BOWEN FINTECH PLC

INTERIM REPORT

For the six-month period ending 31 October 2022

BOWEN FINTECH PLC

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BOWEN FINTECH PLC

MANAGEMENT SUMMARY

Principal activity

The Company was incorporated in England and Wales on 21 April 2021 as a public limited company with limited liability under the Companies Act with registered number 13349097.

The Company was established to pursue acquisition opportunities in the technology innovations market with a main focus on companies which own products or applications that are relevant to the financial services sector such as digital payment systems, trading platforms and other related infrastructure. However, it may also evaluate opportunities with technology applications relevant to other industry sectors. The Company has never traded and has not entered into any significant transactions or financial commitments, save as set out in this Document. The Directors are looking to acquire a company with attractive revenue growth and a clear pathway to high quality earnings. Efforts to identify a prospective target business will not be limited to a particular geographic region. Ownership of target businesses held by management will be preferable, aligning management and shareholder interests.

On Admission, the Company was authorised to issue one class of Ordinary Shares. The Ordinary Shares were admitted by the FCA to a Standard Listing on the Official List in accordance with Chapter 14 of the Listing Rules and to trading on the Main Market of the London Stock Exchange on 31 October 2022.

For the period under review, the Company's financial objectives under its key performance indicators were to improve its balance sheet and thereafter, to secure an acquisition and additional funding if required within 18 months of admission.

Principal risks and uncertainties

The Company's business activities expose it to a variety of risks, being foreign investment & exchange risks, finance risks and strategic risks as detailed in the Company's annual report for the period ended 30 April 2022.

KPIs will be established once a suitable acquisition target has been identified.

Identifying and acquiring suitable acquisition targets

Suitable acquisition targets may not always be readily available.

The Company's initial and future acquisition targets may be delayed or made at a relatively slow rate because, *inter alia*, the Company intends to conduct detailed due diligence prior to approving acquisition targets and it is not possible to predict the potential results of due diligence. If due diligence identifies issues that are complex and require in-depth analysis, this could require time to accomplish and, furthermore, due diligence may result in discoveries which make a potential acquisition target unviable and may therefore result in an aborted acquisition.

BOWEN FINTECH PLC

CHAIRMAN'S STATEMENT

Dear Shareholders,

It is with pleasure that I present these maiden interim financial statements of Bowen Fintech Plc (the "Company") for the six-month period ended 31 October 2022.

During this period, we achieved a key milestone to the start of our journey when the Company was admitted to trading on the Main Market of the London Stock Exchange on 31 October 2022, raising £2 million from an offer of new shares to assist the Company in its stated role as a special purpose acquisition company to undertake an acquisition of a target company or asset in the technology innovations sector.

On behalf of the Board, I thank you and our advisors for your valued support.

Since Admission, we have begun screening and identifying potential acquisition targets and we will provide further news in due course should any target meet our acquisition criteria and where a prospective deal is likely.

Mr. Aamir Ali Quraishi

Non-Executive Chairman

31 January 2023

BOWEN FINTECH PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Interim Report and Financial Statements in accordance with applicable laws and regulations. The Board confirms that to the best of their knowledge:

- The condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting'.
- The Interim Report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and their impact on the condensed financial statements and description of principal risks and uncertainties for the remaining six months of the year); and
- The Interim Report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties transactions and changes therein); and
- The condensed set of financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer as required by DTR 4.2.10R.

The Directors are also responsible for keeping records and underlying documentation that are sufficient to show and explain the Company's transactions and enable the financial position of the Company to be determined with reasonable accuracy at any time and for complying with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

Principal Risks and Uncertainties

The Directors monitor and update their assessment of principal risks and uncertainties on an ongoing basis in the context of economic landscape and global geo-political events.

The current expectation is that the principal risks and uncertainties as outlined in the annual report for period ended 30 April 2022 will remain prevalent for the remainder of the year as the Company continues to focus on securing an acquisition.

Signed on behalf of the Board by:

Mr. Aamir Ali Quraishi

Non-Executive Chairman

31 January 2023

BOWEN FINTECH PLC

UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
For the period from 1 May 2022 to 31 October 2022

	Notes	For the period 1 May 2022 to 31 October 2022 (unaudited) £	For the period 21 April 2021 to 30 April 2022* (audited) £
Administrative expenses	7	(8,498)	(64,976)
Share-based payment charge	8	(88,050)	-
IPO related costs		(11,888)	-
Operating loss		**(108,436)**	**(64,976)**
Loss before taxation		**(108,436)**	**(64,976)**
Income tax		-	-
Loss for the period and total comprehensive loss for the period		**(108,436)**	**(64,976)**
Loss per share			
Basic and Diluted loss per share	6	**(0.021)**	**(0.013)**

*Comparative information has been included covering the period from incorporation to Company's first annual reporting date, as there were minimal transactions in the comparable 6 month period.

All items in the above statement are derived from continuing operations.

The accompanying notes on pages 9 to 15 form an integral part of these Financial Statements.

BOWEN FINTECH PLC

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION
As at 31 October 2022

	Notes	31 October 2022 (unaudited)	30 April 2022 (audited)
		£	£
Current assets			
Cash and cash equivalents	3	1,289,791	9,463
Prepayments & other receivables	4	718,000	-
Total assets		**2,007,791**	**9,463**
Current liabilities:			
Director's Loan		-	15,439
Trade and other payables		129,215	-
Accruals		78,000	9,000
Total liabilities		**207,215**	**24,439**
Net Assets (Liabilities)		**1,800,576**	**(14,976)**
Capital and reserves			
Share capital	5	550,000	50,000
Share premium account		1,335,938	-
Warrant reserve		8,050	-
Retained Losses		(93,412)	(64,976)
Total Shareholders' funds		**1,800,576**	**(14,976)**

The Unaudited Condensed Interim Financial Statements on pages 5 to 16 were approved and authorised for issue by the Board of Directors on 31 January 2023 and signed on its behalf by:

Mr. Aamir Ali Quraishi

Non-Executive Chairman

Company number: 13349097

The accompanying notes on pages 9 to 15 form an integral part of these Financial Statements.

BOWEN FINTECH PLC

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
For the period from 1 May 2022 to 31 October 2022

	Share capital	Share Premium	Warrant Reserve	Retained losses	Total
	£	£	£	£	£
As at 1 May 2022	**50,000**	**-**	**-**	**(64,976)**	**(14,976)**
Comprehensive loss for the period	-	-	-	(108,436)	(108,436)
	50,000	**-**	**-**	**(173,412)**	**(123,412)**
Transactions with owners, recorded directly in equity					
Ordinary Shares issued	500,000	1,500,000	-	-	2,000,000
Cost of share issue	-	(164,062)	-	-	(164,062)
Share-based payments – Broker Warrants	-	-	8,050	-	8,050
Share-based payments – Founder Warrants	-	-	-	80,000	80,000
As at 31 October 2022 (unaudited)	**550,000**	**1,335,938**	**8,050**	**(93,412)**	**1,800,576**

For the period from 21 April 2021 to 30 April 2022

	Share capital	Share Premium	Warrant Reserve	Retained losses	Total
	£	£	£	£	£
As at 21 April 2021 (date of incorporation)	**-**	**-**	**-**	**-**	**-**
Total comprehensive loss for the period	-	-	-	(64,976)	(64,976)
	-	**-**	**-**	**(64,976)**	**(64,976)**
Transactions with owners, recorded directly in equity					
Ordinary shares issued on incorporation	50,000	-	-	-	50,000
As at 30 April 2022 (audited)	**50,000**	**-**	**-**	**(64,976)**	**(14,976)**

Other reserves comprise of share premium representing consideration received in excess of nominal value of the share and share-based payment reserve.

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UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
For the period from 1 May 2022 to 31 October 2022

	Note	For the period from 1 May 2022 to 31 October 2022 (unaudited) £	For the period from 21 April 2021 to 30 April 2022 (audited) £
Cash flows from operating activities			
Loss for the period		**(108,436)**	**(64,976)**
Adjustments for:			
Share-based payments	8	88,050	-
Decrease/(Increase) in prepayments and other receivables		(718,000)	-
(Decrease)/increase in trade and other payables (excluding share issue costs)		118,776	9,000
Net cash outflows from operating activities		**(619,610)**	**(55,976)**
Cash flows from financing activities			
Issue of Ordinary Shares	5	2,000,000	50,000
Issue costs settled during the period		(100,062)	-
Director's Loan		-	15,439
Net cash inflows from financing activities		**1,899,938**	**65,439**
Net increase in cash and cash equivalents		1,280,328	9,463
Opening balance of Cash and cash equivalents		9,463	-
Closing balance of Cash and cash equivalents		**1,289,791**	**9,463**

The accompanying notes on pages 9 to 15 form an integral part of these Financial Statement

BOWEN FINTECH PLC

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
For the period from 1 May 2022 to 31 October 2022

1. Corporate information

The Company was incorporated on 21 April 2021 in England and Wales as a public company, limited by shares and with Registered Number 13349097 under the Companies Act 2006. The Company's registered office address is located at c/o Ince Gordon Dadds LLP, Aldgate Tower, 2 Leman Street, London, E1 8QN.

The Company was established to pursue acquisition opportunities in the technology innovations market with a main focus on companies which own products or applications that are relevant to the financial services sector such as digital payment systems, trading platforms and other related infrastructure. However, it may also evaluate opportunities with technology applications relevant to other industry sectors.

These financial statements have not been audited or reviewed by our auditors.

2. Accounting policies

Basis of Preparation

The unaudited interim financial statements of the Company have been prepared on a historical cost basis, as modified by the revaluation of financial instruments measured at fair value through profit or loss, or otherwise noted.

The Financial Statements have been prepared in accordance with UK-adopted international accounting standards ("IFRS").

These unaudited condensed interim financial statements included in this half-yearly report have been prepared in accordance with IAS 34, "Interim Financial Reporting". The same accounting policies and methods of computation are followed in the interim financial statements as compared with previous financial statements released by the Company, along with any additional accounting policies required as a result of transactions related to the IPO in the period. These unaudited condensed interim financial statements do not include all information and disclosures required in the annual financial statements.

The Company is not presently engaged in any activities other than those which are required in connection with the selection, structuring and completion of an acquisition in a target business by means of a merger, share exchange, share purchase, contribution in kind, asset acquisition or combination of these methods (an "Acquisition").

The financial statements are presented in Sterling ("£"), which is the Company's functional and presentational currency, rounded to the nearest pound except where specified.

The Company had no operations and therefore no segmental information is presented.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's Financial Statements.

Going Concern

The Company financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

The Company has based the going concern on the assumption that the existing cash, including the amounts raised from the Admission are sufficient to meet the working capital requirements of the Company for the foreseeable future as the Company has minimal committed outgoings. The Company raised gross proceeds of £2 million from equity fundraising on 31 October 2022. As a result, the Directors believe that the going concern assumption is appropriate. Any potential acquisition will be funded using funds raised from Admission and/or through the issue of new equity.

Standards and interpretations issued but not yet applied

A number of new standards and amendments to standards and interpretations have been issued but are not yet effective and, in some cases, have not yet been adopted by the UK. The Directors do not expect that the adoption of these standards will have a material impact on the financial statements.

Share capital and reserves

Ordinary Shares are classified as equity.

Equity represents the residual interest in the assets of the Company after deducting all of its liabilities. On 31 October 2022 the Company had issued shares with a nominal value of £0.01 at a price of £0.04 and the excess of share price above the nominal value is reported as Share Premium.

Share-based payment reserve represents the liability on the fair valuation of warrants on the date of issuance.

Equity

Equity is classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity is recorded at the amount of proceeds received, net of issue costs.

Share issue costs

Share issue costs have been incurred in relation to the issue of the Ordinary Shares and warrants. Share issue costs are apportioned to shares and warrants in proportion of gross proceeds of the issue. As there were no proceeds from the issue of warrants, all share issue costs were allocated against Share Premium Reserve.

Share-based payments (equity-settled)

The grant of the warrants is recognised as equity-settled share-based payments under IFRS 2. Services received in exchange for the grant of any share-based payments are measured by reference to the fair value of the instruments at the grant date. Share-based payments are recognised as an expense in the Statement of Comprehensive Income.

Critical Accounting estimates and judgements

In preparing the Company Financial Statements, the Directors are required to make judgments on how to apply the Company's accounting policies and make estimates about the future.

The principal judgements and estimates are as follows:

Warrants

On 31 October 2022, the Company was admitted to trading on the London Stock Exchange. 55,000,000 Ordinary Shares of nominal value £0.01 were issued at £0.04p per share raising £2 million gross new capital. At the same time 80,75,000 warrants were issued as:

a. Founder Warrants - 8,000,000 warrants issued to two founder shareholders: of which (i) 50% are exercisable at the placing price of £0.04 per share; and (ii) the remaining 50% are exercisable at £0.08 per share (a 100% premium to the placing price).

b. Broker Warrants - the Company issued 75,000 warrants exercisable at £0.04 per share;

c. Broker Performance Warrants – the Company issued 500,000 warrants with vesting conditions based on the share price performance of the Company.

Should all warrants be exercised, an additional £503,000 in gross proceeds would be received by the Company.

The Company has exercised judgement in determining whether the warrants are accounted for in accordance with IFRS 2 *Share-based Payments*, or IAS 32 *Financial Instruments: Presentation*. Careful consideration was afforded to the fact patterns and various rights, duties and conditions attaching to the warrants in issue.

The Board's judgement is that all warrants issued fall under the scope of IFRS 2 to be treated as equity-settled share-based payments.

The following were the pertinent factors in arriving at this conclusion:

a. The Founder Warrants and the Broker Warrants were issued for no upfront consideration, suggesting that they are compensatory in nature, rather than just for financing purposes.

b. The Broker Performance Warrants have vesting conditions based on the Company's share price performance over a 36 month period from the date of Admission which also suggest the existence of an incentive. Further, the brokers are restricted from selling any of the shares related to the Broker Performance Warrants until the Company has completed an acquisition.

IFRS 2 requires an expense to be recognised at the grant date fair value, with a corresponding increase in equity over the vesting period. IFRS 2 will therefore apply at and from the deemed grant date of the warrants. The Company has determined that the vesting date of the shares was immediate on issue.

Grant date fair value of equity-settled warrants

The fair value of the service provided is determined using the Black Scholes Pricing Model.

As at 31 October 2022, the fair value of the warrants were determined to be:

a. £0.014 for warrants exercisable at the placing price of £0.04 per share; and

b. £0.006 for warrants exercisable at twice the placing price, i.e. at £0.08 per share.

Fair Value of Warrants- Black Scholes Pricing Model Inputs

Judgement was required for the inputs into the valuation model specifically volatility rates and estimated life of the warrants as here:

Risk free interest rate	3.75%
Expected volatility	50%
Time to maturity	3 years
Share price on warrant issue date	£0.04

Classification of transaction costs associated with issue of shares

The Company incurred various costs in issuing its own equity instruments, most of which are *transaction costs*. Transaction costs are incremental costs that are directly attributable to the equity transaction that otherwise would have been avoided if the equity instruments had not been issued. Transaction costs of an equity transaction are accounted for as a deduction from equity.

Incremental costs that are directly attributable to the equity transaction that otherwise would have been avoided if the equity instruments had not been issued include: registration and other regulatory fees, brokerage fees, amounts paid to lawyers, accountants, investment bankers and other professional advisers, fees and commissions paid to brokers and consultants, printing costs and stamp duties.

Costs for marketing the IPO do not meet the definition of a transaction cost and therefore have been accounted for in the statement of comprehensive income.

Overall, out of a total IPO cost of £193,000, £164,000 has been deducted from the amount recognised in relation to shares issued and remaining accounted in the statement of comprehensive income for an amount of £29,000.

3. Cash and cash equivalents

	31 October 2022 (unaudited) £	30 April 2022 (audited) £
Cash and cash equivalents	1,289,791	9,463
Total	**1,289,791**	**9,463**

Cash balance after the reporting period was £1,827,602 as of 31 December 2022.

4. Prepayments & other receivables

	31 October 2022 (unaudited) £	30 April 2022 (audited) £
Other debtors	718,000	-
	718,000	**-**

Other debtors relate to proceeds yet to be received by the Company for shares issued on 31 October 2022. The proceeds were received into the Company's bank account promptly after 31 October 2022.

5. Issued share capital

The following summarises the issued share capital as at 31 October 2022 and 30 April 2022:

	31 October 2022		30 April 2022	
	No. of shares	£	No. of shares	£
Ordinary Shares, nominal value of £0.01	55,000,000	550,000	5,000,000	50,000
	55,000,000	**550,000**	**5,000,000**	**50,000**

Ordinary shares

Further to publication of its prospectus on 25 October 2022, the Company completed the placing of 50,000,000 shares of the Company at a price of £0.04 per share.

On 31 October 2022, the Company announced the admission of 55,000,000 Ordinary Shares to trading on the London Stock Exchange's main market for listed securities ("LSE"), which includes 5,000,000 Ordinary shares issued on incorporation, all of which have been fully paid up.

6. Loss per share

The calculation of basic and diluted earnings per share has been based on the following profit attributable to shareholders and weighted-average number of Ordinary shares outstanding at the year end.

For the period ended 31 October 2022	Basic (unaudited)	Diluted (unaudited)
Loss for the period	£ (108,436)	£ (108,436)
Weighted average number of shares	5,273,224	5,273,224
Loss per share	**£ (0.021)**	**£ (0.021)**

For the period ended 30 April 2022	Basic (audited)	Diluted (audited)
Loss for the period	£ (64,976)	£ (64,976)
Weighted average number of shares	5,000,000	5,000,000
Loss per share	**£ (0.013)**	**£ (0.013)**

The weighted average number of Ordinary shares for calculating the Basic earnings per share is determined by reference to the 5,000,000 Ordinary shares outstanding at 1 May 2022 and 55,000,000 Ordinary shares admitted on 31 October 2022.

The diluted earnings per share is calculated by adjusting the weighted number of Ordinary shares for the effects of dilutive potential any shares or warrants. As the Company is reporting a net loss, the warrants are deemed anti-dilutive making the Diluted earnings per share equal to the Basic earnings per share.

7. Administration Expenses

	From 1 May 2022 to 31 October 2022 (unaudited)	From 21 April 2021 to 30 April 2022 (audited)
	£	£
Legal Costs	-	24,000
Professional & other costs	5,100	40,976
Personnel & consultant costs	1,614	-
Listing expenses	1,784	-
	8,498	**64,976**

8. Share-based payment charge

On 31 October 2022, the Company granted 8,000,000 warrants to founders and 575,000 warrants to the broker.

The fair value of the warrants was calculated using the Black Scholes pricing model and was determined to be £0.014 for warrants exercisable at £0.04 per share and £0.006 for warrants exercisable at £0.08 per share.

The total number of warrants expected to be exercised at £0.04 per share is 4,575,000. The total fair value of which at £0.014 per share is £64,050 and was expensed in full during the period.

The total number of warrants expected to be exercised at £0.08 per share is 4,000,000. The total fair value of which at £0.006 per share is £24,000 and was expensed in full during the period.

9. Related party transactions

Amounts owed to a director

At 31 October 2022, the Company owed £15,439 (30 April 2022: £15,439) to a shareholder. The shareholder was previously a director in the Company and resigned from the position as director on 31 August 2022. This balance was fully paid after the reporting period.

Included in the accruals is a fee of £10,000 (30 April 2022: Nil) owed to a director in relation to services provided for the admission on to the LSE, which was fully paid after the reporting date.

Also included in the accruals is a commission of £36,000 owed to a shareholder for placing services which is being paid in equal monthly instalments in arrears over a 12 month period from 1 November 2022. (30 April 2022: Nil).

Founder Warrants

On 31 October 2022, the Company issued 4,800,000 warrants to founders who were also directors for all or part of the reporting period. Details are included in note 8.

BOWEN FINTECH PLC

OFFICERS AND ADVISORS

Directors:	Aamir Ali Quraishi (Non-Executive Chairman) Allan John Rowley (Non-Executive Director) Shanchun Huang (Resigned on 31 August 2022)
Company Secretary	Xiaochen (Iris) Zhao
Registered Office:	c/o Ince Gordon Dadds LLP Aldgate Tower 2 Leman Street London E1 8QN
Placing Agent and Adviser:	Optiva Securities Ltd 49 Berkeley Square London W1J 5AZ United Kingdom
Registrar:	Share Registrars Limited The Courtyard 17 West Street, Farnham Surrey, GU9 7DR
Bankers:	Metro Bank 160 – 166 Kensington High Street London W8 7RG
Solicitors:	Ince Gordon Dadds LLP Aldgate Tower 2 Leman Street London E1 8QN
Accountants:	CFPro Limited 5 Chancery Lane London WC2A 1LG
Company Number:	13349097