting arrangements, authority and resources available to the committees and the provisions for review of the charter.

Details of Directors' membership of each committee and those eligible members' attendance at meetings throughout the period from 1 January 2021 to 31 December 2021 are set out below.

During the period, 6 meetings of directors were held. Attendances by each director during the period were as follows:

	Directors' Meetings		Audit & Risk		Nomination & Remuneration	
Directors	**Eligible to Attend**	**Attended**	**Eligible to Attend**	**Attended**	**Eligible to Attend**	**Attended**
Gernot Abl	6	6	2	2	1	1
Kate Vale *	6	6	2	2	1	1
Cameron Adams (resigned 11 November 2021) *	5	5	2	2	1	1
Christopher Bergstresser (appointed 11 November 2021)	1	1	-	-	-	-
George Lazarou (appointed 11 November 2021)	1	1	-	-	-	-

* Mr Adams was the Chairperson of the audit and risk committee up to his date of resignation and Ms Vale the Chairperson of the Nomination and Remuneration Committee.

1.4. Risk Management Framework

Esports Mogul Limited's Board is responsible, in conjunction with senior management, for the management of risks associated with the business and implementing structures and policies to adequately monitor and manage these risks.

The Board has established the Audit & Risk Committee (**ARC**) to assist in discharging its risk management responsibilities. In particular, this committee assist the Board in setting the appropriate risk appetite and for ensuring that there is an effective risk management framework that is able to manage, monitor and control the various risks to which the business is exposed.

On a day-to-day basis, the CEO or its equivalent, has the responsibility for monitoring the implementation of the risk framework, including the monitoring, reporting and analysis of the various risks faced by the business, and providing effective challenge to activities and decisions that may materially affect Esports Mogul Limited's risk profile.

CORPORATE GOVERNANCE SUMMARY (CONTINUED)

Esports Mogul Limited has a robust risk management framework which supports its operating segments, and its risk appetite distinguishes risks from which Esports Mogul Limited will seek to make an economic return from those which it seeks to minimise and which it does not consider will provide a return. The management of these risks is fundamental to Esports Mogul Limited's business, customers and to building long-term shareholder value.

In addition to having a separate risk management function, Esports Mogul Limited recognises that a requirement for an effective risk management framework is for there to be a strong risk culture throughout the organisation, where risk is everybody's business. The foundation of this risk culture is a set of values, the Esports Mogul Limited values. All employees are assessed against the Esports Mogul Limited values as part of the annual performance review process, and this outcome contributes to the overall performance rating and remuneration outcomes. In addition to this, Esports Mogul Limited regularly assesses its risk culture through external audits to ensure that the management of risk and day-to-day compliance remains entrenched within the way in which Esports Mogul Limited operates. The Board is responsible for setting and monitoring the risk appetite for Esports Mogul Limited when pursuing its strategic objectives. The Board's approach to, and appetite for risk provides that, subject to earning acceptable economic returns, it can retain exposure to credit risk, liquidity risk and market risk.

- Credit default risk – is the risk of loss in the value of an asset due to a counterparty failing to discharge its contractual obligations when they fall due;
- Liquidity risk – is the potential impact of Esports Mogul Limited's short, medium and long-term funding and liquidity management requirements; and
- Market risk - is the risk that changes in the market prices such as foreign exchange rates, interest rates and equity prices will affect Esports Mogul Limited's income or value of its holdings of financial instruments.

Esports Mogul Limited seeks to minimise or hedge the risks for which it does not consider an appropriate return can be generated.

These risks include:

- Foreign exchange risk – is the risk of a change in asset values as a result of movements in foreign exchange rates;
- Inflation risk – is the risk of a change in asset values and Esports Mogul Limited's earnings as a result of movements in inflation both in Australia and jurisdictions in which Esports Mogul Limited owns assets;
- Operational risk – is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events; and
- Regulatory and compliance risk – is the risk of legal or regulatory sanctions or loss as a result of Esports Mogul Limited's failure to comply with laws, regulations or regulatory policy applying to its business.

ADDITIONAL SHAREHOLDER INFORMATION

Shareholding

The distribution of members and their holdings of equity securities in the Company as at 14 February 2022 were as follows:

	Class of Equity Securities
Number Held as at 14 February 2022	**Fully Paid Ordinary Shares**
1- 1,000	28
1,001 - 5,000	3
5,001 – 10,000	0
10,001 - 100,000	1,858
100,001 and over	2,792
TOTALS	4,681

Holders of less than a marketable parcel: 1,563

Substantial Shareholders

There are currently no substantial shareholders listed in the Company's register as at 14 February 2022.

Voting Rights

<u>Ordinary Shares</u>

In accordance with the Company's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

On-market buyback

There is no current on-market buy-back.

Unquoted Securities

Securities	Number of Securities	Number of Holders	Holders with more than 20%
Performance Rights	33,125,000	2	Gernot Abl – 70%; Michael O'Kane – 30%
Unlisted Options – exercisable at $0.01 exercisable on or before 30 November 2023	160,000,000	32	Nil

ADDITIONAL SHAREHOLDER INFORMATION (CONTINUED)

Twenty Largest Shareholders

The names of the twenty largest ordinary fully paid shareholders as at 14 February 2022 are as follows:

Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
Emery Number 2 Pty Ltd <Scott Emery Family No 2 A/C>	138,379,233	4.29
Mr Bilal Ahmad	94,000,000	2.92
HSBC Custody Nominees (Australia) Limited-GSCO ECA	73,340,667	2.28
Ms Chunyan Niu	53,877,246	1.67
R F Thomson (Qld) Pty Ltd <Thompson (Qld) Family No 2 A/C>	32,500,000	1.01
BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP>	31,543,749	0.98
Harwood Holdings Pty Ltd	30,000,000	0.93
Cyber Century Limited	27,000,000	0.85
Mr Gary Dean Shaw	27,000,000	0.84
Havana Nominees (WA) Pty Ltd	24,750,000	0.77
Mrs Jane Catherine Jocelyn Bell & Mr Geoffrey Arthur Bell <Schooner Super Fund A/C>	21,149,404	0.66
Mr Sufian Ahmad	20,000,000	0.62
Seed Strategic Advisory Pty Ltd	20,000,000	0.62
Mr Andrew David Wilson <Wilson Family A/C>	20,000,000	0.62
Mr Ran Vaingold	20,000,000	0.62
Mr Bin Lau	20,000,000	0.62
Citicorp Nominees Pty Ltd	18,837,877	0.58
Mr Huanbin Xia	17,000,000	0.53
S&W Liversage Pty Ltd <S&W Liversage Superfund A/C>	16,000,000	0.50
Mr Eli John Chehade	16,000,000	0.50
TOTAL	**721,378,176**	**22.41**

Listed Option Holders

The distribution of members and their holdings of listed options in the Group as at 14 February 2022 were as follows:

	Class of Equity Securities
Number Held as at 14 February 2022	**Listed options exercisable at $0.02 on or before 31 October 2022**
1- 1,000	1
1,001 - 5,000	0
5,001 – 10,000	2
10,001 - 100,000	12
100,001 and over	275
TOTALS	290

Holders of less than a marketable parcel: 108

ADDITIONAL SHAREHOLDER INFORMATION (CONTINUED)

Twenty Largest Listed Option Holders

The names of the twenty largest listed option holders as at 14 February 2022 are as follows:

Name	Number of Listed Options exercisable at $0.02 on or before 31 October 2022 Held	% Held of Listed Options
Mr Andrew David Wilson <Wilson Family A/C>	29,000,000	6.02
Mr Bilal Ahmad	23,200,000	4.81
Emery Number 2 Pty Ltd <Scott Emery Family No 2 A/C>	20,000,000	4.15
First Investment Partners Pty Ltd	13,812,480	2.87
Mrs Stella Margaret Lennox	11,000,000	2.28
Mr Adam Chrapot	10,000,000	2.07
Mr Bin Liu	10,000,000	2.07
Mr Sufian Ahmad <Sixty Two Capital A/C>	10,000,000	2.07
Havana Noninees (WA) Pty Ltd	10,000,000	2.07
Ms Chunyan Niu	10,000,000	2.07
Aukera Capital Pty Ltd <Aukera Discretionary A/C>	9,000,000	1.87
Toorak Gutter Girl Pty Ltd <Manor High Super A/C>	8,409,966	1.74
Mr Kevin Trevor Wyatt	8,100,000	1.68
Colgan & Heaney Family Pty Ltd < Colgan & Heaney Family S/F A/C>	8,000,000	1.66
Kobala Investments Pty Ltd <Fernando Edward Family A/C>	8,000,000	1.66
Bijan Investments Pty Ltd <Bijan Investments A/C>	7,026,000	1.46
Mr Michael Duncombe & Ms Elaine Bracewell & Ms Jane Duncombe <Duncombe Family Super A/C>	6,275,000	1.30
Mr Samuel Gershon Jacobs & Mrs Sarita Devi Jacobs & Miss Manekha Bridgette Jacobs <The Phoenix Superfund A/C>	6,000,000	1.24
Mr Alexander Angelo McMillan	6,000,000	1.24
Jetosea Pty Ltd	5,000,000	1.04
TOTAL	**218,853,446**	**45.37**

Company Secretary

The name of the Company Secretary is George Lazarou.

Address and telephone details of the entity's registered and administrative office

Suite 4, Level 10
221 Queen St,
Melbourne Victoria 3000
Telephone: + (61) 3 9642 2205

Address and telephone details of the office at which a register of securities is kept

Automic Pty Ltd
Level 5
191 St Georges Terrace
PERTH WA 6000
Telephone: 1300 288 664

Securities exchange on which the Company's securities are quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange.