

Escape Hunt plc

Registered number 10184316

Annual Report for the period ended 31 December 2016

WEDNESDAY



A6FD9SPM

A26

20/09/2017

#268

COMPANIES HOUSE

Contents	Page Number
Financial and Operating Highlights	1
Chairman's Statement	1-2
Strategic Report	3-7
Directors' Report	8-11
Corporate Governance Report	12-17
Directors' Responsibilities Statement in respect of the Annual Report and Financial Statements	18
Independent Auditors' Report to the Members of Escape Hunt plc	19-20
Statement of Comprehensive Income	21
Statement of Financial Position	22
Statement of Changes in Equity	23
Statement of Cash Flows	24
Notes to the Financial Statements	25-37
Company Information	38

FINANCIAL AND OPERATIONAL HIGHLIGHTS

- £9.7 million raised on admission to AIM in July 2016
- Funds used in strategy of identifying investment opportunities in the consumer and leisure sectors
- Negotiations with Escape Hunt Group commenced in November 2016 and were successfully concluded in May 2017
- Pre-tax loss of £1.61 million for the period to 31 December 2016 – expenditure largely comprised of transaction costs on admission to AIM and subsequent investment strategy
- Strong cash position of £7.9 million as at 31 December 2016
- Basic loss per share ('EPS') of 18.75 pence
- Completion of acquisition of Escape Hunt Group and placing of new equity in May 2017

CHAIRMAN'S STATEMENT

I am pleased to present the first annual report for the Company covering its results for the period from its incorporation on 17 May 2016 to 31 December 2016.

The Company was incorporated as an investment company with a policy to acquire controlling stakes in one or more quoted or unquoted businesses in the consumer and leisure sectors.

Following the Company's listing on AIM in July 2016, when we successfully raised £9.7 million, our focus has been on implementing our stated investment strategy. By 31 December 2016, we identified the Escape Hunt Group as a leading brand in the escape game market, with a global platform from which to accelerate growth.

Through a newly established subsidiary, Escape Hunt Group Limited, the Company entered into an Acquisition Agreement on 13 April 2017 with the founders of Experiential Ventures Limited to acquire the entire issued share capital of Escape Hunt for a consideration of £12 million, on a cash-free and debt-free basis, with a normalised level of working capital. The consideration (subject to adjustments for cash/debt and working capital) was approved on 2 May 2017 and was satisfied by the payment of £7.2 million in cash and by the issue of Consideration Shares for £4.8 million. At this point, Escape Hunt had one owner-operated branch and 38 franchised branches.

Escape Hunt's strategy is to initially open owner-operated branches in the UK and other European jurisdictions, where it is considered there are significant opportunities to launch Escape Hunt branches. In addition, Escape Hunt intends to continue to open further franchised branches internationally. In 2017, we plan to open owner-operated branches in the UK and continue to open franchise branches elsewhere in the world. In the medium term, we are targeting approximately 100 owner-operated branches and 150 franchised branches.

In order to fund the cash consideration payable and associated costs and expenses of the Acquisition, as well as working capital, the Company raised a further £14 million (£10.8 million net of expenses) in May 2017. The Acquisition constitutes a reverse takeover of Experiential Ventures Limited for the purposes of the AIM Rules for Companies and received Shareholder approval on 2 May 2017. The shares of the Enlarged Group were re-admitted to AIM on 3 May and the Company's name was changed from Dorcaster Plc to Escape Hunt plc.

The Board has also been significantly strengthened since the year end, with the appointment of Richard Harpham and Alistair Rae as CEO and CFO respectively, and Adrian Jones and Karen Bach as non-executive directors. Corporate governance will remain a topic close to the top of the Board's agenda going forward.

I would like to take this opportunity to thank our shareholders for their support and, with the Escape Hunt acquisition now complete, the Board believes this will provide the potential to deliver significant value to shareholders.

Outlook

The Directors believe that Escape Hunt, as a leading brand in the escape game market, has a global platform from which to accelerate growth.

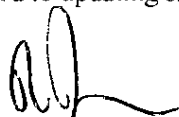
The Escape Hunt Group achieved turnover of £1.1 million in the year ended 31 December 2016 and pre-tax profit of £320,000. Since 31 December 2016, the date to which the latest audited financial information is available, the Escape Hunt Group has continued to trade in line with the Directors' expectations.

The Company has enjoyed a transformational first year in which we have seen more than £23 million of equity raised and a major acquisition completed. This could not have been achieved without the skill, passion and hard work of all of our staff and advisers. On behalf of the Board, I would like to thank them for their efforts during the year.

2017 will be an exciting but demanding year for the Company as we look to implement our growth strategy. With a strong balance sheet and talented staff, we are confident about the prospects for the Company and the Enlarged Group.

The appointment of Richard Harpham as CEO and Alistair Rae as CFO to the Board brings a wide range of experience in the sector and I warmly welcome them. I would also like to express my gratitude to Hubert van den Bergh who has made a valuable contribution in the acquisition of Experiential Ventures Limited and the associated fund raisings for the Group and Karen Jones who supported Dorcaster through its early months and who have now both stepped down.

We look forward to updating shareholders on our progress in due course.



Richard Rose

Non-Executive Chairman

27 June 2017

STRATEGIC REPORT**Financial Results**

Dorcaster plc was formed in May 2016 to undertake one or more acquisitions of target companies in the consumer and leisure sectors. The Company was admitted to AIM, raising gross proceeds of £9.7 million by way of a placing of its shares and commenced trading on the London Stock Exchange's secondary market for listed securities on 8 July 2016. During this period to 31 December 2016, the Company has not traded but in November 2016, entered into an exclusivity agreement to negotiate for the acquisition of the entire issued share capital of Experiential Ventures Limited ("Escape Hunt"), a leading global provider of live escape-the-room and exit-game experiences.

The acquisition of the Escape Hunt Group was successfully concluded in May 2017 for an agreed consideration of £12 million, payable by way of a cash payment of £7.2 million and the issue of shares to the former owners of Escape Hunt of £4.8 million. We successfully raised a further £14 million to fund the cash consideration and to provide further capital to fund expansion of the Escape Hunt business.

The loss for the period to 31 December 2016 was £1.61 million. There were no revenues and the majority of the loss related to expenditure on the Company's admission to AIM, due diligence costs in reviewing potential acquisitions and preliminary costs in connection with the acquisition of the Escape Hunt Group.

As a result of these initial losses, there is no tax charge for the period.

The loss per share was 18.75 pence.

The Company's cash balances at the end of 2016 totalled £7.9 million.

The Directors are now looking to implement the growth plans for the Escape Hunt operation and will build infrastructure to support the Enlarged Group's long-term growth plans whilst keeping day-to-day overhead costs under control.

Following the acquisition, the Enlarged Group has 24 staff (including Directors) and it is expected this will grow as the Company's footprint widens.

Key Performance Indicators

The Directors have identified the following key performance indicators ('KPIs') that the Company will track over 2017 and into future years. These will be refined and augmented as the Group's business matures:

- Numbers of owner-operated branches
- Numbers of franchised branches
- EBITDA for the Group
- Payback by site

The Company's systems track performance on a monthly basis. These statistics provide an early and reliable indicator of current performance. Profitability of the business, with its relatively low fixed cost base, is managed primarily via a review of revenue and margins. Working capital is reviewed by measures of absolute amounts and debtor days.

Principal Risks and Uncertainties

The Directors consider that the principal risks and uncertainties facing the Group and a summary of the key measures taken to mitigate those risks are as follows:

Financial risks

The effective management of its financial exposures is central to preserving the Company and Group's profitability. The Group is exposed to financial market risks and may be impacted negatively by fluctuations in foreign exchange and interest rates, including as a result of the recent UK referendum, which create volatility in the Group's results to the extent that they are not effectively hedged.

The Group's finance team provides support to management to ensure accurate financial reporting and tracking of our business performance. Reporting on financial performance is provided on a monthly basis to senior management and the Board.

The Group continually invests in the improvement of its systems and processes in order to ensure sound financial management and reporting.

The Group plans to adopt a formal treasury policy which will be reviewed and approved by the Audit Committee on an annual basis. The treasury policy will cover all areas of treasury risk including foreign exchange, interest rate, counterparty and liquidity.

Roll-out of owner-operated sites

The Escape Hunt Group plans to pursue further owner-operated site openings which offer the Enlarged Group growth opportunities. The Escape Hunt Group currently plans to expand at a rapid rate, opening new owner-operated sites in the UK and elsewhere. However, there is no guarantee that the Escape Hunt Group will be able to locate or secure a sufficient number of appropriate sites to meet its growth and financial targets. It is also possible each site may take some time from its opening date to reach profitable operating levels due to inefficiencies typically associated with new sites, including lack of awareness, competition, the need to hire and train sufficient staff and other factors. In addition, the move from a predominantly franchised model to an owner-operated site roll-out is a new strategy and there will be risks inherent in the adoption of a new strategy, including the fact that the Enlarged Group will be managing a number of site opening processes from site selection and acquisition, through to fit-out, employment of staff and launch, which it has not done to date. Equally, as the owner-operated estate increases, the Enlarged Group's head office and central support functions will need to be developed and grow so as to be able to support an owner operated branch network, which it has not done to date. This future growth could place significant demands on the Enlarged Group's operational and financial infrastructure.

A delay in establishing fully operative and efficient owner-operated sites may affect growth of the Enlarged Group's revenue and profits which could materially adversely impact the Enlarged Group's business, results of operations and financial performance and could have an adverse effect on the share price.

Roll-out of franchise sites

The Escape Hunt Group intends to pursue further franchise site openings which offer the Enlarged Group growth opportunities. The Escape Hunt Group currently plans to continue to open new franchise sites around the world. The Company cannot guarantee that the Escape Hunt Group will be able to achieve its franchise expansion goals or that the new sites will generate the expected levels of revenue and therefore revenue share. This may adversely impact on the Enlarged Group's ability to increase turnover.

The Enlarged Group is an early-stage, fast growth company, transitioning its corporate governance and financial management controls

The Escape Hunt Group has been an owner-operated company, experiencing fast-growth in a number of different jurisdictions. As a result of these circumstances, the internal governance, controls and facilities remain somewhat under-developed in the context of the growth of the Escape Hunt Group.

In addition, the Escape Hunt Group previously had no external financial reporting requirements. Therefore, the governance and financial controls existing within the Escape Hunt Group were not of the same breadth or depth as would be expected from a company which was required to report externally or is a subsidiary of an AIM quoted company.

As part of the preparation for the Acquisition, improvements have been made to the internal controls and governance of the Escape Hunt Group (including the adoption of an anti-bribery and corruption policy) to enable the Enlarged Group to meet its ongoing obligations as an AIM quoted company. Going forward, the Directors will continue to review and enhance the Enlarged Group's governance, procedures and

policies as it implements its growth strategy, and will actively monitor and respond to maintain and develop systems and practices that are appropriate for the Enlarged Group.

The escape game market has low barriers to entry therefore the threat of new entrants is high

A single site or a small number of sites offering an escape game experience would be relatively simple for a new entrant to establish. The barriers to entry for such competition is low and there is a risk that such entrants could dilute the market place or adversely impact the consumer's perception of escape game experiences in the event that the quality of experience offered by these new entrants was poor or at worst, attracted negative publicity related to the health and safety of participants in escape room games. The escape game experience market is in its infancy and consumer perceptions may be more easily influenced by a poor quality offering or negative publicity due to their limited experience which in turn could negatively impact on the perception of the Enlarged Group's business and could adversely affect profitability and results of operations.

The Enlarged Group's strategy is to develop an international, quality escape room experience and the Directors believe the barriers to entry for new global entrants adopting the same strategy are higher than a single-site opening due the complexities of managing international operations. However, there is a risk that established corporations in the leisure market, who have the capital and resources to compete with the Enlarged Group's business, may wish to enter the escape room market.

The market is immature and therefore forecast growth and application of regulation is unpredictable

The market for escape game experiences is immature and growth will be characterised by changes in consumer needs and expectations, continued evolution in technology and increased competition. If the Enlarged Group fails to develop new offerings or modify or improve existing offerings in a timely and cost-effective manner in response to these changes in technology, consumer demands and expectations, competition or product introductions, the Enlarged Group's business, results of operations and financial condition may be adversely affected.

Changing trends could impact on the Enlarged Group's revenues and profits as well as the Enlarged Group's goodwill. Whilst the Directors and Proposed Directors believe that the Enlarged Group's own game designs have longevity and, therefore, the potential to deliver substantial growth in sales, there can be no guarantee that they will evolve to fulfil this potential. The Enlarged Group will also need to innovate and create new escape the room experiences which are market leading, this is not only the number of new experiences which are created but the quality and reflection of consumer tastes in the experiences. If the Group fails to anticipate, identify or react swiftly to changes in consumer preferences then this could result in lower sales, margins and profits.

The Enlarged Group's owner-operated sites will be leased. Increases in rental payments or the early termination of any of Enlarged Group's leases, or the failure to renew or extend the terms of any of Enlarged Group's leases could adversely affect the Enlarged Group's profitability

The Enlarged Group's operating performance depends in part on its ability to secure and retain leases in desired locations at rents it believes to be reasonable. The leases for the Enlarged Group's new owner-operated sites may generally require that their annual rent be reviewed on an "upwards-only" basis. The annual rent for the premises then becomes the greater of such open market rental value and the previous contractually agreed rent. As a result, the Enlarged Group would be unable to predict or control the amount of any future increases in its rental costs arising from the review of rents it pays for its sites and would be unable to benefit from any decline in the open market rental value of its sites. Any substantial increase in the business rates or rent paid by the Enlarged Group on its owner-operated sites or the early termination of any of its leases could adversely affect the Enlarged Group's business, financial and other conditions, profitability and results of operations.

The Enlarged Group will analyse the suitability of any new sites prior to opening, however this is not a guarantee that any new site will be a success. If a site is not successful the Enlarged Group may need to

cease its operations on site and seek to assign or sub-let the premises. However, suitable tenants may not be found and any lease may have restrictions on assignment or subletting which may mean that this is either prevented or delayed. A failure to find tenants and/or a prohibition or delay in assigning or subletting unsuccessful sites which will result in the Enlarged Group paying rent and satisfying the tenant's obligations under the lease of a site which it is not operational and rental costs being higher than necessary.

Performance of franchisees

The Enlarged Group depends, in large part, on the Escape Hunt brand. The vast majority of sites are owned and operated by franchisees who are responsible for delivering the high standards of the Escape Hunt brand to consumers. Whilst franchisees are required to operate within the Enlarged Group's standards for site operation, they are given a degree of autonomy to ensure they operate in a way that suits their local area. The Escape Hunt Group provides that franchisees must adhere to strict quality, safety and image regulations that the Escape Hunt Group promotes through the implementation of training and careful monitoring, funded by both the franchisees and the Escape Hunt Group, and through appraisals. Despite these controls and absent a decision to remove such franchisees from its business, the Enlarged Group may be unable to prevent its franchisees from operating outside of the Enlarged Group's operational regulations, franchise manual and business model.

The failure of a franchisee, and in particular, the failure of a material franchisee responsible for the management of a significant number of sites, to operate within the Enlarged Group's operational regulations, franchise manual and business model in relation to matters such as the appearance of the franchised site, the training of staff or adhering to guidelines as to the content of escape games, could damage the Enlarged Group's reputation and adversely impact on the overall financial performance of the Enlarged Group.

The Board has responded to these risks by appointing directors with the appropriate skills and experience and by identifying KPIs that will show how well these risks are being managed.

Corporate Responsibility

The Company takes its responsibilities as a corporate citizen seriously. The Board's primary goal is to create shareholder value but in a responsible way which serves all stakeholders.

Governance

The Board considers sound governance as a critical component of the Group's success and the highest priority. The Company has an effective and engaged Board, with a strong non-executive presence from diverse backgrounds and well-functioning governance committees. Through the Group's compensation policies and variable components of employee remuneration, the Remuneration Committee of the Board seeks to ensure that the Company's values are reinforced in employee behaviour and assists in more effective risk management.

More information on our corporate governance can be found on pages 12 to 17.

Employees and their development

The Company is dependent upon the qualities and skills of its employees and the commitment of its people play a major role in the Group's business success. The Company invests in training and developing its staff through internally arranged knowledge sharing events and through external courses.

Employees' performance is aligned to the Group's goals through an annual performance review process and via incentive programmes. The Group provides employees with information about its activities through regular briefings and other media. The Group operates a number of bonus and sales commission schemes and a share option scheme operated at the discretion of the Remuneration Committee.

Diversity and inclusion

The Group does not discriminate on the grounds of age, gender, nationality, ethnic or racial origin, non-job-related-disability, sexual orientation or marital status. The Group gives due consideration to all applications and provides training and the opportunity for career development wherever possible. The Board does not support discrimination of any form, positive or negative, and all appointments are based solely on merit.

Health and safety

The Group endeavours to ensure that the working environment is safe and healthy and conducive to the wellbeing of employees who are able to balance work and family commitments. The Group has a Health and Safety at Work policy which is reviewed regularly by the Board. The Group is committed to the health and safety of its employees, clients, sub-contractors and others who may be affected by the Group's activities. The Group provides the information, instruction, training and supervision necessary to ensure that employees are able to discharge their duties effectively. The Health and Safety procedures used by the Group ensure compliance with all applicable legal and regulatory requirements as well as its own internal standards.

Growth Strategy and Outlook

The Group's near-term goals are to extend the roll-out of our owner operated and franchise sites, diversify our product offering and build on the success achieved by the Escape Hunt brand.

The Company has successfully completed two fundraisings in the first year and is building a talented team to implement its growth plans.

The management team will continue to launch new games and other products to meet the changing demands of the global customer base. They will continue to target markets with high growth potential and develop bespoke solutions.

Investment in Escape Hunt's brand is vital and marketing activities will seek to strengthen further the Company's brand awareness. Significant progress has been achieved and the management is confident that they can meet the challenges that lie ahead in 2017 and beyond.



Richard Harpham

Chief Executive Officer

27 June 2017

DIRECTORS REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

The Directors present their first report on the Company, together with the audited financial statements of the Company for the period from 17 May 2016 to 31 December 2016. The Company was incorporated on 17 May, 2016 but has changed its accounting date to 31 December, 2016.

Principal activities

The Company was formed to undertake acquisitions in the consumer and leisure sectors. Following the acquisition of the Escape Hunt Group in May 2017, the principal activities of the Enlarged Group have been that of operating and developing a network of franchised, licensed and owner-operated branches and offsite “escape the room” type games.

Cautionary statement

The review of the business and its future development in the Strategic Report has been prepared solely to provide additional information to shareholders to assess the Company’s strategies and the potential for these strategies to succeed. It should not be relied on by any other party for any other purpose. The review contains forward looking statements which are made by the Directors in good faith based on information available to them up to the time of the approval of the reports and should be treated with caution due to the inherent uncertainties associated with such statements

Results and dividends

The results of the Company are set out in detail on pages 21 to 37.

Given the nature of the business and its growth strategy, it is unlikely that the Board will recommend a dividend in the next few years. The Directors believe the Company should seek to re-invest profits to fund the Company’s growth strategy over the medium term.

Business review and future developments

Details of the business activities and developments made during the period can be found in the Strategic Report and in Note 1 to the Financial Statements respectively.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors’ report confirm that, so far as they are each aware, there is no relevant audit information of which the Company’s auditor is unaware; and each director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the Company’s auditor is aware of that information.

Financial instruments and risk management

Disclosures regarding financial instruments are provided within the Strategic Report and Note 16 to the Financial Statements.

Capital structure and issue of shares

Details of the Company’s share capital, together with details of the movements during the period are set out in Note 11 to the Financial Statements. The Company has one class of ordinary share which carry no right to fixed income.

Post balance sheet events

In May 2017, the Company completed the acquisition of Experiential Ventures Limited and raised £14 million via an issue of new shares to fund the acquisition, provide working capital and to support its growth plans. The Company also completed a share buy-back from three Directors. The acquisition constituted a reverse takeover for AIM purposes and the enlarged share capital of the Company was re-admitted to AIM on 3 May 2017. Full details are disclosed in Note 20 to the Financial Statements.

Directors

The Directors of the Company who have served during the period and at the date of this report are:

Director	Role	Date of appointment	Board Committee
Richard Rose	Independent Non-Executive Chairman	25/5/2016	N, A, R
Richard Harpham	Chief Executive Officer	25/5/2017	
Alistair Rae	Chief Finance Officer	3/5/2017	
Adrian Jones	Non-Executive Director	3/5/2017	
Karen Bach	Independent Non-Executive Director	3/5/2017	N, A, R
Hubert van den Bergh	Non-Executive Director	25/5/2016*	
Karen Jones	Non-Executive Director	25/5/2016**	
Stephen Chadwick	Non-Executive Director	17/5/2016***	

Richard Harpham was first appointed on 25 May 2015 and resigned on 15 June 2016. He was subsequently re-appointed on 3 May 2017.

*: Resigned 3 May 2017

** : Resigned 12 April 2017

***: Resigned 25 May 2016

Board Committee abbreviations are as follows: N = Nomination Committee; A = Audit Committee; R = Remuneration Committee

The Board comprises two executive and three non-executive directors.

Richard Rose, Independent Non-Executive Chairman

Richard has a wealth of experience chairing high profile boards. He has been Non-Executive Chairman of Watchstone Group plc since May 2015, Crawshaw Group plc since 2006 and Anpario plc since 2005. Previously he has held a number of positions in organisations such as AC Electrical Wholesale, where he was Chairman from 2003 to 2006 and Whittard of Chelsea plc, where he was Chief Executive Officer and then Executive Chairman from 2004 to 2006. In accordance with best practice under the UK Corporate Governance Code, he stepped down as Non-Executive Chairman of Booker Group plc in July 2015 having served three terms of three years each. In July 2016, Richard retired as Chairman of AO World plc after eight years. Richard is also Non-Executive Chairman of CurrencyFair Limited.

Richard is a member of the Remuneration Committee, the Audit Committee and the Nomination Committee of the Company.

Richard Harpham, Chief Executive Officer

Richard joined Escape Hunt as the CEO on May 3rd, but was working closely with the management team during the period of the due diligence process. Richard's prior role was with Harris + Hoole, having been Chief Financial Officer and then Managing Director, responsible for its turnaround. Before this Richard spent over four years at Pret A Manger as Global Head of Strategy. Richard has also held a number of strategic and financial positions at companies including Constellation Brands, Shire Pharmaceuticals and Fujitsu Siemens Computers.

Alistair Rae, Chief Financial Officer

Alistair qualified as a chartered accountant at KPMG. Since then, he has worked in financial services firms including Touche Ross, Cazenove & Co. and HSBC. In addition, he has held financial, strategic

and executive roles at Jarvis PLC where he was the CFO appointed to handle their financial restructuring, Imagelinx plc, Simigon Ltd and Refresh Group Ltd and a number of other private and quoted companies.

Adrian Jones, Non-Executive Director

Adrian has served as a non-executive director of Escape Hunt since its incorporation in 2014 and has advised Paul Bartosik, the Escape Hunt founder, on the international expansion and day-to-day operations of the business. Early in his career, Adrian was the creator of WinMail, a leading email product in the early 1990s. Subsequently he has founded or managed multiple IT, sports and media companies. Adrian is the founder and executive director of the Witness Collection, one of the largest collections of Vietnamese art in the world.

Karen Bach, Independent Non-Executive Director

Karen is an entrepreneur and non-executive director with strong technology, international and transactional expertise. Karen was the Chief Financial Officer, growing technology businesses IXEurope Plc, ACS Plc and Kewill Plc prior to founding KalliKids.com in 2012 where she is Chief Executive Officer. Karen gained much experience internationally and in finance with blue chip multi-nationals including EDS France, MCI WorldCom, General Motors and Ernst & Young. Karen is also a non-executive director of IXCellerate, a Russian datacentre business, and of Amino plc, a provider of digital entertainment solutions for internet television, and has been Trustee of the eLearning Foundation (supporting technology in education) and a non-executive director of Belvoir Lettings Plc.

Karen is Chair of the Remuneration Committee, the Audit Committee and the Nomination Committee of the Company.

Directors' interests in shares and contracts

Directors' interests in the shares of the Company at the date of this report are disclosed below. Directors' interests in contracts of significance to which the Company was a party during the financial period are disclosed in Note 14 to the Financial Statements.

Director	Ordinary shares held	% held
Richard Rose	37,000	0.18
Richard Harpham	7,400	0.04
Alistair Rae	14,800	0.07
Adrian Jones	1,777,777	8.78
Karen Bach	7,400	0.04

Substantial interests

As at 16 June, 2017, the Company has been advised of the following significant interests (greater than 3%) in its ordinary share capital:

Shareholder	Ordinary shares held	% held
Platform Securities Nominees Limited	1,876,180	9.26
Adrian Jones	1,777,777	8.78
Paul Bartosik	1,777,778	8.78
Credit Suisse Client Nominees (UK) Limited	1,729,304	8.54
Nortrust Nominees Limited	1,655,000	8.17
Hanover Nominees Limited	1,417,246	7.00
Vidacos Nominees Limited	1,355,000	6.69
HSBC Global Custody Nominee (UK) Limited	1,066,667	5.27
Hargreave Hale Nominees Limited	914,000	4.51
The Bank of New York (Nominees) Limited	914,000	4.51
Winterflood Client Nominees Limited	897,390	4.43
Octopus Investments Nominees Limited	732,000	3.61

Except as referred to above, the Directors are not aware of any person who was interested in 3% or more of the issued share capital of the Company or could directly or indirectly, jointly or severally, exercise control.

Donations

No political or charitable donations have been made in the period.

Independent auditors

During the period, RSM UK Audit LLP were appointed as auditor to the Company. On 16 December 2016, the Company appointed KPMG LLP to replace RSM UK Audit LLP who resigned on the same date.

Annual General Meeting

The Annual General Meeting (AGM) will be held at 10 AM on 27 July 2017, at the offices of Peel Hunt, 120 London Wall, London EC2. The notice of the AGM contains the full text of the resolutions to be proposed.

Signed by order of the board



Alistair Rae
27 June 2017

CORPORATE GOVERNANCE REPORT

The Company is a public company incorporated in the UK and its ordinary shares are admitted to trading on AIM. Accordingly, the City Code applies to the Company.

The Directors support high standards of corporate governance. Accordingly, the Board will meet regularly throughout the year and all necessary information will be supplied to the board on a timely basis to enable it to discharge its duties effectively. Additionally, special meetings will take place or other arrangements will be made when Board decisions are required in advance of regular meetings.

The Board has established financial controls and reporting procedures which are considered appropriate given the size and structure of the Enlarged Group. It is the intention of the Board that these controls will be reviewed regularly in light of the future growth and development of the Enlarged Group and adjusted accordingly.

The Board recognises the value of good governance and has given due regard to the Quoted Companies Alliance ("QCA") guidelines in adopting its governance procedures, which are appropriate for a company of the size and nature of the Company.

Share dealing code

The Company has adopted a share dealing code for directors and applicable employees and the Company will take all reasonable steps to ensure compliance by its directors and applicable employees with the provisions of the Market Abuse Rules ("MAR") and of the AIM Rules for Companies relating to dealing in securities.

Corporate Governance Code

The UK Corporate Governance Code published by the Financial Reporting Council does not apply to AIM companies. However, the Directors recognise the importance of good corporate governance and will comply with the provisions of the Corporate Governance Code for Small and Mid-Size Quoted Companies ("Governance Code"), published from time to time by the QCA, to the extent that they believe it is appropriate in the light of the size, stage of development and resources of the Company.

The Directors consider each of Richard Rose and Karen Bach to be independent upon appointment and throughout their tenure.

The Board has an audit committee, remuneration committee and nomination committee with formally delegated duties and responsibilities, as described below.

Board of Directors

The Board is responsible for formulating, reviewing and approving the Company's strategy, budgets and corporate actions.

Biographical details of the Directors are included on pages 9 to 10.

The Board comprises two executive and three non-executive directors. All Directors bring a wide range of skills and international experience to the Board. The Non-Executive Directors hold meetings without the executive Directors present. The Non-Executive Chairman is primarily responsible for the working of the Board of the Company. The Chief Executive's office is primarily responsible for the running of the business and implementation of the Board's strategy and policy. The Chief Executive office is assisted in the managing of the business on a day-to-day basis by the Chief Financial Officer.

High-level strategic decisions are discussed and taken by the full Board. Investment decisions (above a de minimis level) are taken by the full Board. Operational decisions are taken by the executive directors within the framework approved in the annual financial plan and within a framework of Board-approved authorisation levels.

The Board regulations define a frame work of high-level authorities that maps the structure of delegation below Board level, as well as specifying issues which remain within the Board's preserve. The Board

typically expects to meet eleven times a year to consider a formal schedule of matters including the operating performance of the business and to review the Company's financial plan and business model.

In accordance with the Company's Articles of Association, at the Annual General Meeting of the Company each Director for whom it is the third annual general meeting following the annual general meeting at which he was elected or last re-elected shall retire from office.

It is the responsibility of the Chairman and the Company Secretary to ensure that Board members receive sufficient and timely information regarding corporate and business issues to enable them to discharge their duties.

Relations with shareholders

As detailed further below, the Directors seek to build on a mutual understanding of objectives between the Company and its shareholders by meeting to discuss long term issues and receive feedback, communicating regularly throughout the year and issuing trading updates as appropriate. The Board also seeks to use the Annual General Meeting to communicate with its shareholders.

Fair, balanced and understandable assessment of position and prospects

The Board has shown its commitment to presenting fair, balanced and comprehensible assessments of the Company's position and prospects by providing comprehensive disclosures within the financial report in relation to its activities. The Board has applied the principles of good governance relating to Directors' remuneration as described below. The Board has determined that there are no specific issues which need to be brought to the attention of shareholders.

Remuneration strategy

The Company operates in a competitive market. If it is to compete successfully, it is essential that it attracts, develops and retains high quality staff. Remuneration policy has an important part to play in achieving this objective. The Company aims to offer its staff a remuneration package which is both competitive in the relevant employment market and which reflects individual performance and contribution.

Board Committees

The Board maintains three standing committees, being the Audit, Remuneration and Nomination Committees. The minutes of all sub-committees are circulated for review and consideration by all relevant Directors, supplemented by oral reports from the Committee Chairmen at Board meetings.

Audit Committee

The Audit Committee was formed in May 2017 on completion of the acquisition of Experiential Ventures Limited and comprises Karen Bach who chairs the committee and Richard Rose. The Committee has held one meeting to date which was the meeting held to approve this report. Further details on the Audit Committee are provided below in the Report of the Audit Committee.

Remuneration Committee

The Remuneration Committee was formed in May 2017 on completion of the acquisition of Experiential Ventures Limited and comprises Karen Bach, who chairs the committee, and Richard Rose. The Committee has held one meeting to date. The committee adopted the arrangements for Directors' remuneration put in place upon admission. Further details on the Remuneration Committee are provided below in the Report of the Remuneration Committee.

Nomination Committee

The Nomination Committee was formed in May 2017 on completion of the acquisition of Experiential Ventures Limited and comprises Karen Bach who chairs the committee and Richard Rose. The Committee has held one meeting to date. No significant resolutions were made. Further details on the Nomination Committee are provided below in the Report of the Nomination Committee.

Report of the Audit Committee*Audit Committee*

The Audit Committee has written terms of reference and provides a mechanism through which the Board can maintain the integrity of the Financial Statements of the Company and any formal announcements relating to its financial performance; to review the Company's internal financial controls and its internal control and risk management systems and to make recommendations to the Board in relation to the appointment of the external auditor, their remuneration both for audit and non-audit work, the nature, scope and results of the audit and the cost effectiveness, independence and objectivity of the auditors. Provision is made by the Audit Committee to meet the auditors at least twice a year.

Internal controls

In applying the principle that the Board should maintain a sound system of internal control to safeguard shareholders' investment and the Company's assets, the Directors recognise that they have overall responsibility for ensuring that the Company maintains systems to provide them with reasonable assurance regarding effective and efficient operations, internal control and compliance with laws and regulations and for reviewing the effectiveness of those systems. However, there are inherent limitations in any system of control and accordingly even the most effective system can provide only reasonable and not absolute assurance against material misstatement or loss, and that the system is designed to manage rather than eliminate the risk of failure to achieve the business objectives.

The Company has established procedures necessary to implement the guidance on internal control issued by the FRC Guidance on Risk Management, Internal Control and Related Financial and Business Reporting (September 2014). This includes identification, categorisation and prioritisation of critical risks within the business and allocation of responsibility to its Executives and senior managers. The key features of the internal control system are described below:

Control environment – the Company is committed to high standards of business conduct and seeks to maintain these standards across all of its operations. There are also policies in place for the reporting and resolution of suspected fraudulent activities. The Company has an appropriate organisational structure for planning, executing, controlling and monitoring business operations in order to achieve its objectives.

Risk identification – Management is responsible for the identification and evaluation of key risks applicable to their areas of business. These risks are assessed on a continual basis and may be associated with a variety of internal and external sources, including infringement of IP, sales channels, investment risk, staff retention, disruption in information systems, natural catastrophe and regulatory requirements.

Information systems – All companies in the Enlarged Group will participate in periodic operational/strategic reviews and annual plans. The Board actively monitors performance against plan. Forecasts and operational results are consolidated and presented to the Board on a regular basis. Through these mechanisms, performance is continually monitored, risks identified in a timely manner, their financial implications assessed, control procedures re-evaluated and corrective actions agreed and implemented.

Main control procedures – the Company has implemented control procedures designed to ensure complete and accurate accounting for financial transactions and to limit the exposure to loss of assets and fraud. Measures taken include segregation of duties and reviews by management.

Monitoring and corrective action – There are clear and consistent procedures in place for monitoring the system of internal financial controls.

Following the Audit Committee's recommendation, the Board considers the internal control system to be adequate for the Company. The auditors have provided services in relation to the annual audit, advice and compliance work in relation to taxation and other advisory work during the period in connection with the acquisition of Escape Hunt. The Audit Committee reviews the scope and scale of the non-audit services undertaken by the auditors in order to ensure that their independence and objectivity is safeguarded. In the period before the acquisition, the business was simple and the control environment reflected this. The Directors recognise the acquisition increases this complexity and they continue to review the internal control system to ensure it responds to this change.

Report of the Remuneration Committee

The Remuneration Committee monitors the remuneration policies of the Company to ensure that they are consistent with its business objectives. Its terms of reference include the recommendation and execution of policy on Director and executive management remuneration and for reporting decisions made to the Board. The Committee determines the individual remuneration package of the executive management of the Board.

During the period, the Company was engaged in the targeting of potential acquisitions and the Directors at that time were performing roles that did not attract remuneration; however certain amounts were billable in respect of consulting services as disclosed in Note 14.

The Remuneration Committee recognises that incentivisation of staff is a key issue for the Company, which depends on the skill of its people for its success. The Remuneration Committee seeks to incentivise employees by linking individual remuneration to individual performance and contribution, and to the Company's results.

The duties of the Committee are to:

- determine and agree with the Board the framework or broad policy for the remuneration of the chairperson, executive directors, non-executive directors and any employees that the Board delegates to it;
- within the terms of the agreed policy, determine individual remuneration packages including bonuses, incentive payments, share options, pension arrangements and any other benefits;
- determine the contractual terms on termination and individual termination payments, ensuring that the duty of the individual to mitigate loss is fully recognised;
- in determining individual packages and arrangements, give due regard to the comments and recommendations of the Governance Code and the AIM Rules for Companies;
- be told of and be given the chance to advise on any major changes in employee benefit structures in the Enlarged Group;
- recommend and monitor the level and structure of remuneration for senior managers below Board level as determined; and
- agree the policy for authorising claims for expenses from the Chief Executive Officer and from the Chairman of the Board.

The Committee is authorised by the Board to:

- seek any information it requires from any employee of the Enlarged Group in order to perform its duties;

- be responsible for establishing the selection criteria and then for selecting, appointing and setting the terms of reference for any remuneration consultants providing advice to the Committee, at the Enlarged Group's expense; and
- obtain, at the Enlarged Group's expense, outside legal or other professional advice where necessary in the course of its activities.

Service contracts

The executive and non-executive Directors have signed service agreements that contain notice periods of six months and three months respectively. There are no additional financial provisions for termination.

Share options

The Escape Hunt plc Company Share Option Plan 2017 ("CSOP") was established on 2nd May, 2017.

The CSOP is designed to be a Schedule 4 CSOP Scheme. All employees (including full time executive directors) of the Company and any of its subsidiaries may be granted options over Ordinary Shares under the CSOP provided that they are not prohibited under the relevant legislation relating to Schedule 4 CSOP Schemes from being granted an option by virtue of having, or having had, a material interest in the Company.

Share incentive plan

The Escape Hunt plc Executive Growth Share Plan ("EGSP") was established on 2nd May, 2017.

Three directors and full-time employees of the Company were invited to participate under the EGSP.

Under the EGSP invitations were issued to three eligible employees inviting such employees to subscribe for a specified number of G Shares each at a specified price per G Share. The Remuneration Committee has absolute discretion to select the persons to whom invitations were issued and in determining the number of G Shares which may be acquired pursuant to each invitation.

The price payable for a G Share pursuant to an invitation is also determined by the Remuneration Committee.

Report of the Nomination Committee

The function of the Nomination Committee shall be to provide a formal, rigorous and transparent procedure for the appointment of new directors to the Board. In carrying out its duties, the Nomination Committee is primarily responsible for:

- identifying and nominating candidates to fill Board vacancies;
- evaluating the structure and composition of the Board with regard to the balance of skills, knowledge and experience and making recommendations accordingly;
- reviewing the time requirements of Non-Executive Directors;
- giving full consideration to succession planning; and
- reviewing the leadership of the Enlarged Group.

Communication with shareholders

The Board attaches great importance to communication with both institutional and private shareholders.

Regular communication is maintained with all shareholders through Company announcements, the half-year Statement and the Annual Report and financial statements.

The Directors seek to build on a mutual understanding of objectives between the Company and its shareholders. Institutional shareholders are in contact with the Directors through presentations and meetings to discuss issues and to give feedback regularly throughout the year. With private shareholders, this is not always practical.

The Board therefore intends to use the Company's Annual General Meeting as the opportunity to meet private shareholders who are encouraged to attend, and at which the Chief Executive Officer will give a presentation on the activities of the Company.

Following the presentation there will be an opportunity to meet and ask questions of Directors and to discuss development of the business.

The Company operates a website at <http://investors.escapehunt.com/>

The website will contain details of the Company and its activities; regulatory announcements, Company announcements, Interim statements, preliminary statements and Annual Reports. The website is maintained in compliance with AIM Rule 26.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

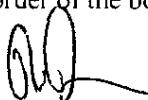
The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Provision of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no information relevant to the audit of which the Company's auditors are unaware, and;
- at Director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

Signed by order of the board



Richard Rose

27 June 2017



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESCAPE HUNT PLC

We have audited the financial statements of Escape Hunt plc for the period ended 31 December 2016 set out on pages 21 to 37. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 18, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the period from 17 May 2016 (the date of incorporation) to 31 December 2016;
- have been properly prepared in accordance with IFRSs as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial period is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit



W. Smith

William Smith

Senior Statutory Auditor

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

Gateway House

Tollgate

Chandlers Ford

Southampton

SO53 3TG

27 June 2017

Statement of Comprehensive Income

For the period from incorporation on 17 May 2016 to 31 December 2016

		Period ended 31 December 2016
Continuing Operations	Note	£
Transaction expenses		(1,545,547)
Administrative expenses		(62,707)
Operating loss	5	(1,608,254)
Interest received		19
Loss before taxation		(1,608,235)
Taxation	6	-
Loss after taxation		(1,608,235)
Other comprehensive income		-
Total comprehensive loss attributable to equity holders		(1,608,235)
Loss per share attributable to equity holders:		
Basic and diluted (Pence)	7	(18.75)

The notes on pages 25 to 37 are an integral part of these financial statements.

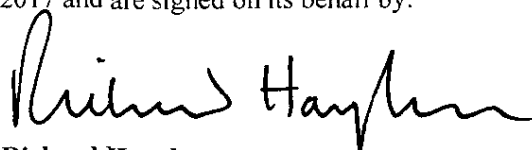
Statement of Financial Position

As at 31 December 2016

		As at 31 December
		2016
	Note	£
Current assets		
Cash and bank balances	9	7,923,106
		<u>7,923,106</u>
Current liabilities		
Trade and other payables	10	(465,386)
		<u>(465,386)</u>
Net assets		<u>7,457,720</u>
Equity		
Share capital	11	125,000
Share premium account		8,940,955
Accumulated losses		<u>(1,608,235)</u>
Total equity attributable to equity holders		<u>7,457,720</u>

The notes on pages 25 to 37 are an integral part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 27 June 2017 and are signed on its behalf by:



Richard Harpham
Director

Statements of Changes in Equity

For the period ended 31 December 2016

	Share capital	Share Premium	Accumulated losses	Total equity
	£	£	£	£
Loss for the period	-	-	(1,608,235)	(1,608,235)
Issue of shares	125,000	9,585,000	-	9,710,000
Share issue costs	-	(644,045)	-	(644,045)
Transactions with owners	125,000	8,940,955	-	9,065,955
As at 31 December 2016	125,000	8,940,955	(1,608,235)	7,457,720

The notes on pages 25 to 37 are an integral part of these financial statements.

Statement of Cash Flows

For the period ended 31 December 2016

	Period ended 31 December 2016
	<u>£</u>
Cash flow from operating activities	
Loss before tax for the period	(1,608,235)
Interest income	(19)
Operating cash flows before movements in working capital	(1,608,254)
Increase in trade and other payables	465,386
Net cash used in operating activities	<u>(1,142,868)</u>
Cash flow from financing activities	
Interest received	19
Proceeds from issue of ordinary shares	9,710,000
Share issue costs	(644,045)
Net cash generated from financing activities	<u>9,065,974</u>
Net increase in cash and cash equivalents	7,923,106
Cash and equivalents at beginning of period	<u>-</u>
Cash and equivalents at end of period	<u>7,923,106</u>

NOTES TO THE FINANCIAL STATEMENTS**1. General Information**

The Company was incorporated in England on 17 May 2016 under the name of Dorcaster Limited with registered number 10184316 as a private company with limited liability under the Companies Act 2006. The Company was re-registered as a public company on 13 June 2016 and changed its name to Dorcaster Plc on 13 June 2016. On 8 July 2016, the Company's shares were admitted to AIM.

As at 31 December 2016, the Company was an investing company (as defined in the AIM Rules for Companies) and did not trade.

On 2 May 2017, the Company ceased to be an investing company on the completion of the acquisition of the entire issued share capital of Experiential Ventures Limited (the "Acquisition"). Experiential Ventures Limited is the holding company of the Escape Hunt Group which is a global provider of live 'escape the room' experiences.

On 2 May 2017, the Company's name was changed to Escape Hunt plc.

The Company's registered office was changed on 15 June 2017 from Atticus Legal LLP, Castlefield House, Liverpool Road, Manchester, England M3 4SB to 1-2 Paris Garden, London SE1 8ND

No comparative figures are given as the reporting period is the first reporting for the Company since its incorporation.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") issued by the International Accounting Standards Board ("IASB") including related interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Pounds Sterling, which is the presentational currency for the financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimation. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

Going concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Directors have assessed the Company's ability to continue in operational existence for the foreseeable future in accordance with the Financial Reporting Council's Guidance on the going concern basis of accounting and reporting on solvency and liquidity risks issued in April 2016.

The Company has prepared forecasts and projections which reflect the expected trading performance of the Company and its Enlarged Group on the basis of best estimates of management using current knowledge and expectations of trading performance.

As at 31 December 2016, the Company had £7.9m in cash which is considered sufficient for its present needs. The Company has since raised additional funds in the form of equity as described in Note 20 below, and together this provides a sufficient basis for funding the Enlarged Group.

Based on the above, the Directors consider there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, as well as to fund the Company's future operating expenses. The going concern basis preparation is therefore considered to be appropriate in preparing these financial statements.

2. Significant accounting policies

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Financial assets

(i) Initial recognition and measurement

The Company classifies its existing financial assets as loans and receivables. The classification depends on the nature of the assets and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and this designation at every reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than twelve months after the reporting date which are classified as non-current assets. Loans and receivables comprise cash and bank balances

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest rate method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are de-recognised or impaired, and through the amortisation process.

(ii) De-recognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Impairment of financial assets

Evidence of impairment may include indications that the receivables or a group of receivables is experiencing significant financial difficulty, default or delinquency in interest or principal repayments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced, and the loss is recognised in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities and include trade and other payables and borrowings. Financial liabilities are initially measured at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with the interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payment through the expected life of financial liability, or, where appropriate, a shorter period.

Provisions

A provision is recognised when the Company has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

Contingent liabilities

Contingent liabilities are possible obligations whose existence depends on the outcome of uncertain future events or present obligations where the outflow of resources is uncertain or cannot be measured reliably. Contingent liabilities are not recognised in the financial statements, but are disclosed unless they are remote.

Share capital

Proceeds from issuance of ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares or options are shown in equity as a deduction from the proceeds.

Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised on taxable temporary differences arising on investment in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year. Deferred tax is charged or credited to the comprehensive income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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

3. Critical accounting estimates and judgements

In the application of the Company's accounting policies, which are described in Note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and

associated assumptions are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period.

There have been no significant estimates or judgements required in the preparation of these accounts.

4. Standards and interpretations issued but not yet effective

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 EU. The Directors do not expect that the adoption of these standards will have a material impact on the financial statements of the Company in future periods, except that IFRS 9 will impact on both the measurement and disclosures of financial instruments and IFRS 16 will have an impact on the recognition of operating leases. At this point it is not practicable for the Directors to provide a reasonable estimate of the effect of these standards as their detailed review of these standards is still ongoing.

The Company, as enlarged by its acquisition of Experiential Ventures Limited, plans to voluntarily early adopt IFRS 15 *Revenue from Contract with Customers* in its first consolidated financial statements for the year ended 31st December 2017. The early adoption of IFRS 15 has had no effect on these financial statements.

5. Operating loss before taxation

Loss from operations has been arrived at after charging:

	Period ended 31 December 2016
	£
Auditor's remuneration:	
- Audit of the financial statements	25,000
- All other assurance services*	426,155

The amounts above relate to the current auditors, KPMG LLP.

*Reporting accountant and related transaction services in respect of the acquisition and admission to AIM of the enlarged group.

In addition, £29,250 was paid to RSM UK Audit LLP, the Company's previous auditors in connection with the Company's AIM admission. These costs have been charged against share premium arising on the issue of shares.

6. Taxation

The Company has made no provision for taxation as it has not yet generated any taxable income. A reconciliation of income tax expense applicable to the loss before taxation at the statutory tax rate to the income tax expense at the effective tax rate of the Company is as follows:

	Period ended 31 December 2016 £
Loss before taxation	(1,608,235)
Tax calculated at standard rate of tax of 20%	(321,647)
<i>Tax effects of:</i>	
Non-deductible expenditure	309,106
Tax losses carried forward	12,541
	-

The Company had tax losses of approximately £63,000 as at 31 December 2016 which, subject to agreement with taxation authorities, are available to carry forward against future profits. The tax value of such losses amounted to approximately £12,000.

A deferred tax asset in respect of these losses and temporary differences has not been established as the Company has not yet generated any revenues and the Directors have therefore assessed the likelihood of future profits being available to offset such deferred tax assets to be uncertain.

7. Loss per share

The calculation of loss per share is based on the following loss and number of shares:

	Period ended 31 December 2016 £
Loss attributable to equity holders	(1,608,235)
Weighted average number of shares	8,576,4228
Loss per share (basic and diluted)	0.1875

The Company did not have any potential ordinary shares in the period reported.

8. Employees

The Company did not have any employees during the period ended 31 December 2016.

9. Cash and cash equivalents

	As at 31 December 2016
	£
Cash at bank	7,923,106
	<u>7,923,106</u>

10. Trade and other payables

	As at 31 December 2016
	£
Trade payables	36,000
Accruals	429,386
	<u>465,386</u>

11. Share capital

	As at 31 December 2016
	£
Issued and fully paid	
10,000,000 Ordinary shares of 1.25 pence	<u>125,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

On incorporation on 17 May 2016, the issued share capital of the Company consisted of 1 ordinary share (which was the subscriber share) with a nominal value of £1.00.

On 25 May 2016, the issued share capital of the Company, being 1 ordinary share of £1.00 each, was subdivided into 80 ordinary shares of £0.0125 each and the Company issued and allotted a further 3,999,920 Ordinary Shares at par.

On 13 June 2016, the Company was re-registered as a public limited company.

On 5 July 2016, the Company issued and allotted a further 6,000,000 ordinary shares at a price of £1.61 per ordinary share to new shareholders as part of its admission to AIM.

Subsequent to 31 December 2016, the following changes to the Company's share capital took place:

A commitment of Experiential Ventures Limited to issue a warrant to Stockdale Securities Limited if certain conditions were met was discontinued after Experiential Ventures Limited and Stockdale

Securities terminated their agreement and Stockdale Securities entered into a new agreement with the Company in February 2017 in connection with the admission to AIM.

On 2 May 2017, the Company placed a total of 10,370,370 ordinary shares at a price of 135 pence per share, with new and existing institutional investors, as well as certain Directors to raise gross proceeds of £14.0 million.

On 2 May 2017, the Company issued 3,555,555 ordinary shares at £1.35 each to the holders of the entire issued share capital of Experiential Ventures Limited, pursuant to the Company's purchase of the entire issued share capital of Experiential Ventures Limited as more fully described in Note 20 below (the "Acquisition"). The registered office of Experiential Ventures Limited is located at 103 Sham Peng Tong Plaza, Victoria, Mahé, Seychelles.

Share buy-back agreements dated 13 April 2017 were entered into pursuant to which Karen Jones (666,666 shares), Hubert van den Bergh (1,444,444 shares), Dominic Rose (518,519 shares), Jessica Rose (518,519 shares) and Jaime Sarah Rose Scudamore (518,519 shares) agreed to sell a total of 3,666,667 ordinary shares at a value equal to the aggregate nominal value of the ordinary shares being sold being £45,833.

The number of ordinary shares in issue at the date of approval of these financial statements is 20,259,258.

12. Capital management

The Board defines capital as share capital and all components of equity.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. In particular, the Company has raised equity as a means of executing its acquisition strategy and as a sound basis for operating the acquired Escape Hunt business in line with the Group's strategy. The Board of Directors will also monitor the level of dividends to ordinary shareholders.

The Company is not subject to externally imposed capital requirements.

13. Share premium account

The share premium account arose on the Company's issue of shares and is not distributable by way of dividends.

14. Related party transactions

Related parties are entities with common direct or indirect shareholders and/or directors. Parties are considered to be related if one party has the ability to control the other party in making financial and operating decisions.

During the period under review, in addition to those disclosed elsewhere in these financial statements, the following significant transactions took place at terms agreed between the parties:

Transactions with key management personnel

As part of the formation of the Company, 4,000,000 shares were subscribed for by three directors for a total consideration of £50,000, being the par value of the ordinary shares issued on incorporation. Hubert van den Bergh subscribed for 1,555,555 shares, Karen Jones, 666,666 shares and Richard Rose together with his children subscribed for 1,777,779 shares.

In preparation for the acquisition of Experiential Ventures Limited, Richard Harpham a director of the Company, provided consultancy services for the Company in relation to the Acquisition, Placing and share buy-back, and to co-ordinate the preparation of the Enlarged Group for Admission. In the period ended 31 December 2016, Richard Harpham received £53,476 in respect of these consultancy services and expenses provided up to the reporting date. Amounts outstanding to Richard Harpham as at 31st December 2016 were nil. Richard Harpham was also entitled to a fee of £45,000 for the services which was conditional upon Admission following the acquisition of Experiential Ventures Limited and was paid subsequent to Admission of the Enlarged Group and have not been provided for in these accounts.

During the period ended 31 December 2016, the Company paid £18,750 to Kishorn Limited in respect of company secretarial services. Kishorn Limited, a company incorporated in England and Wales is 60% owned by Alistair Rae, a director of the Company. Amounts outstanding to Kishorn limited as at 31st December 2016 were £900.

The share buy-back described in Note 11 above constitutes a related party transaction for the purposes of Rule 13 of the AIM Rules for Companies in respect of both of the Directors.

Interests in the share capital of the Company

Details of the Directors interests in the share capital of the Company are disclosed in the Directors Report.

Other transactions

Peel Hunt LLP (a shareholder and the Company's nominated adviser and broker) performed services for the Company in relation to the admission to AIM and ongoing activities for a sum of £477,271. Amounts outstanding to Peel Hunt as at 31 December 2016 were £nil.

15. Directors and key management remuneration

Other than in respect of Richard Harpham as described in Note 14 above, none of the Directors, who are considered to be the key management personnel of the Company, received any remuneration for their services during the period ended 31 December 2016, nor had any options issued, as such no disclosures are provided under AIM Rule 19.

16. Financial risk management

General objectives, policies and processes

The overall objective of the Directors is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

The Directors review the Company's monthly reports through which they assess the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

Categories of financial assets and liabilities

The Company's activities are exposed to credit and liquidity risk. The Company's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- cash and cash equivalents; and
- trade and other payables;

The financial assets and financial liabilities maturing within the next 12 months approximated their fair values due to the relatively short-term maturity of the financial instruments.

The Company had no financial assets or liabilities carried at fair values at the end of the period.

A summary of the financial instruments held by category is provided below:

Financial assets – loans and receivables

	As at 31 December 2016
	£
Cash and cash equivalents	7,923,106
	<u>7,923,106</u>

Financial liabilities at amortised cost:

	As at 31 December 2016
	£
Trade payables	36,000
Accruals	429,386
	<u>465,386</u>

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company performs ongoing credit evaluation of its counterparties' financial condition and does not hold any collateral as security over its receivables. The Company's major classes of financial assets are cash and bank balances.

As at the end of the period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

As at 31 December 2016 all the cash and bank balances as detailed in Note 9 to the financial statements are held in financial institutions which are regulated and located in the UK, which management believes are of high credit quality. Management does not expect any losses arising from non-performance by these counterparties.

The maximum exposure to credit risk at the reporting date of the Company is as follows:

	As at 31 December 2016
	£
Cash and cash equivalents	7,923,106
	<u>7,923,106</u>

The Company has no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The principal liabilities of the Company arise in respect of trade and other payables which are all payable within 12 months.

The Board receives and reviews cash flow projections on a regular basis as well as information on cash balances.

17. Segment information

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the Board. As at 31 December 2016, the Company was an investing company and did not trade. Accordingly, no segmental analysis has been provided in these financial statements.

18. Commitments

The Company had no capital or other commitments as at 31 December 2016.

19. Contingencies

As at 31 December 2016, the Company had agreed contingent consultancy arrangements with Richard Harpham, a director of the Company, totalling £45,000 as noted above. This amount was paid on the Company's re-admission to AIM in May 2017.

At the same date, the Company had agreed property consultancy fees of approximately £13,000 payable in respect of Experiential Ventures Limited which were conditional on the Acquisition. These amounts were paid in May 2017.

The Directors are not aware of any other contingencies which might impact on the Company's operations or financial position.

20. Subsequent events

Acquisition of Experiential Ventures Limited and share buy-back

On 13 April 2017, the Company conditionally agreed to purchase the entire issued share capital of Experiential Ventures Limited for a consideration of £12 million on a cash free and debt free basis, with a normalised level of working capital. The consideration (following adjustments for cash/debt and working capital) was payable by £7.2 million in cash on Completion and by the issue of Ordinary Shares (the "Consideration Shares") for £4.8 million.

In order to fund the cash consideration payable and associated costs and expenses, as well as working capital, the Company agreed the conditional placing of 10,370,370 Ordinary Shares (the "Placing Shares") at 135 pence per share to raise £14 million (£10.8 million net of expenses (including VAT)). The Acquisition constitutes a reverse takeover of Experiential Ventures Limited for the purposes of the AIM Rules for Companies and received Shareholder approval on 2 May 2017. However, the Directors provisionally considered that under IFRS 3 *Business Combinations*, the accounting acquirer would be considered to be Escape Hunt plc, due to:

- a greater proportion of share capital in the enlarged group being held by shareholders of Escape Hunt plc, rather than pre-acquisition shareholders of Experiential Ventures Limited;
- Escape Hunt plc's shareholders have the ability to appoint or remove a majority of the members of the Board;
- greater Board representation in the enlarged group of the Escape Hunt plc Board of directors rather than pre-acquisition members of the Experiential Ventures Limited Board; and
- the composition of the senior management of the enlarged group consist mostly of Escape Hunt plc management.

On the same date, the Company issued 3,555,555 Ordinary Shares (the Consideration Shares) at £1.35 each to the holders of the entire issued share capital of Experiential Ventures Limited, pursuant to the Company's acquisition of the Escape Hunt Group.

As described in Note 11 above, share buy-back agreements dated 13 April 2017 were entered into pursuant to which two directors and their children agreed to sell a total of 3,666,667 ordinary shares at a value equal to the aggregate nominal value of the ordinary shares being sold being £45,833.

The Acquisition and the Share Buy-Back were approved on 2 May 2017 and Admission of the Enlarged Share Capital on AIM took effect on 3 May 2017.

As of the date of the approval of these financial statements, the exercise to allocate the purchase price to, and value the assets and liabilities acquired, is still ongoing. Therefore the following disclosures in respect of the ongoing accounting exercise have not been provided:-

- acquired goodwill;
- the composition and fair values of assets and liabilities acquired; and
- transaction related costs in respect of the acquisition.

Share option plan

The Escape Hunt plc Company Share Option Plan 2017 (“CSOP”) was established on 2 May, 2017. The CSOP is designed to be a Schedule 4 CSOP Scheme. All employees (including full time executive directors) of the Company and any of its subsidiaries may be granted options over Ordinary Shares under the CSOP provided that they are not prohibited under the relevant legislation relating to Schedule 4 CSOP Schemes from being granted an option by virtue of having, or having had, a material interest in the Company.

Share incentive plan

The Escape Hunt plc Executive Growth Share Plan (“EGSP”) was established on 2 May, 2017. Three directors and full-time employees of the Company were invited to participate under the EGSP. Under the EGSP invitations were issued to three eligible employees inviting such employees to subscribe for a specified number of G Shares each at a specified price per G Share. The Remuneration Committee has absolute discretion to select the persons to whom invitations were issued and in determining the number of G Shares which may be acquired pursuant to each invitation.

The price payable for a G Share pursuant to an invitation is also determined by the Remuneration Committee.

21. Ultimate controlling party

As at 31 December 2016, no one entity owns greater than 50% of the issued share capital. Therefore, the Company does not have an ultimate controlling party.

Company information

Directors

Richard Rose, Independent Non-Executive Chairman
Richard Harpham, Chief Executive Officer
Alistair Rae, Chief Financial Officer
Adrian Jones, Non-Executive Director
Karen Bach, Non-Executive Director

Company secretary

Alistair Rae

Company number

10184316

Registered address

1-2 Paris Garden
London
SE1 8ND

Independent auditors

KPMG LLP
Gateway House, Tollgate
Chandlers Ford
SO53 3TG

Nominated adviser and joint broker

Peel Hunt LLP
Moor House
120 London Wall
London

Joint broker

Stockdale Securities Ltd
Beaufort House
St Botolph Street
London EC3A 7BB

Registrars

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA