
FESTICKET LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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FESTICKET LIMITED

COMPANY INFORMATION

Directors

Zacharie Sabban
Jonathan Younes
David Fisher
Matthew John Hann
Benjamin William Leaver
Eyal Boris Malinger
Ian McCaig

Registered number

07923345

Registered office

2nd Floor, Centro Forum
74-80 Camden Street
London
NW1 0EG

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
30 Finsbury Square
London
EC2A 1AG

FESTICKET LIMITED

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FESTICKET LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Introduction

The directors present the strategic report for the year ended 31 December 2019.

Business review

As lives become increasingly digitised, people across generations are craving human connection and real life experiences now more than ever. This human need is reflected that 82% of millennials attend a live event each year.

This macro trend has created a huge business opportunity and its forecast that the total expenditure on the global experience economy will reach \$8.2tn by 2028 and as a result the industry is seeing increased levels of investment into the sector.

Today, live music and festivals attract over \$800m ticket sales each year and this has driven a global live ticketing market of \$145bn - of which the live music market is \$25bn.

There are three core parts to Festicket's business strategy to capture market share within this industry:

1. Event Discovery for potential customers
2. Innovative E-commerce tools for event goers
3. B2B technology for Event Organisers

1. Event Discovery

The first strategy of Festicket is event discovery. With so much choice, and so many new events launched each year globally - the key question for consumers is "where shall I go"?

To help, Festicket built one of the biggest content websites in the live event industry and an authority for event discovery. In 2019, there were 46m visits to the site and 100m total pageviews to the Festicket guides and magazine pages. The business has a community of 6m music festival fans subscribing to our online newsletters.

The business also developed the Spotify Festival finder tool to make this discovery experience more personalised than ever before. Utilising Festicket business intelligence you can now log into your Spotify account and our algorithms can recommend Festivals based on your most loved artists and playlists. This feature was used more than 2m times in 2019.

2. E-commerce tools

The second part of the company's strategy is E-commerce. At Festicket we have a clear vision that a festival doesn't stop inside the event, it's not just about the ticket. Accommodation, Camping/Glamping, and Transport is all part of the complete "Music Tourism" experience. Our package builder technology allows users to book their complete package, not just the ticket.

Our booking technology and checkout tools are developed based on internally generated data & insights. We knew that around 60% of festival-goers go in groups of more than three people so we built a solution fans will love called "group payment". This allows the lead booker to reserve tickets for their whole group and everyone can pay their individual part. Consumers can also pay in installments allowing them to spread their payments over multiple stages. We are seeing strong adoption rates in our proprietary technology internally developed that allows payment plans and group bookings for individual events.

FESTICKET LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Business review (continued)

These ecommerce tools have helped Festicket deliver experiences to over 3m customers from 100 countries to date.

3. B2B technology

The third part of the business is B2B. In August, Festicket acquired Ticket Arena and Event Genius to be able to offer best in class B2B technology for live event organisers. This acquisition offers event organisers self serve tools including ticket management, data and analytics on sales and invoice and reporting and also technology to use at the event itself including entry management app and cashless.

The B2B technology encourages a fly-wheel effect as it allows us access to much larger volumes of exclusive ticketing inventory to then promote through our discovery platforms and not just for Festivals, but now for all live event experiences.

The acquisition added approx 1,000 events in verticals such as club nights, gigs, tours, theatre, musicals, conferences, sports and of course - Festivals - all exciting areas to grow in the future. The company in 2019 sold tickets to >3700 events across various sectors including Venues, Festivals, Sporting Events and Tours.

As a result of investment across the three core areas of the business, 2019 saw revenue growth of 134% to €13.6m and gross profit increase of 85% to €7.9m.

To capitalise on the market opportunity as outlined above, the company increased investment levels in 2019 to capture market share. This increased investment resulted in losses for the year of €12.9m compared to losses in 2018 of €7.3m. This investment was planned and agreed with the board in advance of 2019 following the completion of a Series D shares funding of €13m from investors such as Beringea, Edge. InMotion and Lepe Partners in Q4 2018.

Principal risks and uncertainties

Festicket has been through a planned investment phase with an aim to aggressively capture market share. It is still loss-making at this stage but has an agreed strategy with the board to deliver scale first and then profitability in the near term future.

The plan to operate profitably is still management's core financial goal, despite COVID-19 global pandemic altering revenue expectations downwards in 2020. The company's agile cost base and strong financial planning has enabled it to adapt accordingly to continue to focus on this key goal.

As stated in post balance sheet events, the company has secured additional funding in 2020 in two stages. In January 2020 total investment of €2.9m (£2.6m) was made via a mix of convertible loans and equity. In November 2020 the company also agreed a further €3.4m (£3.1m) investment via convertible loan notes. The additional investment will be used to protect the company's cash flow and deliver future profitability targets.

FESTICKET LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Material Uncertainties Disclosure or Supporting Statement

The entity's ability to continue as a going concern – COVID-19.

The Coronavirus global pandemic has had unimaginable consequences for society and businesses globally in 2020. Both socially and economically the world is now a very different place to what it was at the beginning of 2020. The impact of social distancing, government enforced lockdowns, restrictions on travel and the worst recession on record (UK this week announcing GDP fell by 20.4% in the quarter to June 2020) are all daily realities that we have to operate within.

For Festicket, the hyper growth trajectory that the business was on at the end of 2019 and beginning of 2020 ended in March 2020 as the outbreak spread. The company had to deal with a large volume of refunds due to a whole season being cancelled and the subsequent drop in consumer confidence resulting in forward looking bookings reducing with uncertainty over when events will resume again.

Industry wise, it is estimated that the economic impact of the 2020 cancelled Festival season had a value of \$16.8bn with larger Festivals taking on 75% of the losses.

The company's management team and the board of directors have spent considerable time assessing the going concern nature of the business and identifying appropriate actions to implement. This process has included:

- Forecasting and Financial planning:
 - Reforecasting for COVID-19 related changes to the business plan to a pessimistic scenario resulting in 18 month delay to business plan
 - Reviewing all assumptions and inputs into forward looking financial forecasts
 - Running scenario analysis to stress test its financial projections for both 2020 and 2021 to plan for an uncertainty macro environment
 - Had extensive discussions with its board of directors analysing in full this data
- Making adequate financial provisions:
 - Made appropriate refund and cancellation provisions on its balance sheet to capture the expected financial impact on bookings already made
- Cash management and financing:
 - Identified and carried out cost saving measures to protect cash during this period including utilising the UK government's Furlough scheme
 - Secured new convertible debt financing of €2.9m (£2.6m) in January 2020 and €3.4m (£3.1m) in November 2020 from existing investors and The Future Fund government scheme
 - Secured a 12 month capital repayment holiday from its lenders

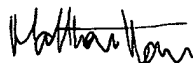
In 2020, the company showed its ability to quickly react to market conditions by reducing significantly its cost base (staff, office, G&A & marketing). The company also showed its resilience through a) allocating greater resources to the growing B2B model thanks to the recently acquired B2B tools via Event Genius, and b) innovative Festicket technologies like live event streaming ('Festicket Live') and c) payment facilities including Payment Plans, Deposit Payment, Booking Insurance and Pay with Friends.

Based on the circumstances and measures implemented to date described above, the financial statements are prepared on the reasonable assumption that the entity is a going concern and that the business has sufficient resources to operate for the foreseeable future. The uncertainty related to COVID-19 has been considered in this statement.

FESTICKET LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

This report was approved by the board and signed on its behalf.



Matthew John Hann

Director

Date:

17/12/2020

FESTICKET LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and profit or loss of the Group 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 accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Principal activity

The principal activity of the company in the year was sales of tickets, accommodation and add on packages for music festivals.

Results and dividends

The loss for the year, after taxation, amounted to €12,934,104 (2018: loss €7,345,983).

The directors have not declared a dividend (2018: €nil).

Directors

The directors who served during the year were:

Zacharie Sabban
Jonathan Younes
David Fisher
Matthew John Hann
Benjamin William Leaver
Eyal Boris Malinger
Ian McCaig (appointed 3 October 2019)

FESTICKET LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Disclosure of information to auditor

The directors confirm that:

- so far as each is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

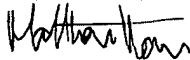
Post balance sheet events

The company has secured additional funding in 2020 in two stages. In January 2020 total investment of €2.9m (£2.6m) was made via a mix of convertible loans and equity. In November 2020 the company also agreed a further €3.4m (c.£3.1m) investment via convertible loan notes. The additional investment will be used to protect the company's cash flow and deliver future profitability targets.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Matthew John Hann
Director

Date: 17/12/2020



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FESTICKET LIMITED

Opinion

We have audited the financial statements of Festicket Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2019, which comprise the consolidated statement of comprehensive income, the consolidated and company balance sheets, the consolidated and company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2019 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group and the parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FESTICKET LIMITED (CONTINUED)

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business model, including effects arising from Brexit and Covid-19, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FESTICKET LIMITED (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FESTICKET LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

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.

Grant Thornton UK LLP

Anthony Thomas
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London Finsbury
Date: 17/12/2020

FESTICKET LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 €	2018 €
Turnover	4	13,585,046	5,812,903
Cost of sales		(5,696,775)	(1,543,057)
Gross profit		7,888,271	4,269,846
Administrative expenses		(16,564,296)	(11,951,111)
Other operating income	5	18,069	6,732
Operating loss	6	(8,657,956)	(7,674,533)
Impairment of goodwill	13	(4,806,289)	-
Interest receivable and similar income	10	463	34
Interest payable and expenses	11	(348,180)	(126,756)
Loss before taxation		(13,811,962)	(7,801,255)
Tax on loss	12	877,858	455,272
Loss for the financial year		(12,934,104)	(7,345,983)
Total comprehensive income for the year		(12,934,104)	(7,345,983)
(Loss) for the year attributable to:			
Owners of the parent Company		(12,934,104)	(7,345,983)
		(12,934,104)	(7,345,983)

There were no recognised gains and losses for 2019 or 2018 other than those included in the consolidated statement of comprehensive income.

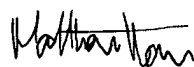
The notes on pages 20 to 43 form part of these financial statements.

FESTICKET LIMITED
REGISTERED NUMBER:07923345

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 €	2018 €
Fixed assets			
Intangible assets	13	28,284	32,286
Tangible assets	14	250,930	133,845
		<u>279,214</u>	<u>166,131</u>
Current assets			
Debtors: amounts falling due within one year	16	16,118,176	4,793,240
Cash at bank and in hand	17	5,703,158	10,881,700
		<u>21,821,334</u>	<u>15,674,940</u>
Creditors: amounts falling due within one year	18	(23,024,220)	(7,794,990)
Net current (liabilities)/assets		<u>(1,202,886)</u>	<u>7,879,950</u>
Total assets less current liabilities		<u>(923,672)</u>	<u>8,046,081</u>
Creditors: amounts falling due after more than one year	19	(2,450,147)	(1,203,271)
Other provisions		(270,133)	-
		<u>(270,133)</u>	<u>-</u>
Net (liabilities)/assets		<u><u>(3,643,952)</u></u>	<u><u>6,842,810</u></u>
Capital and reserves			
Called up share capital	23	31,284	29,606
Share premium account	24	25,091,189	22,846,440
Shares to be issued	24	374,236	-
Other reserves	24	4,449	179,328
Profit and loss account	24	(29,145,110)	(16,212,564)
Equity attributable to owners of the parent Company		<u><u>(3,643,952)</u></u>	<u><u>6,842,810</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Matthew John Hann

Director

Date: 17/12/2020

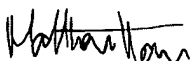
The notes on pages 20 to 43 form part of these financial statements.

FESTICKET LIMITED
REGISTERED NUMBER:07923345

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 €	2018 €
Fixed assets			
Intangible assets	13	28,284	32,286
Tangible assets	14	250,930	133,845
Investments	15	1	1
		<u>279,215</u>	<u>166,132</u>
Current assets			
Debtors: amounts falling due within one year	16	13,297,227	5,151,358
Cash at bank and in hand	17	5,595,501	10,626,207
		<u>18,892,728</u>	<u>15,777,565</u>
Creditors: amounts falling due within one year	18	(20,100,551)	(7,780,227)
Net current (liabilities)/assets		<u>(1,207,823)</u>	7,997,338
Total assets less current liabilities		<u>(928,608)</u>	8,163,470
Creditors: amounts falling due after more than one year	19	(2,450,147)	(1,203,271)
Provisions for liabilities			
Other provisions		(270,133)	-
		<u>(270,133)</u>	-
Net (liabilities)/assets		<u><u>(3,648,888)</u></u>	<u><u>6,960,199</u></u>
Capital and reserves			
Called up share capital	23	31,284	29,606
Share premium account	24	25,091,189	22,846,440
Shares to be issued	24	374,236	-
Other reserves	24	4,449	179,328
Profit and loss account	24	(29,150,046)	(16,095,175)
Shareholders' funds		<u><u>(3,648,888)</u></u>	<u><u>6,960,199</u></u>

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


Matthew John Hann
 Director
 17/12/2020

The notes on pages 20 to 43 form part of these financial statements.

FESTICKET LIMITED

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

	Called up share capital	Share premium account	Shares to be issued	Other reserves	Profit and loss account	Total equity
	€	€	€	€	€	€
At 1 January 2019	29,606	22,846,440	-	179,328	(16,212,564)	6,842,810
Comprehensive income for the year						
Loss for the year	-	-	-	-	(12,934,104)	(12,934,104)
Currency translation differences	-	-	-	-	1,558	1,558
Total comprehensive income for the year	-	-	-	-	(12,932,546)	(12,932,546)
Acquisition of subsidiary	-	-	374,236	-	-	374,236
Shares issued during the year	1,678	2,244,749	-	-	-	2,246,427
Share options	-	-	-	(174,879)	-	(174,879)
Total transactions with owners	1,678	2,244,749	374,236	(174,879)	-	2,445,784
At 31 December 2019	31,284	25,091,189	374,236	4,449	(29,145,110)	(3,643,952)

The notes on pages 20 to 43 form part of these financial statements.

FESTICKET LIMITED

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

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	€	€	€	€	€
At 1 January 2018 (as previously stated)	20,960	11,253,674	478	(9,474,964)	1,800,148
Prior year adjustment	-	-	-	609,978	609,978
At 1 January 2018 (as restated)	<u>20,960</u>	<u>11,253,674</u>	<u>478</u>	<u>(8,864,986)</u>	<u>2,410,126</u>
Comprehensive income for the year					
Loss for the year	-	-	-	(7,345,983)	(7,345,983)
Currency translation differences	-	-	-	(1,595)	(1,595)
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,347,578)</u>	<u>(7,347,578)</u>
Shares issued during the year	8,646	11,592,766	-	-	11,601,412
Share options	-	-	178,850	-	178,850
Total transactions with owners	<u>8,646</u>	<u>11,592,766</u>	<u>178,850</u>	<u>-</u>	<u>11,780,262</u>
At 31 December 2018	<u><u>29,606</u></u>	<u><u>22,846,440</u></u>	<u><u>179,328</u></u>	<u><u>(16,212,564)</u></u>	<u><u>6,842,810</u></u>

The notes on pages 20 to 43 form part of these financial statements.

FESTICKET LIMITED

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

	Called up share capital	Share premium account	Shares to be issued	Other reserves	Profit and loss account	Total equity
	€	€	€	€	€	€
At 1 January 2018 (Restated)	29,606	22,846,440	-	179,328	(16,095,175)	6,960,199
Comprehensive income for the year						
Loss for the year	-	-	-	-	(13,054,871)	(13,054,871)
Total comprehensive income for the year	-	-	-	-	(13,054,871)	(13,054,871)
Shares to be issued	-	-	374,236	-	-	374,236
Shares issued during the year	1,678	2,244,749	-	-	-	2,246,427
Share options	-	-	-	(174,879)	-	(174,879)
Total transactions with owners	1,678	2,244,749	374,236	(174,879)	-	2,445,784
At 31 December 2019	31,284	25,091,189	374,236	4,449	(29,150,046)	(3,648,888)

The notes on pages 20 to 43 form part of these financial statements.

FESTICKET LIMITED

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

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	€	€	€	€	€
At 1 January 2018 (as previously stated)	20,960	11,253,674	478	(9,435,503)	1,839,609
Prior year adjustment	-	-	-	609,978	609,978
At 1 January 2018 (as restated)	<u>20,960</u>	<u>11,253,674</u>	<u>478</u>	<u>(8,825,525)</u>	<u>2,449,587</u>
Comprehensive income for the year					
Loss for the year	-	-	-	(7,269,650)	(7,269,650)
Total comprehensive income for the year (Restated)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,269,650)</u>	<u>(7,269,650)</u>
Shares issued during the year	8,646	11,592,766	-	-	11,601,412
Share options	-	-	178,850	-	178,850
Total transactions with owners	<u>8,646</u>	<u>11,592,766</u>	<u>178,850</u>	<u>-</u>	<u>11,780,262</u>
At 31 December 2018	<u><u>29,606</u></u>	<u><u>22,846,440</u></u>	<u><u>179,328</u></u>	<u><u>(16,095,175)</u></u>	<u><u>6,960,199</u></u>

The notes on pages 20 to 43 form part of these financial statements.

FESTICKET LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019 €	2018 €
Cash flows from operating activities		
Loss for the financial year	(12,934,104)	(7,345,983)
Adjustments for:		
Amortisation of intangible assets	4,002	4,321
Depreciation of tangible assets	137,980	57,219
Amounts written off goodwill	4,806,289	-
Loss on disposal of tangible assets	-	493
Interest paid	348,180	126,278
Interest received	(463)	(34)
Taxation charge	(877,858)	(455,272)
(Increase) in debtors	(10,447,078)	(2,207,807)
Increase in creditors	14,216,066	1,549,342
Increase in provisions	270,133	-
Share options reserve movements	(174,879)	178,850
Net cash generated from operating activities	(4,651,732)	(8,092,593)
Cash flows from investing activities		
Purchase of intangible fixed assets	(4,806,289)	(1,200)
Purchase of tangible fixed assets	(255,064)	(85,790)
Interest received	463	34
Net cash from investing activities	(5,060,890)	(86,956)

FESTICKET LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 €	2018 €
Cash flows from financing activities		
Issue of ordinary shares	1,678	8,645
Expenses paid in connection with share issue	374,236	-
Issue of shares - share premium	2,244,749	11,592,767
Venture debt loan	2,260,039	1,820,323
Interest paid	(348,180)	(126,278)
Difference in currency exchange	1,558	(1,596)
Net cash used in financing activities	<u>4,534,080</u>	<u>13,293,861</u>
Net (decrease)/increase in cash and cash equivalents	<u>(5,178,542)</u>	<u>5,114,312</u>
Cash and cash equivalents at beginning of year	10,881,700	5,767,388
Cash and cash equivalents at the end of year	<u><u>5,703,158</u></u>	<u><u>10,881,700</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u><u>5,703,158</u></u>	<u><u>10,881,700</u></u>

FESTICKET LIMITED

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

1. General information

Festicket Limited is a private company incorporated in England and Wales. The registered office is 2nd Floor, Centro Forum, 74-80 Camden Street, London, NW1 0EG. The functional and presentational currency is Euros and these financial statements are rounded to the nearest €.

2. Accounting policies**2.1 Basis of preparation of financial statements**

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2014.

Change in accounting policy

Festicket has changed certain elements of its revenue recognition policy in 2019 in regards to the Agent revenue from customers ordering with the instalment payment option. Revenue is now recognised in full at the time of booking.

This has resulted in a restatement on the 2018 comparatives in line with FRS 102 Section 10.

FESTICKET LIMITED

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

2. Accounting policies (continued)**2.3 Going concern**

The directors have prepared the financial statements on the going concern basis having projected cashflow and operating forecasts for the business for a period of at least 12 months from the date of signing these financial statements. These support the expected growth of the business and the assumption that it will continue to be cashflow positive in the foreseeable future. In our view, the Coronavirus outbreak is considered to be a non-adjusting post balance sheet event and no adjustment is made in the financial statements as a result. Further details of the impact on operations from Covid 19 can be seen in the directors report.

2.4 Foreign currency translation**Functional and presentation currency**

The Company's functional and presentational currency is Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Euros at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

FESTICKET LIMITED

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

2. Accounting policies (continued)**2.5 Revenue**

Products and services sold along with other travel arrangements are considered as packages where the group has certain obligations to customers under travel regulations - as such related revenues are, on event taking place date, recognised gross as the company acts as principal in the transaction. Principal revenue is recognised as departure date meaning at the date the event takes place.

Where products and services are sold separately under agency contracts then the commission is recognised net as revenue. Agent revenue is recognised at the time of booking.

Other revenue, mainly Cashless services, are under agency contracts. Commission is recognised net as revenue at the time of booking.

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

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the consolidated statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

FESTICKET LIMITED

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

2. Accounting policies (continued)**2.7 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.8 Interest income

Interest income is recognised in the consolidated statement of comprehensive income using the effective interest method.

2.9 Finance costs

Finance costs are charged to the consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in the consolidated statement of comprehensive income in the year in which they are incurred.

2.11 Pensions**Defined contribution pension plan**

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

The contributions are recognised as an expense in the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

FESTICKET LIMITED

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

2. Accounting policies (continued)**2.12 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 consolidated statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

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 consolidated statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with fair value of goods and services received.

2.13 Taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

FESTICKET LIMITED

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

2. Accounting policies (continued)**2.14 Intangible assets**

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

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

The estimated useful lives range as follows:

Development expenditure	-	10	years straight line
Trademarks	-	10	years straight line

2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

Depreciation is provided on the following basis:

Fixtures and fittings	-	7	years straight line
Office equipment	-	3	years straight line method

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of comprehensive income.

2.16 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

FESTICKET LIMITED

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

2. Accounting policies (continued)**2.17 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.18 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.19 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.20 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.21 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

FESTICKET LIMITED

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

2. Accounting policies (continued)**2.22 Financial instruments**

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has used the effective interest rate method for the Debt Venture Loan in line with FRS 102.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The valuations of the share awards and the calculation of the share-based payment charge have been carried out in accordance with the requirements of Section 26 of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("Section 26").

The share-based payment charge has been based on the fair value of awards granted, together with assumptions on the expected number of awards which will ultimately vest with employees and on the expected outcome of service conditions.

FESTICKET LIMITED

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

4. Turnover

An analysis of turnover by class of business is as follows:

	2019 €	2018 €
Agent	7,424,998	5,059,013
Principal	4,910,819	753,890
Cashless	1,249,229	-
	<u>13,585,046</u>	<u>5,812,903</u>

5. Other operating income

	2019 €	2018 €
Other operating income	<u>18,069</u>	<u>6,732</u>

6. Operating loss

The operating loss is stated after charging:

	2019 €	2018 €
Depreciation of tangible fixed assets	137,980	57,221
Amortisation of intangible assets	4,002	4,322
Exchange differences	47,046	142,154
Other operating lease rentals	3,500	1,094
(Profit)/ Loss on asset disposal	<u>(5,206)</u>	<u>493</u>

FESTICKET LIMITED

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

7. Auditor's remuneration

	2019 €	2018 €
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>44,500</u>	<u>25,427</u>
Fees payable to the Group's auditor and its associates in respect of:		
Tax Compliance	29,057	33,865
Tax Advisory	127,035	-
Accounts Preparation	2,459	3,593
Other	1,171	-
	<u>159,722</u>	<u>37,458</u>

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Wages and salaries	7,400,784	5,471,621	6,851,303	5,417,606
Social security costs	897,444	619,719	837,369	614,913
Cost of defined contribution scheme	77,694	31,974	72,644	31,974
	<u>8,375,922</u>	<u>6,123,314</u>	<u>7,761,316</u>	<u>6,064,493</u>

The average monthly number of employees, including the directors, during the year was as follows:

	Group 2019 No.	Group 2018 No.	Company 2019 No.	Company 2018 No.
Average	<u>141</u>	<u>121</u>	<u>137</u>	<u>117</u>

FESTICKET LIMITED

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

9. Directors' remuneration

	2019	2018
	€	€
Directors' emoluments	702,346	357,529

The highest paid director received remuneration of €241,051 (2018: €178,764).

10. Interest receivable

	2019	2018
	€	€
Other interest receivable	463	34

11. Interest payable and similar expenses

	2019	2018
	€	€
Bank interest payable	3,043	478
Venture debt loan interest	345,137	126,278
	348,180	126,756

The contractual implied annual fixed interest rate is 10.15% per annum for the venture debt loan. The effective interest rate for the venture debt loan is 16.38% per annum resulting in a charge of €345,137 for the year ended 31 December 2019 (2018: €126,278).

FESTICKET LIMITED

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

12. Taxation

	2019	2018
	€	€
Corporation tax		
Current tax on profits for the year	(815,132)	(455,272)
Adjustments in respect of previous periods	(62,726)	-
Total current tax	<u>(877,858)</u>	<u>(455,272)</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on loss on ordinary activities	<u>(877,858)</u>	<u>(455,272)</u>

FESTICKET LIMITED

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

12. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2018: the same as) the standard rate of corporation tax in the UK of 19% (2018: 19%) as set out below:

	2019 €	2018 €
Loss on ordinary activities before tax	<u>(13,811,962)</u>	<u>(7,801,255)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	(2,457,480)	(1,482,238)
Effects of:		
Fixed asset differences	27,759	-
Expenses not deductible for tax purposes	994,977	33,831
Other tax adjustments, reliefs and transfers	(588,950)	-
Additional deduction for R&D expenditure	(617,170)	(338,178)
Surrender of tax losses for R&D tax credit refund	245,132	141,706
Adjustments in respect of prior periods	(11,554)	-
Adjust closing deferred tax to average rate of 19.00%	-	121,474
Adjust opening deferred tax to average rate of 19.00%	-	2,107
Current tax (prior period) exchange difference arising on movement between opening and closing spot rates	(51,172)	-
Current tax (current period) exchange difference arising on movement between opening and closing spot rates	(25,262)	7,798
Deferred tax not recognised	1,605,862	1,058,228
Total tax credit for the year	<u>(877,858)</u>	<u>(455,272)</u>

Factors that may affect future tax charges

There is an unrecognised deferred tax asset of €1,459,519 (2018: €1,058,228) as the timing of their recoverability is uncertain.

FESTICKET LIMITED

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

13. Intangible assets

Group and Company

	Brand Development €	Trademarks €	Goodwill €	Total €
Cost				
At 1 January 2019	37,659	2,361	-	40,020
Arising on acquisition	-	-	4,806,289	4,806,289
At 31 December 2019	37,659	2,361	4,806,289	4,846,309
Amortisation				
At 1 January 2019	7,218	516	-	7,734
Charge for the year	3,766	236	-	4,002
Impairment charge	-	-	4,806,289	4,806,289
At 31 December 2019	10,984	752	4,806,289	4,818,025
Net book value				
At 31 December 2019	26,675	1,609	-	28,284
At 31 December 2018	30,441	1,845	-	32,286

FESTICKET LIMITED

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

14. Tangible fixed assets**Group and Company**

	Fixtures and fittings €	Office equipment €	Total €
Cost			
At 1 January 2019	56,047	198,016	254,063
Additions	215,370	39,695	255,065
At 31 December 2019	<u>271,417</u>	<u>237,711</u>	<u>509,128</u>
Depreciation			
At 1 January 2019	20,023	100,195	120,218
Charge for the year on owned assets	62,825	75,155	137,980
At 31 December 2019	<u>82,848</u>	<u>175,350</u>	<u>258,198</u>
Net book value			
At 31 December 2019	<u>188,569</u>	<u>62,361</u>	<u>250,930</u>
<i>At 31 December 2018</i>	<u>36,024</u>	<u>97,821</u>	<u>133,845</u>

FESTICKET LIMITED

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

15. Fixed asset investments**Company**

	Investments in subsidiary companies €
Cost or valuation	
At 1 January 2019	1
Additions	1,506,653
	<hr/>
At 31 December 2019	1,506,654
Impairment	
Charge for the period	1,506,653
	<hr/>
At 31 December 2019	1,506,653
	<hr/>
Net book value	
At 31 December 2019	1
	<hr/> <hr/>
At 31 December 2018	1
	<hr/> <hr/>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Yeslab Inc	USA	Event Booking	Ordinary	100%
TA (Holding) Limited	UK	Event Booking	Ordinary	100%
WHP Tickets Limited	UK	Event Booking	Ordinary	100%
Ticket Arena Limited	UK	Event Booking	Ordinary	100%
Event Genius Limited	UK	Event Booking	Ordinary	100%

FESTICKET LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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15. Fixed asset investments (continued)**Subsidiary undertakings (continued)**

The aggregate of the share capital and reserves as at 31 December 2019 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves €	Profit/(Loss) €
Yeslab Inc	(92,346)	24,807
TA (Holding) Limited	(35,504)	(3,187)
WHP Tickets Limited	(4,682)	-
Ticket Arena Limited	3,713,467	613,571
Event Genius Limited	(6,638,245)	(221,357)

16. Debtors

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Trade debtors	8,057,388	3,314,861	5,371,666	3,314,861
Amounts owed by group undertakings	-	-	-	371,587
Other debtors	2,143,044	1,087,157	2,039,579	1,084,247
Prepayments and accrued income	5,917,744	391,222	5,885,982	380,663
	<u>16,118,176</u>	<u>4,793,240</u>	<u>13,297,227</u>	<u>5,151,358</u>

Other debtors includes research and development tax credits amounting to €877,858 for 2019 and €455,272 for 2018.

17. Cash and cash equivalents

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Cash at bank and in hand	<u>5,703,158</u>	<u>10,881,700</u>	<u>5,595,501</u>	<u>10,626,207</u>

FESTICKET LIMITED

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

18. Creditors: Amounts falling due within one year

	Group 2019	<i>Group 2018</i>	Company 2019	<i>Company 2018</i>
	€	€	€	€
Venture debt loan	1,630,215	617,052	1,630,215	617,052
Trade creditors	400,700	444,809	(2,140,580)	431,792
Amounts owed to group undertakings	-	-	1,094,439	-
Other taxation and social security	1,280,192	208,238	1,280,810	208,238
Other creditors	203,516	172,026	196,315	172,026
Accruals and deferred income	19,509,597	6,352,865	18,039,352	6,351,119
	<u>23,024,220</u>	<u>7,794,990</u>	<u>20,100,551</u>	<u>7,780,227</u>

On 27 July 2018 and amended on 21 December 2018, the Group entered into a basic loan agreement with Kreos Capital V (UK) Limited whereby a facility in the amount of €5m was made available to be drawn down in two tranches.

Tranche 1 was drawn down in one tranche on the date of the agreement (27 July 2018) for the amount of €2m with a 36 month loan term.

Tranche 2 was drawn down in one tranche on 1 September 2019 for the amount of €3m with a 39 month loan term.

The loan carries contractual implied annual fixed interest rate of 10.15% per annum and effective interest rate of 16.38% per annum for Tranche 1 loan and 11.01% per annum for Tranche 2.

As at 31 December 2019, the venture debt loan balance was €4,080,362 (2018: €1,820,323).

19. Creditors: Amounts falling due after more than one year

	Group 2019	<i>Group 2018</i>	Company 2019	<i>Company 2018</i>
	€	€	€	€
Venture debt loan	<u>2,450,147</u>	<u>1,203,271</u>	<u>2,450,147</u>	<u>1,203,271</u>

FESTICKET LIMITED

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20. Loans

	Group 2019 €	<i>Group 2018 €</i>	Company 2019 €	<i>Company 2018 €</i>
Amounts falling due within 1 year				
Bank loans	1,630,215	617,052	1,630,215	617,052
Amounts falling due 1-2 years				
Bank loans	1,425,219	1,203,271	1,425,219	1,203,271
Amounts falling due 2-5 years				
Bank loans	1,024,928	-	1,024,928	-
	<u>4,080,362</u>	<u>1,820,323</u>	<u>4,080,362</u>	<u>1,820,323</u>

21. Financial instruments

	Group 2019 €	<i>Group 2018 €</i>	Company 2019 €	<i>Company 2018 €</i>
Financial assets				
Financial assets measured at fair value through profit or loss	-	-	-	-
Financial assets that are debt instruments measured at amortised cost	19,968,942	4,402,018	16,939,755	4,770,695
	<u>19,968,942</u>	<u>4,402,018</u>	<u>16,939,755</u>	<u>4,770,695</u>
Financial liabilities				
Financial liabilities measured at amortised cost	(5,113,213)	(2,645,396)	(6,187,872)	(2,632,379)
	<u>(5,113,213)</u>	<u>(2,645,396)</u>	<u>(6,187,872)</u>	<u>(2,632,379)</u>

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors, accrued income, amounts owed by group and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, accruals, amounts owed to group, other creditors and bank loans.

The loan is secured by a fixed and floating charge over the assets of the group.

FESTICKET LIMITED

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

22. Provisions**Group**

	Other provision €
Charged to profit or loss	270,133
At 31 December 2019	270,133

Company

	Other provision €	Total €
Charged to profit or loss	270,133	270,133
At 31 December 2019	270,133	270,133

FESTICKET LIMITED

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23. Share capital

	2019 €	2018 €
Allotted, called up and fully paid		
74,650,000 (2018: 667,000) Ordinary Shares shares of €0.0001 (2018 - €0.01) each	7,465	6,670
25,680,000 (2018: 256,781) Seed Preferred shares shares of €0.0001 (2018 - €0.01) each	2,568	2,568
45,340,000 (2018: 453,427) Series A Preferred share shares of €0.0001 (2018 - €0.01) each	4,534	4,534
49,120,000 (2018: 491,210) Series B Preferred shares shares of €0.0001 (2018 - €0.01) each	4,912	4,912
28,750,000 (2018: 287,442) Series C Preferred shares shares of €0.0001 (2018 - €0.01) each	2,875	2,875
89,302,069 (2018: 804,685) Series D Preferred shares shares of €0.0001 (2018 - €0.01) each	8,930	8,047
	<u>31,284</u>	<u>29,606</u>

During the year the nominal value of a share has changed from £0.01 to £0.0001.

During the year 8,832,069 Series D Preferred Shares and 7,955,963 Ordinary Shares with the nominal value of £0.0001 were issued. Each class of shares have the same voting and dividend rights. On a distribution of assets on a liquidation or a return of capital, the surplus assets of the Company remaining after payments of its liabilities shall be applied first to Series D Preferred shareholders, second to Series C Preferred shareholders, third to Series B Preferred shareholders, fourth to Series A Preferred shareholders, fifth to the holders of deferred shares and the balance to the ordinary shareholders.

At the date of the venture debt loan agreement (27 July 2018) and linked to Tranche 1 of the venture debt loan (as detailed in Note 18) the Group granted warrants as is calculated by dividing £177,640 by the subscription price.

At the date of the Tranche 2 draw (03 September 2019) and linked to Tranche 2 of the venture debt loan (as detailed in Note 18) the Group granted warrants as is calculated by dividing £266,460 by the subscription price.

The subscription price depends on the type of warrant shares. The warrant holder has a right to choose which warrant shares to subscribe (C or D preferred or any class of shares issued by the Group in a future round of equity fundraising).

The subscription price is given in Euro for C and D preferred shares, however if a lower price is paid for the relevant shares after the date of the warrant instrument, the lowest price for the relevant share class would be used for share subscription.

The directors have assessed the warrants are classified as financial liabilities but have determined the value at 31 December 2019 to be immaterial.

FESTICKET LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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24. Reserves**Share premium account**

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Other reserves

Share options reserve to recognise Equity settled EMI incentive scheme.

Profit and loss account

All current and prior periods retained losses.

25. Share based payments

The company operates an EMI scheme and has granted share options to various employees (including management and directors) on various dates. The options can only be exercised in the event of an exit event or an IPO.

	Weighted average exercise price (cents) 2019	Number 2019	<i>Weighted average exercise price (cents) 2018</i>	<i>Number 2018</i>
Outstanding at the beginning of the year	1.8420	26,018,894	1.7790	17,144,094
Option pool increase during the year	0.0000	-	2.0400	28,662,300
Granted during the year	2.0400	(1,200,000)	2.0650	(20,141,700)
Forfeited during the year	2.0940	393,200	1.5290	354,200
Outstanding at the end of the year	1.8370	25,212,094	1.8420	26,018,894

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Acquisitions

On 20 August 2019, Festicket acquired 100% of the ordinary share capital of TA (Holdings) Ltd and WHP Tickets Ltd, parent entities of Event Genius Ltd & Ticket Arena Ltd.

Festicket under the guidance of IAS 36 and IFRS 13 carried out an annual impairment review of the Goodwill created on acquisition and carried out a fair value assessment based on the future cash flows expected to be derived from the asset or cash-generating unit in its current condition without enhancements or additional investment. From this review process the Goodwill was subsequently impaired and carries a nil balance in the financial statements.

The following amounts of assets, liabilities and contingent liabilities were recognised at the acquisition date:

	Book value €	Fair value adjustment €	Fair value €
Tangible	37,104	-	37,104
Intangible (goodwill)	-	4,806,289	4,806,289
Cash	169,313	-	169,313
Debtors	1,233,638	-	1,233,638
Creditor within 1 year	(3,794,343)	-	(3,794,343)
Creditor more than 1 year	(945,940)	-	(945,940)
	<u>(3,300,228)</u>	<u>4,806,289</u>	<u>1,506,061</u>
Investments in Sub neutralised			<u>2,175</u>
Total consideration			<u>1,508,236</u>

27. Contingent liabilities

A secured bond of €234,163 at end 2019 (2018: €143,153) has been issued in favour of the Association of British Travel Agents. The bonds are held with The Independents' Advantage Insurance Company Ltd. An additional bond has been issued beginning of 2020 for €116,277 bringing the total of secured bond to €350,440.

FESTICKET LIMITED

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28. Capital commitments

There are no capital commitments as at 31 December 2019 or 31 December 2018.

29. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to €72,644 (2018: €31,974). Contributions totalling €38,266 (2018: €9,148) were payable to the fund at the balance sheet date and are included in creditors.

30. Commitments under operating leases

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

	Group 2019	<i>Group 2018</i>	Company 2019	<i>Company 2018</i>
	€	€	€	€
Not later than 1 year	579,653	339,695	579,653	339,695
Later than 1 year and not later than 5 years	518,058	622,687	518,058	622,687
	<u>1,097,711</u>	<u>962,382</u>	<u>1,097,711</u>	<u>962,382</u>

31. Related party transactions

There are no related party transactions.

32. Post balance sheet events

The company has secured additional funding in 2020 in two stages. In January 2020 total investment of €2.9m (£2.6m) was made via a mix of convertible loans and equity. In November 2020 the company also agreed a further €3.4m (c.£3.1m) investment via convertible loan notes. The additional investment will be used to protect the company's cash flow and deliver future profitability targets.

In our view, the Covid-19 outbreak is considered to be a non-adjusting post balance sheet event and no adjustment is made in the financial statements as a result. For further details please see the directors report.

33. Controlling party

There is no ultimate controlling party.