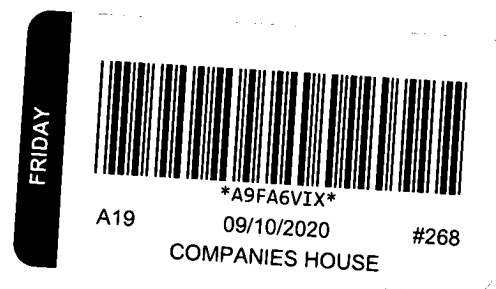


**FNATIC LIMITED**

**FINANCIAL STATEMENTS**  
**INFORMATION FOR FILING WITH THE REGISTRAR**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**



**FNATIC LIMITED**  
**REGISTERED NUMBER: 07805670**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £	Unaudited & restated 2018 £
<b>Fixed assets</b>			
Intangible assets	4	54,857	47,633
Tangible assets	5	142,699	28,708
		<u>197,556</u>	<u>76,341</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	15,370,605	7,598,988
Cash at bank and in hand	7	1,458,575	814,233
		<u>16,829,180</u>	<u>8,413,221</u>
Creditors: amounts falling due within one year	8	(24,213,255)	(12,584,420)
<b>Net current liabilities</b>		<u>(7,384,075)</u>	<u>(4,171,199)</u>
<b>Total assets less current liabilities</b>		<u>(7,186,519)</u>	<u>(4,094,858)</u>
<b>Net liabilities</b>		<u>(7,186,519)</u>	<u>(4,094,858)</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Other reserves		1,958,429	850,116
Profit and loss account		(9,145,048)	(4,945,074)
		<u>(7,186,519)</u>	<u>(4,094,858)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 September 2020.



**S M D Mathews**  
Director

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**FNATIC LIMITED**  
**REGISTERED NUMBER: 07805670**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2019**

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The notes on pages 5 to 12 form part of these financial statements.

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**FNATIC LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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	<b>Called up share capital</b>	<b>Other reserves</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£	£
At 1 January 2019 (as restated)	100	850,116	(4,945,074)	(4,094,858)
Loss for the year	-	-	(4,199,974)	(4,199,974)
Share based payment charge	-	1,108,313	-	1,108,313
<b>At 31 December 2019</b>	<u>100</u>	<u>1,958,429</u>	<u>(9,145,048)</u>	<u>(7,186,519)</u>

The notes on pages 5 to 12 form part of these financial statements.

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**FNATIC LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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	<b>Called up share capital</b>	<b>Other reserves</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	£	£	£	£
At 1 January 2018	100	315,985	(888,307)	(572,222)
Loss for the year (as restated)	-	-	(4,056,767)	(4,056,767)
Share based payment charge	-	534,131	-	534,131
<b>At 31 December 2018 (as restated)</b>	<u>100</u>	<u>850,116</u>	<u>(4,945,074)</u>	<u>(4,094,858)</u>

The notes on pages 5 to 12 form part of these financial statements.

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## FNATIC LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1. General information

Fnatic Limited is a private company, limited by shares, incorporated and domiciled in England and Wales, registration number 07805670. The registered office address is 2 Ebor Street, London E1 6AW. The company was incorporated on 11 October 2011 in the United Kingdom and Ireland.

The presentation currency of the financial statements is the Pound Sterling (£).

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### 2.2 Going concern

The Financial statements have been prepared on the going concern basis. The Director has prepared cash flow forecasts through to 31 December 2021, covering the 12 month period beyond the signing date of these financial statements. These forecasts project the potential revenue profiles from the continued operation and performance of the core Fnatic teams and products. Due to the continued support of existing shareholders and the holding company together with the there being sufficient existing resources to operate for the foreseeable future the Board has concluded that the going concern assumption is appropriate in preparing these financial statements.

##### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### 2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

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## FNATIC LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 2. Accounting policies (continued)

##### 2.5 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

##### 2.6 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### 2.7 Share based payments

The Parent company provides share-based payment arrangements to certain employees of its subsidiary companies. The expense of the scheme is recognised in the company with the corresponding credit reflected in equity other reserves. For share options awarded to employees, these have been represented within staff costs. For share options awarded to persons other than employees, these have been represented in admin expenditure.

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Statement of Comprehensive Income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance Sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to Statement of Comprehensive Income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Statement of Comprehensive Income is charged with fair value of goods and services received.

The company has taken advantage of the disclosure exemption for the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23. This information is included in the consolidated financial statements of Sannpa Limited as at 31 December 2019 and these financial statements may be obtained from its registered office.

##### 2.8 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

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## FNATIC LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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## 2. Accounting policies (continued)

### 2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

### 2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	-	20% on straight-line method
Office equipment	-	33% on straight-line method
Computer equipment	-	33% on straight-line method

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

### 2.11 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

### 2.12 Debtors

Short term debtors are measured at transaction price, less any impairment.

### 2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

### 2.14 Creditors

Short term creditors are measured at the transaction price.



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**FNATIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.15 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

**3. Employees**

The average monthly number of employees, including directors, during the year was 48 (2018 - 25).

**4. Intangible assets**

	<b>Trademarks £</b>
<b>Cost</b>	
At 1 January 2019	66,017
Additions	36,522
	<hr/>
At 31 December 2019	102,539
	<hr/>
<b>Amortisation</b>	
At 1 January 2019	18,384
Charge for the year	4,951
Impairment charge	24,347
	<hr/>
At 31 December 2019	47,682
	<hr/>
<b>Net book value</b>	
At 31 December 2019	54,857
	<hr/> <hr/>
At 31 December 2018	47,633
	<hr/> <hr/>

**FNATIC LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**5. Tangible fixed assets**

	Short-term leasehold property £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2019	-	5,688	53,874	59,562
Additions	126,265	6,564	12,782	145,611
At 31 December 2019	126,265	12,252	66,656	205,173
<b>Depreciation</b>				
At 1 January 2019	-	2,897	27,957	30,854
Charge for the year	13,758	953	16,909	31,620
At 31 December 2019	13,758	3,850	44,866	62,474
<b>Net book value</b>				
At 31 December 2019	112,507	8,402	21,790	142,699
At 31 December 2018	-	2,791	25,917	28,708

**6. Debtors**

	2019 £	As restated 2018 £
Trade debtors	573,004	456,745
Amounts owed by group undertakings	13,465,628	6,266,043
Other debtors	381,209	92,862
Prepayments and accrued income	950,764	783,338
	15,370,605	7,598,988

**FNATIC LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**7. Cash and cash equivalents**

	<b>2019</b>	<b>2018</b>
	£	£
Cash at bank and in hand	1,458,575	814,233
Less: bank overdrafts	(10,096)	(1,146)
	<u>1,448,479</u>	<u>813,087</u>

**8. Creditors: Amounts falling due within one year**

	<b>2019</b>	<i>As restated</i> <b>2018</b>
	£	£
Bank overdrafts	10,096	1,146
Trade creditors	615,005	183,262
Amounts owed to group undertakings	22,142,123	11,312,665
Other taxation and social security	232,522	84,744
Other creditors	97,647	60,324
Accruals and deferred income	1,115,862	942,279
	<u>24,213,255</u>	<u>12,584,420</u>

**9. Prior year adjustment**

In the prior period ending 31 December 2019, there was an error regarding revenue recognition related to the point of recognition of revenue, the impact of the restatement is increase in income totalling £312,218 for the P&L, £19,678 increase for deferred income and £331,896 increase for accrued income.

There was also an error regarding expenditure recognition related to the point of recognition of expenditure, the impact of the restatement is £559,448 increase in expenditure for the P&L and increase of net liabilities totalling £559,448 for balance sheet items including amounts owed to group undertakings, accruals and a decrease in trade debtors.

An invoice included within Fnatic Ltd was reclassified due to this relating to a group undertaking, reducing trade creditors and increasing amounts owed to undertakings by £2,676,755.

The share-based payment calculations in 2018 were performed incorrectly, and have been recalculated resulting in an increased charge of £392,615. This has also been reflected in the share-based payment reserve.

In the prior year costs related to another group entity were recognised in the Company profit and loss in error, this cost of £26,601 has been reallocated and as a result has resulted in a decrease in expenditure of £26,601 and an increased intercompany debtor balance.

The net effect on the profit and loss was a increase in loss of £613,244 and a net effect on the balance sheet increasing net liabilities by £220,629 and other reserves by £392,615.

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## FNATIC LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £27,744 (2018 - £14,551). Contributions totalling £16,419 (2018 - £3,680) were payable to the fund at the balance sheet date and are included in creditors.

#### 11. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	303,820	263,000
Later than 1 year and not later than 5 years	284,535	537,330
	<u>588,355</u>	<u>800,330</u>

#### 12. Related party transactions

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned group entities.

#### 13. Post balance sheet events

The worldwide outbreak of the COVID-19 virus represents a significant event since the end of the financial period. In light of the impact of the virus upon consumer demand, the Company has reviewed its cash flow forecasts and considered the impact on going concern, concluding that the going concern basis remains an appropriate basis of preparation for these financial statements given the likely cash flow impact on operations 12 months from the date of signing this report.

COVID-19 is considered to be a non-adjusting post balance sheet event and therefore has not been taken into account in preparing the Statement of Financial Position as at 31 December 2019. The Company is unable to quantify any impact on the Statement of Financial Position at the date of signing the financial statements.

The COVID-19 pandemic in the first quarter of 2020 has severely impacted markets and day-to-day working. Already many entities are grappling with disruptions to their businesses due to the COVID-19 outbreak, with many anticipating financial and operational consequences. Fnatic Ltd has invoked its business continuity processes, including remote working, to ensure the safety of its staff and to enable the Company to operate with minimal disruption.

The directors continue to monitor the capital and liquidity of the Company and remain confident in the long-term success of the business.

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**FNATIC LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**14. Controlling party**

The parent company of Fnatic Limited is Sannpa Limited. The registered office is 2 Ebor Street, London, E1 6AW.

There is no ultimate controlling party.

**15. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 1/10/2020 by Ian Cliffe (Senior Statutory Auditor) on behalf of Haysmacintyre LLP.