London Stock Exchange

RNS Final Results

Preliminary Results for the y/e 31 December 2020

BIDSTACK GROUP PLC

Released 07:00:04 26 March 2021

RNS Number : 5810T
Bidstack Group PLC
26 March 2021

Certain information contained within this Announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 ("MAR") as applied in the United Kingdom. Upon publication of this Announcement, this information is now considered to be in the public domain.

26 March 2021

Bidstack Group Plc

("Bidstack" or "the Company")

Preliminary Results for the year ended 31 December 2020

Annual Report & Accounts 2020

Strong tangible progress: campaigns undertaken globally with ROI for brands demonstrated.

Confident of further material growth in 2021

Bidstack Group Plc (LON: BIDS), the native in-game advertising group, is pleased to announce the publication of its Annual Report and Accounts for the year ended 31 December 2020 ("Annual Report").

The Annual Report is available for immediate download at https://www.bidstack.com/2020-annual-report and www.bidstackgroup.com.

Financial Performance

- Revenue of £1.7m (FY 2019: £0.14m) - in excess of market expectations
- Cash balance at 31 December 2020 of £2.3m (31 December 2019: £3.1m) - in line with market expectations
- Adjusted loss before tax £6.99m (FY 2019: £5.4m) - in line with market expectations
- Successful oversubscribed placing raising gross proceeds of £5.7m in June 2020

Operational Performance

- Ran over 40 in-game advertising campaigns
- Added 25 new partners, covering over 30 markets, to Bidstack's Approved Partner Network
- Signed agreements with some of the world's largest international advertising agency holding groups including Interpublic, Omnicom, Publicis and WPP
- Ran over 10 direct campaigns for brands across five key verticals: luxury, consumer packaged goods, financial services, automotive and retail
- 6 new esports team collaborations and 2 franchises signed
- Currently working with 20 games including 5 games from 3 AAA game studios
- An additional 6 AAA games covered by partnership agreements

Outlook and Prospects

In 2021 Bidstack intends to continue building its technology to unlock the potential of gaming for advertisers by focusing on raising awareness with global agency holding groups and advertisers, showing evidence of return on investment with ad measurement and through increasing the ease of purchase with premium inventory.

In addition, the Company will be stepping up its investment in growing its robust pipeline of AAA and high-fidelity game portfolio and mobile publisher base, diversifying its product offering to publishers, rolling out its Pubguard security product and enhancing its SDK integration.

Bidstack's focus on execution will accelerate in 2021-2022 ensuring the Company's performance builds on what was achieved in 2020 and supports its long-term plans by focusing on building an open exchange industry standard and infrastructure for advertisers to buy in-game ads seamlessly, continuing to build Bidstack's proprietary self-serve technology features and strengthening its safety features with Pubguard.

Bidstack will also continue working to define the taxonomy of in-game advertising including formats, sizing, copy and best practices.

The Company ended 2020 with cash reserves of £2.3 million (2019: £3.1 million) and no debt. As always cash management remains a key focus within the business as the Board expects Bidstack to continue to have negative cash flows in 2021. However, the Company is now aided by regular cash receipts arising in the ordinary course of trading which are having a positive impact on our monthly burn rate. In addition, the Company has also received a non-trading cash payment in January 2021 in excess of £0.5m and expects to receive a further similar receipt in late Q2 2021.

The Board expects that revenues for 2021, while materially greater than 2020, will continue to be significantly second half weighted.

James Draper, CEO of Bidstack, said:

"The journey so far, our future growth strategy and near term deliverables are clearly presented in our 2020 Annual Report which I urge all shareholders to read given the incremental detail that it provides. The Annual Report is published today and can be downloaded from https://www.bidstack.com/2020-annual-report and www.bidstackgroup.com ."

-ENDS-

Contacts

Bidstack Group PLC	
James Draper, CEO	via Buchanan
SPARK Advisory Partners Limited (Nomad)	
Mark Brady / Neil Baldwin / James Keeshan	+44 (0) 203 368 3550
Stifel Nicholas Europe Limited (Broker)	
Fred Walsh/Luisa Orsini Baroni	+44 (0) 20 7710 7600
Buchanan Communications Limited	
Chris Lane / Stephanie Watson / Kim van Beeck	+44 (0) 20 7466 5000
bidstack@buchanan.uk.com	

Extracts from the Chairman's Statement in the Annual Report

Introduction

2020 has been a year of immense progress for Bidstack. While the significant increase in revenues in the second half are a distinctly tangible sign of progress, it does not do justice to the full extent of the evolution of the Company over the period.

Progress in 2020

We have set out in considerable detail our progress in having in-game advertising accepted as a new and recognised media channel throughout our Annual Report, which can be accessed here at https://www.bidstack.com/2020-annual-report and www.bidstackgroup.com . Key points to note include:

- we are working closely with some of the largest global advertising agencies in the world including Dentsu, Havas, Interpublic, Omnicom, Publicis and WPP,
- our successful brand uplift studies for brands including Acer, Burberry, Coca-Cola, Jimmy Dean, McDonalds, MG, Paco Rabanne, Santander, TalkTalk and VW show that our in-game ads deliver better results than other traditional channels,
- our technology supports Unity, Unreal, C++, Linux, iOS and Android,
- we have created a proprietary ad server for in-game ad inventory (AdConsole),
- we are working with leading independent digital and audience measurement experts Moat by Oracle, Comscore and Nielsen to provide verification of delivery of our ads, and
- we have played a leading role in the IAB's efforts to define in-game advertising as a channel, as outlined in their recently published "Guide to Gaming" whitepaper.

Outlook and Prospects

In 2020, Bidstack made strong and tangible progress towards our ambition to become the global leading advertising and monetisation platform for interactive entertainment. Bidstack has proven its initial concept through bringing premium advertisers into the world of gaming, securing exclusive contracts with household name game developers and building the technology infrastructure to enable both sides to seamlessly transact.

Our strategy has been to take no shortcuts from either a technological or commercial perspective. This is now paying off, with significant advertising agencies and brands planning around our premium inventory and with our technology providing transparent reporting on campaign performance.

We believe that Bidstack is now well established across its three key pillars of advertisers, publishers & platforms and product development. It is vital for Bidstack to continue to consolidate its leading position through execution and scaling its value proposition into new markets.

The Board expects that revenues for 2021, while materially greater than 2020, will continue to be second half weighted.

With the commercial, operational, proprietary data and technology we have at hand, I believe Bidstack is well positioned for the journey ahead.

Donald Stewart

Chairman

Consolidated statement of comprehensive income

for the year ended 31 December 2020

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Revenue	**1,695,620**	140,391
Cost of sales	**(1,470,389)**	(106,697)
Gross profit	**225,231**	33,694
Administrative expenses	**(7,218,789)**	(5,353,375)
Operating loss before acquisition related costs	**(6,993,558)**	(5,319,681)
Transaction costs	**-**	(44,833)
Share based payment on reverse acquisition	**-**	-
Operating (loss)	**(6,993,558)**	(5,364,514)
Finance income	**2,525**	8,060
Finance costs	**(1,179)**	(967)
(Loss) before taxation	**(6,992,212)**	(5,357,421)
Taxation	**597,035**	148,141
(Loss) for the year	**(6,395,177)**	(5,209,280)
Other comprehensive income		
Total other comprehensive income	**-**	-
Total comprehensive (loss) for the year	**(6,395,177)**	(5,209,280)
Loss per share - basic and diluted (pence)	**(1.65)**	(2.26)

The notes to the accounts published in the Annual Report form part of the financial statements.

Consolidated statement of financial position

as at 31 December 2020

	31 December 2020 £	31 December 2019 £
ASSETS		
Non-current assets		
Intangible assets	**279,955**	310,960
Property, plant and equipment	**28,388**	22,377
Right of use asset	**7,577**	26,710
Total non-current assets	**315,920**	360,047
Current assets		
Trade and other receivables	**2,391,300**	533,207
Cash and cash equivalents	**2,347,114**	3,148,540
Total current assets	**4,738,414**	3,681,747
Total assets	**5,054,334**	4,041,794
EQUITY AND LIABILITIES		
Equity		
Share capital	**6,234,261**	5,516,759
Share premium account	**27,984,716**	23,283,880
Share-based payment reserve	**1,282,556**	734,365
Merger relief reserve	**6,508,673**	6,508,673
Reverse acquisition reserve	**(23,320,632)**	(23,320,632)
Warrant reserve	**71,480**	71,480
Retained losses	**(15,578,902)**	(9,183,725)
Total equity	**3,182,152**	3,610,800
Non-current liabilities		
Lease liability	**-**	8,300

Total non-current liabilities	**-**	8,300
Current liabilities		
Trade and other payables	**1,863,739**	406,672
Lease liability	**8,443**	16,022
Total current liabilities	**1,872,182**	422,692
Total equity and liabilities	**5,054,334**	4,041,794

The notes to the accounts published in the Annual Report form part of the financial statements.

Consolidated statement of changes in equity

for the year ended 31 December 2020

	Share capital £	Share premium £	Share-based payment reserve £	Merger relief reserve £	Reverse acquisition reserve £	Warrant reserve £	Retained losses £	Total equity £
Balance as at 1 January 2019	5,286,429	18,000,247	258,060	6,213,021	(23,320,632)	71,480	(3,974,445)	2,534,160
Issue of shares	225,982	5,541,549	-	-	-	-	-	5,767,531
Issue of consideration shares	4,348	-	-	295,652	-	-	-	300,000
Costs of raising equity	-	(257,916)	-	-	-	-	-	(257,916)
Share-based payments	-	-	476,305	-	-	-	-	476,305
Loss and total comprehensive income for the year	-	-	-	-	-	-	(5,209,280)	(5,209,280)
Balance as at 31 December 2019	**5,516,759**	**23,283,880**	**734,365**	**6,508,673**	**(23,320,632)**	**71,480**	**(9,183,725)**	**3,610,800**
Issue of shares	717,502	5,032,518	-	-	-	-	-	5,750,020
Issue of consideration shares	-	-	-	-	-	-	-	-
Costs of raising equity	-	(331,682)	-	-	-	-	-	(331,682)
Share-based payments	-	-	548,191	-	-	-	-	548,191
Loss and total comprehensive income for the year	-	-	-	-	-	-	(6,395,177)	(6,395,177)
Balance as at 31 December 2020	**6,234,261**	**27,984,716**	**1,282,556**	**6,508,673**	**(23,320,632)**	**71,480**	**(15,578,902)**	**3,182,152**

The notes to the accounts published in the Annual Report form part of the financial statements.

Consolidated statement of cash flows

for the year ended 31 December 2020

	31 December 2020	31 December 2019
	£	£
Cash flows from operating activities		
(Loss) before taxation	**(6,992,212)**	(5,357,421)
Adjustments for:		
Amortisation - Intangibles	**31,574**	18,859
Amortisation - Right of use asset	**19,621**	5,337
Depreciation	**13,021**	8,330
Equity settled share-based payments	**548,191**	476,305
Doubtful debts expenses	**(19,265)**	325,200
Interest received	**(2,525)**	(8,060)
Interest paid	**1,179**	967
	(6,400,416)	(4,530,483)
Changes in working capital		
Decrease/(increase) in trade and other receivables	**(1,241,792)**	151,646
(Decrease)/increase in trade and other payables	**1,457,069**	(80,204)
Cash used in operations	**(6,185,103)**	(4,459,041)
Net cash used in operations	**(6,185,103)**	(4,459,041)
Cash flow from investing activities		
Investment in intangible assets	**(570)**	(370)
Cash acquired with subsidiary	**-**	6,683
Investment in property, plant and equipment	**(19,033)**	(14,272)
Net cash flow (used in)/generated from investing activities	**(19,603)**	(7,959)
Cash flow from financing activities		
Proceeds from issue of share capital	**5,750,020**	5,767,531
Cost of issue	**(331,682)**	(257,916)
Interest paid	**(1,215)**	(967)
Principal paid on finance leases	**(16,368)**	(7,725)

Interest received	**2,525**	8,060
Net cash generated from financing activities	**5,403,280**	5,508,983
Increase in cash and cash equivalents in the year	**(801,426)**	1,041,983
Cash and cash equivalents at beginning of year	**3,148,540**	2,106,557
Cash and cash equivalents at the end of the year	**2,347,114**	3,148,540

The notes to the accounts published in the Annual Report form part of the financial statements.

Extracts from the notes to the financial statements

2 Summary of significant accounting policies

Basis of preparation

The consolidated financial statements consolidate those of the Company and its subsidiary (together the "Group"). The financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (IFRSs) and International Financial Reporting Interpretation Committee (IFRIC) interpretations as endorsed by the European Union ("IFRS-EU"), and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

Management has implemented logistical and organisational changes to underpin the Group's resilience to the impact felt by the COVID-19 pandemic, with the key focus being protecting all personnel, minimising the impact on critical work streams and ensuring business continuity. The effect on the economy may impact the Group in varying ways, which could lead to a direct bearing on the Group's ability to generate future cash flows for working capital purposes. The inability to gauge the length of such disruption further adds to this uncertainty. For these reasons the generation of sufficient operating cash flows remain a risk. Management is closely monitoring commercial and technical aspects of the Group's operations to mitigate risk, and believes the Group will have access to sufficient working capital to continue operations for the foreseeable future.

Consolidation

The consolidated financial statements consolidate the financial statements of the Company and the results of its subsidiary undertakings Bidstack Limited, Minimised Media 'Pubguard' and Bidstack SIA, made up to 31 December 2020.

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Going concern

The Board continues to adopt the going concern basis to the preparation of the financial statements as it is confident of the Group continuing operations into the foreseeable future. The Board's forecasts for the Group include due consideration of future capital in-flows, continued operating losses, projected increase in revenues and cash-burn of the Group (and taking account of reasonably possible changes in trading performance and also changes outside of expected trading performance) for a minimum period of at least twelve months from the date of approval of these financial statements. This assessment has been arrived at after the Board has considered various alternative operating strategies should these be necessary in the light of actual trading performance not matching the Group's forecasts given the current macro-economic conditions, and are satisfied that such revised operating strategies could be adopted, if and when necessary. Specific attention needs to drawn to the comments made under principal risks and uncertainties in respect of the impact the Coronavirus pandemic on Going Concern and the approaches being taken by the Group to manage and mitigate such additional operational and financial risk the environment presents. Therefore, the Directors consider the going concern basis appropriate.

The Directors have stress tested the Group's cash projections, which involves preserving cash flows and adopting a policy of minimal cash spending for a period of at least 12 months from the date of approval of these financial statements. The Directors believe the measures they have put in place and will result in sufficient working capital and cash flows to continue in operational existence.

The financial statements have been prepared on a going concern basis and do not include the adjustments that would be required should the going concern basis of preparation no longer be appropriate. The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's statement above.

The financial statements as at 31 December 2020 show that the Group generated an operating loss for the year of £6.4 million (2019: £5.2 million) after accounting for the costs directly related to the issue of shares of £0.033 million (2019: £0.025million); with cash used in operating activities of £6.2 million (2019: £4.5 million). Group balance sheet also showed cash reserves as at 31 December 2020 of £2.3 million (2019: £3.1 million). The Group is dependent on further equity fundraising in order to operate as a going concern for at least twelve months from the date of approval of the financial statements. Although the entity has had past success in fundraising and continues to attract interest from investors, making the Board confident that such fundraising will be available to provide the required capital, there can be no guarantee that such fundraising will be available. Accordingly, this constitutes a material uncertainty over going concern.

The Board has considered various alternative operating strategies should these be necessary in the light of actual trading performance not matching the Group's forecasts given the current macro-economic conditions, and are satisfied that such revised operating strategies could be adopted, if and when necessary. Specific attention needs to drawn to the comments made in respect of the impact the COVID-19 pandemic on Going Concern and the approaches being taken by the Group to manage and mitigate the additional operational and financial challenges the environment presents.

Revenue Recognition

Revenue represents amounts receivable for goods and services provided in the normal course of business, and excludes intragroup sales, Value Added Tax and trade discounts. Revenue comprises:

• Sale of advertising space: the value of goods and services is recognised across the period of use.
• Sale of reseller rights: the value of goods and services is recognised upon agreement.
• Sale of development programmes and content creation: the value of goods and services supplied is recognised on delivery of content and accepted by customers.
• Sponsorship income: the value of goods and services is recognised over the time period to which it relates.

Net finance costs

Finance costs comprise interest on bank loans and other interest payable. Interest on bank loans and other interest is charged to the Statement of Comprehensive Income over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

Finance income comprises interest receivable on loans to related parties. Interest income is recognised in the Statement of Comprehensive Income as it accrues using the effective interest method.
Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Taxation

Current tax is recognised as the amount of corporation tax payable in respect of taxable profit for the current or past reporting periods using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

With the exception of changes arising on initial recognition of a business combination, the tax expense/(income) is presented either in the income statement, other comprehensive income or equity depending on the transaction that resulted in the tax expense/(income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- the company has a legally enforceable right to set off current tax assets against current tax liabilities, and

- the deferred tax assets and deferred tax liabilities relate to corporation tax levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Research and Development tax credits are recognised as receivables when an inflow of economic benefit is certain, until then a contingent asset in respect of probable Corporation Tax is disclosed.

Valuation of investments

Investment in subsidiary undertakings are accounted for at cost less impairment. Advances to subsidiaries are initially recorded at fair value based on a market rate of interest and subsequently at amortised cost. The difference between funds advanced and fair value is recorded in investments.

Impairment of fixed asset investments

An impairment review of fixed asset investments is conducted annually, and any resulting impairment loss is measured and recognised on a consistent basis.

Leased assets

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the incremental borrowing rate on commencement of the lease is used.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of the termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term. When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement.

An equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the fair value of Bidstack Group's share of the identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

Intangible assets

An intangible asset, which is an identifiable non-monetary asset without physical substance, is recognised to the extent that it is probable that the expected future economic benefits attributable to the asset will flow to the Group and that its cost can be measured reliably, the asset is deemed to be identifiable when it is separable or when it arises from contractual or other legal rights.

Amortisation is charged on a straight-line basis through the profit or loss. The rates applicable, which represent the directors' best estimate of the useful economic life, are:

- Website costs - 5 years
- Trademarks - 10 years
- Brand - 5 years
- Software - 5 years

Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs. Depreciation is provided on all items of property, plant and equipment, so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

- Computer equipment - 33.33% straight line
- Office equipment - 20% straight line

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial assets

The Group classifies all of its financial assets as loans and other receivables. Financial assets do not comprise prepayments. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments. They are initially recognised at fair value and are subsequently stated at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The Group's financial assets held at amortised cost comprise trade and other receivables and cash and cash equivalents in the Statement of Financial Position.

Financial liabilities

Trade and other payables are recognised initially at fair value and are subsequently measured at amortised cost,

using the effective interest method.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as deductions net of tax, before proceeds.

Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the income statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted.

As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the income statement over the remaining vesting period. Where equity instruments are granted to persons other than employees, the income statement is charged with fair value of goods and services received.

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The financial statements are presented in Pounds Sterling (£) which is also the Group's functional currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

10 Loss per share

The loss per share is based upon the loss of £6,395,177 (2019: loss of £5,209,280) and the weighted average number of ordinary shares in issue for the year of 387,633,342 (2019: 230,957,900).

The loss incurred by the Group means that the effect of any outstanding warrants and options would be considered anti-dilutive and is ignored for the purposes of the loss per share calculation.

15 Share capital and reserves

Allotted, called up and fully paid	**Ordinary 0.5p shares**	**Share capital**
	No.	**£**
At 1 January 2020	244,873,646	5,516,759
Exercised warrants	1,000,411	5,002
Exercised options	-	-
Issue of consideration shares	-	-
Issue of placing shares	142,500,000	712,500
As at 31 December 2020	**388,374,057**	**6,234,261**

All ordinary shares are equally eligible to receive dividends and the repayment of capital and represent equal votes at meetings of shareholders.

The financial information set out above does not constitute the Company's statutory accounts for the years ended 31 December 2020 or 31 December 2019, but is extracted from those accounts. Statutory accounts for 2019 have been delivered to the Registrar of Companies and those for 2020 will be delivered in due course. The auditor has reported on those accounts; their reports were unqualified but contained an emphasis of matter in respect of going concern. Note 2 of the Statutory Accounts for the year ended 31 December 2020 describes how the business is dependent on further equity funding to sustain itself over the following year. This condition indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. The auditor's opinion was not modified in respect of this matter. The Statutory accounts did not contain statements under s498(2) or (3) of the Companies Act 2006. Whilst the financial information included in this preliminary announcement has been computed in accordance with International Financial Reporting Standards, this announcement does not itself contain sufficient information to comply with IFRS.

END

FR GDGDXRXDDGBL