

Bidstack Group Plc
(Formerly Kin Group Plc)

Annual Report and Accounts

Registered number 04466195

For the year ended 31 December 2018

COMPANY INFORMATION

DIRECTORS	D Stewart J Draper F Petruzzelli J McIntosh L Mair J Taylor
COMPANY SECRETARY	L O'Donoghue
REGISTERED NUMBER	04466195
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REGISTRARS	Neville Registrars Limited Neville House Steelpark Road Halesowen B62 8HD
COMPANY WEBSITE	www.bidstackgroup.com

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Chairman’s statement

Introduction

2018 was a transformational year for the Company and, in September 2018, saw the Company acquire Bidstack Limited by way of a reverse takeover (“RTO”), raise £3.5m in an over-subscribed placing, and appoint James Draper, founder and CEO of Bidstack Limited, Francesco Petruzzelli, founder and CTO of Bidstack Limited, and John McIntosh as CEO, CTO and FD of the Company, respectively.

Information about Bidstack

Bidstack’s software facilitates the insertion of adverts into natural advertising space (e.g. billboards) in video games. The advertising is dynamic, targeted and automated, and works globally across multiple platforms (PC, mobile and console). The key benefit of native in-game advertising over non-native variants (e.g. video rolls and banner ads) is that it appears authentic and “natural” to the environment and does not impact the gamer’s experience and cannot be excluded with ad-blocking software.

Advertisers can target the users they want to reach based on age, gender and location and the software is able to display different advertisements to different users playing the same game so that adverts can be delivered to the players most relevant to a particular brand. Bidstack is able to provide detailed campaign analytics to advertisers and gaming data to publishers.

Bidstack’s customers are games publishers and developers (on the supply side), and advertising agencies, brands and programmatic advertising platforms (on the demand side). Bidstack’s model is to secure exclusive access to the native in-game advertising space within video games from the game developers or publishers and then to sell that advertising space either direct to specific brands or through programmatic advertising platforms. Bidstack receives advertising revenues from advertising agencies and brands and pays an agreed share to the relevant video game publishers or developers.

I would refer you to the Chief Executive’s report for further information about developments in the business since the RTO.

Financial Summary

The comparative numbers in these accounts cover a 12 month period to 31 December 2017 of Kin Group plc and Bidstack Limited prior to the reverse acquisition. The comparative numbers therefore compare Kin Group plc as a cash shell and Bidstack Limited as an early stage business. The new Group’s operations began in September 2018 with the completion of the RTO when the measurement of consolidated revenues by the renamed Bidstack Group Plc also started. The comparison is as follows:

	2018	2017
	£000	£000
Twelve months ended 31 December		
Sales	317	10
Gross profit	76	(92)
Total overheads	1,263	403
Adjusted (loss) before tax*	(1,187)	(494)

*Before Acquisition related costs consisting of Transaction costs (£0.7 million) and Share based payment on reverse acquisition (£1.4 million)

We believe the above comparison is a more meaningful comparison than the audited figures of the day to day business, after accounting for the RTO, given the acquisition of Bidstack in September 2018 for approximately £6.8 million, which was satisfied by the issue of new shares in the Company to the vendors at 6p per share. At the same time, the Company raised £3.5 million through an over-subscribed placing to provide working capital.

It is worth noting that sales and the adjusted loss before tax in 2018 were in line with our projections. Net Group cash at 31 December 2018 was just over £2.1m, also in line with our projections (2017: £1,661).

Chairman's statement (continued)

Cash management remains tight and a key focus within the business. We expect to continue to be cash negative in the second half of 2019 as our strategic focus remains on the continued development of our software platform alongside our product offering.

Outlook and Prospects

We are tremendously excited about Bidstack's future.

The team has made great progress in the development of the Bidstack platform since completion of the RTO. This includes significant improvements in connectivity, monitoring and interfaces and the creation of dashboards to improve user experience. In addition, during that period, Bidstack has opened its platform to programmatic direct purchasing.

These advances coupled with the high levels of interest in Bidstack's business model we are experiencing from games publishers, developers and other leading technology businesses all support the Directors' belief that we have a significant first mover advantage in the provision of dynamic native in-game advertising and that the business will generate highly significant amounts of advertising traffic.

In order to exploit the substantial opportunity currently available to the Group, in the short term the Board intends to prioritise investment in technical solutions which will place Bidstack in the best possible position to operate at significantly increased scale.

We believe this strategy will result in the business being well placed to meet market expectations for 2019 and will facilitate extensive growth in 2020. We continue to expect that revenues in 2019 will be significantly second half weighted.

Finally, I would like to take this opportunity to welcome our new shareholders and to thank them for their support.



Donald Stewart
Chairman
3 April 2019

Strategic Report

Chief Executive's Report

I am pleased to make this, my first, report as Chief Executive of Bidstack Group Plc. I would like to start by thanking all my other directors and staff at Bidstack for having achieved so much both before and since the RTO. I would also like to thank our shareholders and investors.

This is an exciting time for Bidstack. Our admission to trading on AIM marked the beginning of a new chapter in our journey.

The Business Model

Bidstack has two sets of customers:

- Advertisers on the demand side.
- Video Games Developers and Publishers on the supply side.

Bidstack's technology enables advertisers to buy billboard space that sits naturally within the virtual/video game environment, programmatically.

Programmatic advertising enables Bidstack to sell our inventory at scale by connecting into the advertising media's Demand-Side Platforms (DSP's), that have made digital advertising so frictionless and lucrative for app and website developers.

Advertisers can buy Bidstack's advertising inventory through their selected trading platform (DSP). Advertising copy can be tailored to the target demographic. For instance two players can be playing each other in the same match, one being a 20 year old male in London, the other a 40 year old female in New York, and each can be served a different advert.

The scale of this automated buying makes us advertising agency friendly. We can enable agencies to be reactive and push campaigns at scale, with results reporting being provided in real time through their DSP trading platform of choice.

Bidstack's proprietary API and SDK technology integrates into the video game engine, across multiple platforms, whether it be mobile, PC or console.

Bidstack secures exclusive contracts with video games publishers and developers to gain access to their native in-game advertising opportunities, typically for three years, in return for a share of the revenues received by Bidstack from advertisers. The revenue share is agreed on a contract by contract basis with each publisher.

The shift in the market towards a Spotify style model in the gaming space (i.e. subscription streaming services) will result in a significant increase in the adoption of high-fidelity gaming with revenue models moving away from the legacy pay up-front concept. We are finding developers are excited by Bidstack's net-new revenue proposition in this new market paradigm.

Our ambition is to make Bidstack the leading global provider of in-game programmatic advertising, across any gaming platform.

Progress since the RTO

I am pleased to report that we have made significant progress since completion of the RTO.

Strategic Report (continued)

Games

Bidstack hit a key milestone in late 2018 when it commenced serving advertisements into Football Manager 2019 as well as Football Manager 2018. More recently Bidstack has also commenced serving advertisements into Soccer Manager 2019, a free online soccer management game.

We also entered into an agreement with Codemasters to deliver advertising into two of its racing games, the first of which, DiRT Rally 2.0, was released in February 2019. This is the Group's first major PlayStation title. The Group expects to commence serving programmatic advertisements on PlayStation into DiRT Rally 2 towards the end of Q2 2019.

We are encouraged by the level of interest shown by game developers and publishers in Bidstack's product, who see it as non-intrusive and capable of generating additional revenues – this is particularly pertinent with the ongoing trend to free to play and 'available via subscription' games.

Programmatic Advertising

While Bidstack has for some time been able to place advertisements in games in response to specific insertion orders, in December 2018 its first end-to-end fully automated programmatic system went live, in conjunction with Pubmatic, Inc., a publisher focused sell-side platform ("SSP"). Pubmatic effectively acts as a reseller allowing advertisers to access a wholesale type of media purchase.

At the end of February 2019 Bidstack hit another milestone when it went live with its first full integration with a demand side platform ("DSP"), Avocet Systems Limited ("Avocet"). Following this achievement Bidstack's advertising inventory can be made available to buy programmatically on a DSP. A DSP allows buyers of digital advertising space to buy advertising using multiple advertising exchange and data exchange accounts through a single interface.

Being integrated with a DSP enables Bidstack to take bids direct and control the pricing of its advertising space. Avocet and other DSPs enable advertisers, either direct or via an agency, to target advertising inventory that fits their campaign demographics, based on age, gender, location etc. and allows the media buyer to trade and optimise campaigns, with real-time reporting.

This is the first time inventory of this type has been available on a DSP platform. It's a technical breakthrough not just for Bidstack but for the entire advertising industry.

New appointments

In line with its business plan, the Group has made several new appointments in its sales and development teams, and now has sixteen employees, compared with nine at the time of the RTO. We continue to recruit new people in line with the growth of the business.

We are encouraged by the amount of interest in Bidstack which has been shown by many well respected figures in both the video games and on-line advertising industries. To harness this enthusiasm we have established an advisory committee of selected individuals with extensive experience in differing areas relevant to our business, whose remit is to provide strategic input and direction to the Board and to assist with introductions to key counterparties.

The first two appointments are Pete Beeney of Spotify and Joel Livesey of The Trade Desk.

Pete is Global Holding Company Lead at Spotify where he has spent the last six years building and managing its global partnership with WPP. He has broad experience in the print, out-of-home and e-commerce industries. Joel Livesey is Director of Partnerships for EMEA at The Trade Desk and oversees the relationship with supply-side partners in the region, working with local and global partners to develop innovative strategies for its clients.

Strategic Report (continued)

Industry Initiatives

Native in-game advertising is a new advertising genre.

Bidstack is working with the Internet Advertising Bureau (“IAB”), the trade group which sets technical standards and best practices for the digital advertising industry, to create a recognised advertising category for native in-game advertising. Moritz Natalini, who was recently appointed as Head of Products at Bidstack, is a former IAB board member. We are very pleased to be sponsoring the IAB’s upcoming Gaming Seminar event in November 2019.

We have also engaged with the Audit Bureau of Circulation (“ABC”), a leading industry-owned auditor for media products and services, with specialist skills in digital ad trading, who we believe will assist Bidstack with the independent verification of our impression statistics – which is important to our advertising customers.

Strategy

We are building out Bidstack to become the biggest media owner in the video games market. What does that mean? In short - if you wanted to advertise in a video game, you would come to us.

Our core differentiator is agreeing exclusive-to-Bidstack, multi-year deals for the billboard space that sits naturally within a video game environment and offering up that advertising space for a programmatic purchase, based on the demographic profile of the gamer. Targeted and non-intrusive, whilst respecting the artwork of the game.

The video gaming industry is experiencing remarkable growth.

Recent announcements of streaming services will see the industry evolve even further now that tech giants like Google and Apple are investing heavily in this area. Streaming will allow gamers to access high resolution games without having to own a console or high spec PC.

Streaming, virtual and augmented reality services - as well as the evolving business models towards subscriptions and free to play - make our net-new revenue offering enticing to game publishers and developers.

Crucially, every game publisher we have spoken to welcomes our proposition.

We believe our business model is a win-win for developers, publishers and advertisers and will position Bidstack well to make the most of its first mover advantage in the provision of dynamic native in-game advertising.

Bidstack’s strategic challenge is about speed and execution. What Bidstack is doing now has never been done before, giving us a first mover advantage in the commercialisation of programmatic native in-game advertising. Our technology continues to be developed by our highly skilled team in the UK and Riga. We are ensuring that the Company has the resources, connections and personnel required to maximise the considerable opportunity we find ourselves presented with.

In summary, I believe our business is very well positioned to exploit this growth opportunity and build a highly scalable native in-game advertising business that can carve out a significant position within the video game advertising world.

I look forward to updating you on further developments in this exciting journey we find ourselves on as they arise.

James Draper
Chief Executive 3 April 2019



Strategic report (continued)

Principal Activity

Bidstack is an advertising technology company which provides dynamic, targeted and automated native in-game advertising for the global video games industry across multiple platforms. Its proprietary API technology is capable of inserting adverts into natural advertising space within video games across multiple video games platforms (mobile, PC and console).

Key Performance Indicators

The Board's focus for H1 2019 is on the continued technical development of the Bidstack platform to address issues such as third party verification, high volume copy clearance, international on-line advertising regulatory compliance, interconnectivity with major programmatic demand side platforms and fraud and brand safety.

The Group's KPIs will provide a critical measure of the Group's revenue potential and are evolving to reflect the Group's progressing business model. Available advertising space, our pipeline of additional future games, the installed base and active user statistics for individual games and technological developments with programmatic advertising platforms are all valuable indicators of potential revenue. Content drives players, who can view our brand safe advertising in an increasing theatre of distribution, which ultimately generates advertising revenue.

For forward looking performance measurement, the Board will seek to assess the Group's various engagements with new business prospects, and the level and speed of their progress.

Principal risks and uncertainties

The Board places a high emphasis on being risk aware. The model for the future development of the Group is reliant on its ability to achieve a critical mass of quality native in-game advertising inventory and its ability to derive revenue from brand and advertising agencies who want to access the audience for Bidstack's inventory.

We track risks and uncertainties that can impact the performance of the Group, some of which are beyond the control of the Company. These are reviewed at monthly board meetings where the Company's performance is assessed against budget. This enables the board to determine and mitigate the Company's risk environment, which includes:

Risk: Retention of key staff	Mitigation
<p>The Group is dependent on key members of its management team. Their services cannot be guaranteed, and the loss of their services may have a near-term material effect on the Group's performance. There can be no assurance that the Group will be able to attract and retain all personnel necessary for the future development and operation of the business.</p>	<p>Bidstack's founders are significant shareholders. In addition, the Group operates a share option scheme to incentivise employees and enable them and to benefit from growth in the business. The Board will continue to ensure that key personnel are appropriately sourced, engaged and incentivised where required.</p>

Strategic report (continued)

Principal risks and uncertainties (continued)

Risk: Competition	Mitigation
The Group's investment in technology may be affected by the development of more successful technology or applications by competitors who may have greater financial, marketing, operational and technological resources than the Group.	The Directors believe that Bidstack has a significant first mover advantage in terms of its technology, products and services. We focus on development progress and the strength of the IT team in order to maintain this advantage as far as practicable.
Risk: Publishing partner growth	Mitigation
Success of the Group's strategy relies on its on-going ability to secure additional games with appropriate advertising opportunities. There can be no assurance that the Group will maintain its success in this area.	The Group has experienced significant in-bound enquiries from a wide variety of game developers and publishers. Games developers and publishers are incentivised to provide advertising in their games by the potential to generate significant additional revenues from advertising.
Risk: Converting client opportunities	Mitigation
Success of the Group's strategy depends on its ability to generate revenues from impressions of ads seen by video game players and other observers of the gaming environment. The major advertising agencies operating in the programmatic space have built up revenues from brands over a long period and may have some discretion as to where advertising budgets are spent. There can be no assurance that the Group will be successful in persuading brands and agencies that native in-game advertising is an attractive avenue for advertising in competition to better understood and more traditional alternatives.	The growth of the popularity of video gaming should ensure that appropriate brands will want to use native in-game advertising to reach an active audience which, by and large, does not watch television or engage with other more traditional media outlets. Growth in the scale of the Group's advertising inventory is expected to attract greater interest by brands and agencies in such advertising opportunities, and should allow the Group to create the world's first programmatic native in-game advertising platform, and price its product accordingly. While it is still at an early stage, the Group has already commenced monetising its advertising opportunities on a price per thousand impressions basis and is working with advertising partners to demonstrate its value in reaching an audience which may be otherwise hard to engage.
Risk: Brand Safe Advertising space	Mitigation
It is imperative to established brands and their agencies that their ads do not appear on a screen alongside other inappropriate content and advertisements. In addition, certain products and product types may not be shown to game players based on age or product type restrictions. The appearance of ads by quality brands alongside offensive content could result in a loss of trust by brands and agencies which would have an adverse effect on the perception of the Group.	Native in-game advertising is possibly the most brand safe advertising environment there is. Bidstack's platform can ensure that content is filtered so as not to be seen by those who are too young or are resident in territories where relevant products are restricted. In addition, Bidstack has copy clearance procedures with the games publishers to ensure restricted content can be removed. However, Bidstack's platform relies on the accuracy of information provided by gamers and, accordingly, age restricted content could be seen by players using the log-in details of other people.

Strategic report (continued)

Principal risks and uncertainties (continued)

Risk: IT services and infrastructure	Mitigation
Like every other business dependent on the internet, the Group cannot guarantee that there will be no disruption in the availability or performance of the Bidstack platform, or the terms on which it is made available, which could have a material adverse effect on the business.	The Group's IT infrastructure is distributed across a multiple server network. This ensures that if one were to fail, then the Group's architecture and content could still be accessed by users via other access points.
Risk: Liquidity	Mitigation
The Company monitors cash flow as part of its day to day control procedures. The board regularly assesses cash flow projections and ensures that appropriate resources are available to be drawn on, as necessary.	To manage the working capital needs of the business, and to finance its growth plans, particularly until the Group becomes cashflow positive, the Company relies on being able to arrange and maintain sufficient financing and, where relevant, adhere to applicable covenants of relevant facilities once established.

Employment without discrimination

The Company is committed to employ on the basis of aptitude and ability. We hire and promote our people regardless of gender, orientation, origin, creed, disability or any other inappropriate discrimination.

Environmental and social

In our day to day business, we commit to comply with applicable environmental laws, and the direct impact of our operations is low. We also look to tread lightly through good housekeeping practices such as reducing energy consumption, using sustainable resources and recycling waste.

Directors, senior managers and employees

At 31 December 2018, there were five male directors of the Company and the Company had twelve other employees. Please see pages 13 to 14 for details of the biographies of the directors.

The Strategic Report was approved by the Board of Directors on 3 April 2019 and was signed on its behalf by:



James Draper
 Chief Executive 3 April 2019

Directors' report

The directors present their report together with the audited financial statements for the year ended 31 December 2018.

Principal activity

The principal activity of the Group is the provision of native in-game advertising.

On 18 September 2018, the Company changed its name, by special resolution, from Kin Group Plc to Bidstack Group Plc.

Results and dividends

The results of the Group for the year ended 31 December 2018 are set out on page 22 and show a loss before tax and acquisition related costs for the period of £1,187,291 (2017: loss of £494,307). The accounting loss after tax and acquisition related costs was £3,262,725 (2017: loss of £465,770). The directors do not recommend the payment of a dividend (2017: £nil).

Financial instruments

Details of the use of financial instruments by the Company are contained in note 20 of the financial statements.

Substantial shareholders

On 31 December 2018 the following shareholders held an interest of 3% or more of the ordinary share capital of the Company:

	Ordinary shares of 0.5p	% of issued share capital
James Draper	41,260,562	20.75%
Optiva Securities	15,000,000	7.54%
Killik & Co	15,000,000	7.54%
Simon Mitchell	9,979,298	5.02%
Courtney Investments Limited	7,666,667	3.86%
Fran Petruzzelli	7,250,000	3.65%
Ann Gloag OBE	5,964,229	3.00%

As at 31 December 2018 no other person had reported an interest of 3% or more in the Company's ordinary shares.

Directors

The directors who held office during the year were as follows:

		Appointed
D Stewart	Chairman	-
J Draper	Executive	19 September 2018
F Petruzzelli	Executive	19 September 2018
J McIntosh	Executive	19 September 2018
L Mair	Non-Executive	-
J Taylor	Non-Executive	-

Directors' report (continued)

Directors' emoluments

Current Directors		Salary/Fees/ Benefits	Bonus	Share- based payment	Total Emoluments	2017
		£	£		£	£
D Stewart	Chairman	24,233 ¹	-	-	24,233	-
J Draper	Executive	65,838	50,000	13,602	129,440	33,833
F Petruzzelli	Executive	40,000	50,000	240,477	330,477	-
J McIntosh	Executive	9,000 ²	-	3,161	12,161	-
L Mair	Non-Executive	30,600	-	-	30,600	-
J Taylor	Non-Executive	54,871 ³	-	-	54,871	-
		224,542	100,000	257,240	581,782	33,833

¹ Donald Stewart, Chairman, is also a partner of Kepstorn Solicitors. Fees for corporate and legal services of £77,370 (2017: £Nil) were charged by Kepstorn during the year ended 31 December 2018, of which £60,000 related to Kepstorn's fees for acting as the Company's solicitors on the IPO. As at 31 December 2018, £19,080 was owed to Kepstorn Solicitors (2017: £Nil).

² John McIntosh, Finance Director, is also a Director of C P Limited. Fees for consultancy services of £9,000 (2017: £Nil) were charged by C P Limited during the year ended 31 December 2018. £1,000 of these fees were for services to Bidstack Ltd prior to his appointment as a director. As at 31 December 2018, £Nil was owing to C P Limited (2017: £Nil).

³ John Taylor, Non-Executive Director, is also a Partner of Ugly Panda LLP. Fees for consultancy services to Bidstack Ltd of £26,471 (2017: £Nil) were charged by Ugly Panda LLP during the year ended 31 December 2018. As at 31 December 2018, £409 was owing to Ugly Panda LLP.

Directors' report (continued)

Statement of compliance with the Corporate Governance Code

The Group complies with the Quoted Companies Alliance's Corporate Governance Code (the "QCA Code") as revised and reissued in May 2018.

Donald Stewart, in his capacity as Non-Executive Chairman, has assumed responsibility for leading the Board effectively and ensuring that the Group has appropriate corporate governance standards in place and that these standards are observed and applied within the Group as a whole.

The corporate governance arrangements that the Board has adopted are intended to ensure that the Group delivers medium and long-term value to its shareholders. The Board maintains a regular dialogue with its major investors and other professional investors, providing them with such information on the Group's progress as is permitted by the AIM rules, MAR and the requirements of the relevant legislation.

It should be noted that all the Directors are shareholders and/or option holders in the Group and that both Mr Draper and Mr Petruzzelli are founders and significant shareholders. The Directors therefore view their own medium and long-term interests to be integrally linked to the medium and long-term value of the Group and, as such, the interests of the Directors are directly aligned with those of the shareholders.

The Board currently consists of three Independent Non-Executives, Donald Stewart, Lindsay Mair and John Taylor, and three Executive Directors, James Draper, Francesco Petruzzelli and John McIntosh.

Since the period end, as outlined in the Chairman's statement on pages 1 to 2 above, the Company has constituted an advisory committee of selected individuals with experience in areas relevant to the business growth, whose remit is to provide strategic input and direction to the Board and to assist with introductions to key counterparties.

The QCA Code sets out 10 principles that should be applied. These are listed on the Company's website at www.bidstackgroup.com together with an explanation of how the Company applies each of the principles. Set out below are further disclosures on certain of these principles.

Principle 1 – Business Model and Strategy

Bidstack is a provider of native in-game advertising that is dynamic, targeted and automated, serving the global video games industry across multiple platforms. Its proprietary technology is capable of inserting adverts into natural advertising space within video games.

Bidstack has two sets of customers. On the demand side are advertising agencies, buyers for specific brands and operators of programmatic advertising platforms. On the supply side are games publishers, owners and developers.

As set out in the Chairman's statement on pages 1 to 2 above, the Board has concluded that the highest medium and long-term value can be delivered to its shareholders by focusing the Group's resources during the first half of 2019 on technical development.

For further information on the market, the future strategy of the Group and the risks the Board consider to be the most significant for potential investors, Shareholders are referred to the Strategic Report set out on pages 3 to 8 above.

Directors' report (continued)

Principle 4 – Risk Management

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and recognises the need for an effective and well-defined risk management process. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. The Board is responsible for the monitoring of financial performance against budget and forecast and the formulation of the Group's risk appetite including the identification, assessment and monitoring of the Group's principal risks.

For further information on the risks the Board consider to be the most significant for potential investors, Shareholders are referred to in the section headed "Principal risks and uncertainties" set out on pages 6 to 8 above.

The Board has delegated certain authorities to committees, each with formal terms of reference. As part of its terms of reference, the Audit Committee is obliged, inter alia, to keep under review the Group's internal financial controls systems that identify, assess, manage and monitor financial risks, and other internal control and risk management systems, review the adequacy and security of the Group's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters and ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action, review the Group's procedures for detecting fraud and review the Group's systems and controls for the prevention of bribery.

Principle 5 – A Well-functioning Board of Directors

The Board is responsible for the management of the business of the Group, setting the strategic direction of the Group and establishing the policies of the Group. It is the Board's responsibility to oversee the financial position of the Group and monitor the business and affairs of the Group on behalf of Shareholders, to whom the Directors are accountable. The primary duty of the Board is to act in the best interests of the Group at all times. The Board also addresses issues relating to internal control and the Group's approach to risk management.

The Board consists of three Executive Directors, comprising the Chief Executive Officer, Finance Director and Chief Technology Officer, and three Non-Executive Directors.

Donald Stewart chairs the Board. The Executive Directors have industry and technical knowledge and expertise (James Draper and Fran Petruzzelli) and financial expertise (John McIntosh). The Non-Executive Directors have legal, accounting, public market, leadership and people management experience (Donald Stewart, Lindsay Mair and John Taylor).

Liam O'Donoghue, who is a qualified corporate lawyer and an experienced Company Secretary, is the Company Secretary.

The Board holds board meetings monthly and whenever issues arise which require the urgent attention of the Board. The Executive Directors are full time employees, and the Non-Executive Directors are expected to devote at least two days per month to the affairs of the Company and such additional time as may be necessary to fulfil their roles.

The Board has also established an Audit Committee and a Remuneration Committee. The Company considers that, at this stage of its development, and given the current size of its Board, it is not necessary to establish a formal Nominations Committee and nominations to the Board will be dealt with by the whole Board. This position will be reviewed on a regular basis by the Directors.

Directors' report (continued)

All three Non-Executive Directors (Donald Stewart, Lindsay Mair and John Taylor) are considered to be independent. The three Non-Executive Directors sit on the Audit Committee, which is chaired by Lindsay Mair (who is a chartered accountant) and on the Remuneration Committee, which is chaired by John Taylor.

During the year under review the Board held eight regular board meetings, five of which were held prior to the RTO, at which only the current non-executive directors attended, and three of which were held after the RTO, at which all the members of the current Board attended. In addition the Board met formally a further four times for specific purposes including to approve publication of the Report and Accounts for 2017 and to consummate the acquisition of Bidstack Limited. All of the directors attended all of the meetings of the Board in 2018. In addition to the Company's formal board meetings, all of the directors regularly discuss matters affecting the business and the strategy of the Group.

Principle 6 – Appropriate Skills and Experience of the Directors

The Group believes that the current balance of skills within the Board as a whole reflects a broad and appropriate range of commercial, technical and professional skills relevant to the sector in which the Group operates and its status as an AIM listed company.

Biographical details of each of the Directors and officers are set out below:

Donald Stewart - Non-Executive Chairman

Appointed to the Board on 1 December 2015, Donald is a solicitor and has practised corporate law, particularly focused on smaller quoted companies, for almost 30 years. Between April 2013 and July 2015, he was on the board of AIM quoted Progility Plc and, before that, had been a corporate partner in the London office of a global law firm. He is a former director (and past chairman) of the Quoted Companies Alliance. Donald brings extensive experience of quoted companies, legal and regulatory issues, corporate governance and of the role of chairman. As a practising solicitor, Donald is required to keep his skills up to date through continuing professional development.

James Draper - Chief Executive Officer

James is the co-founder and Chief Executive Officer of Bidstack. He initiated Bidstack's move into the gaming space in 2017 and led the negotiations to secure the three-year contract with SEGA's Football Manager title. He has been responsible for the day to day management of Bidstack, as well as overseeing its strategic direction. Prior to Bidstack, James spent several years working within marketing and advertising with a range of clients in the sports and b2b space. James brings core management, marketing and strategic vision and an intimate knowledge of all aspects of the Bidstack business to the Board.

Francesco Petruzzelli - Chief Technology Officer

Fran is the co-founder and Chief Technology Officer of Bidstack. He created Bidstack's core artificial intelligence engine, heads its development studio and oversees its team of developers and programmers. Prior to Bidstack, Francesco founded Whaleslide, a privacy conscious search engine allowing users to control all aspects of their online lives from one webpage. Fran brings to the Board software technical and developmental expertise and a comprehensive understanding of the Bidstack product.

John McIntosh CA - Finance Director

After qualifying with Deloitte in 1994, John worked with Sony, advertising agencies and the BBC before concentrating on online, multi-media businesses. He was CFO and COO of DCD Media plc for five years until July 2011 and CFO of Progility Plc from November 2012 to April 2015, growing the business from a £12 million to £60 million turnover. Since leaving Progility John has worked as a consultant CFO for a number of entities in UK, Europe and Hong Kong, and since October 2016 as CFO for CRS GT Ltd, which is licensed to trade as McLaren GT. John brings significant experience of CFO and COO roles in AIM quoted companies. As a member of the Institute of Chartered Accountants of Scotland John is required to keep his skills up to date through the ICAS Professional Development Process.

Directors' report (continued)

Lindsay Mair – Non-Executive Director

Lindsay qualified as a chartered accountant in 1987 with Touche Ross (now Deloitte) and is an experienced investment banker with extensive capital markets experience in a broad range of sectors acquired over a thirty year career in the City. He is a director of corporate finance at SP Angel Corporate Finance LLP and has previously worked in the corporate finance departments of a number of City firms. He joined the Board in November 2017. Lindsay brings extensive experience of capital markets, corporate finance and finance/accountancy and is a qualified executive under the AIM Rules.

John Taylor – Non-Executive Director

John works with a group who assist small cap technology stocks with their development. Prior to that he spent eighteen months working in private equity backed portfolio companies, driving operational turnaround initiatives and implementing costing systems. He also spent over 20 years in the Army Air Corps, leaving in 2015 with the rank of colonel. Between 2013 and 2015 he was senior strategic communications officer for the Ministry of Defence following a career as an attack helicopter squadron pilot. He joined the Board in November 2017. John brings extensive experience of leadership, people management and presentation skills.

Liam O'Donoghue from ONE Advisory Group acts as the Company Secretary, and is responsible for ensuring that Board procedures are followed and that the Company complies with all applicable rules, regulations and obligations governing its operation, as well as helping the Chairman maintain good standards of corporate governance. Liam is an ICSA Chartered Company Secretary.

The Directors have access to the Company's external advisers e.g. NOMAD, lawyers and auditors as and when required and are able to obtain advice from other external advisers when necessary.

All Directors have access to independent legal advice at the Company's expense.

The Board will seek to take into account Board imbalances for future nominations, with areas to take into account including gender balance.

Principle 7 – Evaluation of Board Performance

The first internal evaluation of the Board, its Committees and individual Directors and officers is due to be undertaken in Q3 of 2019 and thereafter such evaluations will be undertaken on an annual basis to ensure the Board is performing effectively as a whole. Such evaluations will be undertaken with reference to how the Director or officer has performed in fulfilling his/her specific functions, attendance at Board and Committee meetings as appropriate, and overall contribution to the Group as a whole.

The Board is aware that succession planning is a vital task and the management of succession planning represents a key responsibility of the Board. The balance of skills required of the Board as a whole is under constant review as the business develops. As a result the composition of the Board will change over time. The Board is likely to appoint additional directors in the event that outstanding people with relevant skills are able to make the necessary commitment to drive the business forward.

Principle 8 – Corporate Culture

The Company recognises the importance of promoting an ethical corporate culture, interacting responsibly with all stakeholders and the communities and environments in which the Group operates. The Board considers this to be essential if medium and long term value is to be delivered.

Directors' report (continued)

The Directors consider that at present the Group has an open culture facilitating comprehensive dialogue and feedback, particularly with regard to providing a safe and enjoyable working environment for employees and seeking to ensure they are remunerated and incentivised appropriately.

The Group also works directly with games publishers and developers to understand their unique requirements, participates in gaming conferences and sponsors e-sport tournaments to get direct feedback from the players and viewers of video games and seeks to be regarded as a good corporate citizen by all its stakeholders within its sphere of operation.

The Directors view their own medium and long-term interests to be integrally linked to the medium and long-term value of the Group, and, as such, the interests of the Directors are directly aligned with those of the shareholders. The Group has adopted policies to deal with corruption and bribery and to comply with the UK Bribery Act.

Principle 10 – Shareholder Communication

The Board delegates authority to two Committees to assist in meeting its business objectives, and the Committees meet independently of Board meetings.

Audit Committee Report

The Audit Committee comprises Lindsay Mair as Chairman, John Taylor and Donald Stewart and meets not less than twice a year. The committee is responsible for making recommendations to the Board on the appointment of auditors and the audit fee and for ensuring that the financial performance of the Group is properly monitored and reported. In addition, the Audit Committee receives and reviews reports from management and the auditors relating to the interim report, the annual report and accounts and the internal control systems of the Group.

As noted above the Audit Committee is also responsible for reviewing the Group's internal financial controls systems that identify, assess, manage and monitor financial risks, other internal control and risk management systems and other aspects of risk management.

During the year under review, the Audit Committee was responsible for adopting a new Financial Reporting Procedures Manual which was adopted by the Company on 31 August 2018. In addition the Audit Committee has worked with and reviewed the work of the Company's auditors in the production of the Report and Accounts of the Company for the year ended 31 December 2018 set out in this document.

Remuneration Committee Report

The Remuneration Committee comprises John Taylor as Chairman, Lindsay Mair and Donald Stewart, and meets not less than twice each year. The committee is responsible for the review and recommendation of the scale and structure of remuneration for senior management, including any bonus arrangements or the award of share options with due regard to the interests of the Shareholders and the performance of the Enlarged Group.

During the year under review, the Remuneration Committee made recommendations to the board in relation to the salaries and bonuses of the Chief Executive, the Chief Technical Officer and the Finance Director and, separately, in relation to the issue of share options to certain employees of the Group. The amounts of remuneration for each Director are set out on page 10 above. These include basic salary, bonus and the estimated monetary value of benefits in kind.

Directors' report (continued)

Director's interests

The beneficial interests of the directors of the Company in the ordinary share capital of the Company and options and warrants to purchase such shares were:

31 December 2018

Director	Ordinary Shares	Warrants		Options		
		Ex. Price 5p	Ex. Price 20p	Ex. Price 20p	Ex. Price 6p	Ex. Price 1.14p
D Stewart	989,733	250,103	25,000	-	-	-
J Draper	41,260,562	-	-	5,000,000	-	-
F Petruzzelli	7,250,000	-	-	10,000,000	7,500,000	4,799,500
J McIntosh	-	-	-	-	1,000,000	-
J Taylor	560,000	500,205	15,000	-	-	-
L Mair	1,041,666	250,103	62,500	-	-	-

31 December 2017

Director	Ordinary Shares	Warrants		Options
		Ex. Price 5p	Ex. Price 20p	Ex. Price 8p
D Stewart	156,400	250,103	25,000	-
F Petruzzelli	-	-	-	662,000 ¹
J Taylor	60,000	500,205	15,000	-
L Mair	312,603	250,103	62,500	-

¹ On 19 September 2018, F Petruzzelli was granted 4,799,500 options as a replacement for his 662,000 options held. The replacement options are exercisable at 1.14p per share

Going concern

The directors consider that the Group will have adequate resources to continue in operational existence for the foreseeable future. Consequently, they have continued to adopt the going concern basis in preparing the financial statements.

Auditors

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Group's auditors for the purposes of their audit and to establish that the auditors are aware of that information.

The directors are not aware of any relevant audit information of which the auditors are unaware.

By order of the Board



Donald Stewart
 Chairman
 3 April 2019

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the Group and Company financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRSs as adopted by the European Union subject to any material departures disclosed and explained in the financial statement period; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company 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 company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Bidstack Group Plc

Opinion

We have audited the financial statements of Bidstack Group Plc (the 'parent company') and its subsidiary (the 'Group') for the year ended 31 December 2018 which comprise the consolidated statement of comprehensive income, consolidated and company statement of financial position, consolidated and company statement of changes in equity, consolidated and company 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 2018 and of the group's loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 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 as applied to SME listed entities, 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.

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.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditor's report to the members of Bidstack Group Plc (continued)

Matter

Our Response

Accounting for the acquisition of Bidstack Limited and related judgements and estimates

Our audit work included, but was not restricted to the following:

On 19 September 2018, the group acquired the equity share capital of Bidstack Limited.

Following the disposal of all of the assets and liabilities of its subsidiary, Kin Wellness Limited, Bidstack Group became a Rule 15 cash shell. Reverse acquisition accounting for a cash shell falls outside the scope of IFRS 3 Business Combinations and the transaction has been assessed as a share based payment in accordance with IFRS 2. We considered the appropriateness of applying IFRS 2 rather than IFRS 3.

Management determined that the transaction represented a reverse acquisition in which Bidstack Limited obtained an AIM listing.

As a reverse acquisition significant judgement and estimation is required by management to determine the fair value of the consideration given and the identifiable assets and liabilities acquired.

We reviewed the Sale and Purchase Agreement, AIM admission document and considered factors including the Board composition, background of the transaction and associated terms to assess the appropriateness of management's judgement that this transaction represented a reverse acquisition.

Given the judgement required to determine the applicable accounting treatment for the transaction, together with the judgement and estimation regarding the fair value of consideration, identifiable assets and liabilities this was considered to be a key focus of the audit.

We agreed the inputs to the calculation of the fair value of share consideration given. We agreed the price per share used to the market price of the share placing in September 2018. We considered whether facts and circumstances existed that would have materially impacted the fair value of the consideration between the date of the acquisition and date of readmission.

We have performed specific cut off tests and tests of detail to obtain assurance over the value of the assets and liabilities of Bidstack Limited at the acquisition date.

Going concern

Due to the continued losses made there is a risk that the Group may not have sufficient resources to continue trading for the foreseeable future.

Our audit work included, but was not restricted to the following:

We reviewed the cash flow forecasts and budgets. We scrutinized these and challenged the assumptions made by management.

We reviewed the forecasts against post year-end actuals and management accounts to gain comfort that the Group has sufficient resources to continue trading for the foreseeable future.

Independent auditor's report to the members of Bidstack Group Plc (continued)

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken based on the financial statements. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take into account the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

We consider total assets to be the financial metric of most interest to shareholders and other users of the financial statements following the acquisition of Bidstack Limited.

We determined materiality for the Group to be £65,000 which is 2% of total assets.

Performance materiality is the application of materiality at the individual account or balance level set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Performance materiality for the Group was set at £48,750.

We agreed with the audit committee that we would report to the committee all individual audit differences identified during the course of our audit in excess of £3,250. We also agreed to report differences below these thresholds that, in our view warranted reporting on qualitative grounds.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Group and its environment, including internal control and assessing the risks of material misstatements.

Based on that understanding our audit was focused on the key risks as described above.

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.

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 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 strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of Bidstack Group Plc (continued)

Matters on which we are required to report by exception

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

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

As explained more fully in the statement of directors' responsibilities set out on page 17, 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 company or to cease operations, or have no realistic alternative but to do so.

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.

Ian Cliffe (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: 3 April 2019

Consolidated statement of comprehensive income
for the year ended 31 December 2018

	Note	Year ended 31 December 2018 £	Period ended 31 December 2017 £
Revenue		316,906	10,034
Cost of sales		<u>(240,849)</u>	<u>(101,699)</u>
Gross profit/(loss)		76,057	(91,665)
Administrative expenses	5	<u>(1,263,348)</u>	<u>(402,642)</u>
Operating loss before acquisition related costs		(1,187,291)	(494,307)
Transaction costs		(713,744)	-
Share based payment on reverse acquisition		<u>(1,411,478)</u>	<u>-</u>
Operating (loss)		(3,312,513)	(494,307)
Finance income	8	-	561
Finance costs	8	(729)	-
(Loss) before taxation		<u>(3,313,242)</u>	<u>(493,746)</u>
Taxation	9	50,517	27,976
(Loss) for the year		(3,262,725)	(465,770)
Other comprehensive income			
Total other comprehensive income		-	-
Total comprehensive (loss) for the year		<u>(3,262,725)</u>	<u>(465,770)</u>
Loss per share – basic and diluted (pence)	10	(4.23)	(3.40)

The notes on pages 29 to 48 form part of these financial statements.

Consolidated statement of financial position
as at 31 December 2018

	Note	31 December 2018 £	31 December 2017 £
ASSETS			
Non-current assets			
Intangible assets	11	43,842	1,562
Property, plant and equipment	12	15,752	1,362
Total non-current assets		59,594	2,924
Current assets			
Trade and other receivables	14	807,691	95,869
Cash and cash equivalents	15	2,106,557	1,661
Total current assets		2,914,248	97,530
Total assets		2,973,842	100,454
EQUITY AND LIABILITIES			
Equity			
Share capital	17	5,286,429	137
Share premium account	17	18,000,247	669,674
Share-based payment reserve	17	258,060	17,435
Merger relief reserve	17	6,213,021	-
Reverse acquisition reserve	17	(23,320,632)	-
Capital redemption reserve	17	-	23
Warrant reserve	17	71,480	-
Retained losses	17	(3,974,445)	(711,720)
Total equity		2,534,160	(24,451)
Current liabilities			
Trade and other payables	16	439,682	124,905
Total current liabilities		439,682	124,905
Total equity and liabilities		2,973,842	100,454

The financial statements on pages 22 to 28 were approved by the board of Directors on 3 April 2019 and signed on its behalf by:

Donald Stewart
 Chairman of Bidstack Group Plc

The notes on pages 29 to 48 form part of these financial statements.

Company statement of financial position
 as at 31 December 2018

	Note	31 December 2018 £	31 December 2017 £
ASSETS			
Non-current assets			
Investments	13	7,177,841	-
Total non-current assets		7,177,841	-
Current assets			
Trade and other receivables	14	846,654	82,114
Cash and cash equivalents	15	2,087,120	835,859
Total current assets		2,933,774	917,973
Total assets		10,111,615	917,973
EQUITY AND LIABILITIES			
Equity			
Share capital	17	5,286,429	4,417,442
Share premium account	17	18,000,247	15,009,243
Share-based payment reserve	17	258,060	-
Merger relief reserve	17	6,213,021	-
Warrant reserve	17	76,457	4,977
Retained losses	17	(19,849,761)	(18,617,987)
Total equity		9,984,453	813,675
Current liabilities			
Trade and other payables	16	127,162	104,298
Total current liabilities		127,162	104,298
Total equity and liabilities		10,111,615	917,973

As permitted by Section 408 of the Companies Act 2006, the income statement of the parent Company is not presented as part of these financial statements. The parent Company's loss for the financial year was £1,231,774 (2017: loss of £465,770).

The financial statements on pages 22 to 28 were approved by the board of Directors on 3 April 2019 and signed on its behalf by:

Donald Stewart
 Chairman of Bidstack Group Plc

The notes on pages 29 to 48 form part of these financial statements.

Consolidated statement of changes in equity
for the year ended 31 December 2018

	Share capital £	Share premium £	Share-based payment reserve £	Merger relief reserve £	Reverse acquisition reserve £	Capital redemption reserve £	Warrant reserve £	Subscription reserve £	Retained losses £	Total equity £
Balance as at 1 January 2017	118	170,679	5,586	-	-	23	-	187,000	(245,950)	117,456
Issue of shares	19	498,995	-	-	-	-	-	(187,000)	-	312,014
Share based payments	-	-	11,849	-	-	-	-	-	-	11,849
Loss and total comprehensive income for the year	-	-	-	-	-	-	-	-	(465,770)	(465,770)
Balance as at 31 December 2017	137	669,674	17,435	-	-	23	-	-	(711,720)	(24,451)
Parent company reflected on reverse acquisition	4,417,442	15,009,243	-	-	-	-	-	-	-	19,426,685
Issue of Bidstack Ltd shares prior to acquisition	19	445,968	-	-	-	-	-	-	-	445,987
Issue of Bidstack Ltd shares to Bidstack Group prior to acquisition	13	399,987	-	-	(400,000)	-	-	-	-	-
Reverse acquisition adjustment	(169)	(1,515,629)	(17,435)	-	(16,142,791)	(23)	-	-	-	(17,676,047)
Issue of shares	291,667	3,208,334	-	-	-	-	-	-	-	3,500,001
Issue of consideration shares	564,820	-	-	6,213,021	(6,777,841)	-	-	-	-	-
Issue of adviser shares	12,500	137,500	-	-	-	-	-	-	-	150,000
Costs of raising equity	-	(307,297)	-	-	-	-	-	-	-	(307,297)
Share-based payments	-	(47,533)	258,060	-	-	-	71,480	-	-	282,007
Loss and total comprehensive income for the year	-	-	-	-	-	-	-	-	(3,262,725)	(3,262,725)
Balance as at 31 December 2018	5,286,429	18,000,247	258,060	6,213,021	(23,320,632)	-	71,480	-	(3,974,445)	2,534,160

The notes on pages 29 to 48 form part of these financial statements.

Company statement of changes in equity
for the year ended 31 December 2018

	Share capital	Share premium	Share-based payment reserve	Merger relief reserve	Warrant reserve	Retained losses	Total equity
	£	£	£	£	£	£	£
Balance as at 1 January 2017	3,764,421	13,542,578	1,057,432	-	-	(19,291,215)	(926,784)
Loss and total comprehensive income for the year	-	-	-	-	-	(384,204)	(384,204)
Issue of shares	653,021	1,595,000	-	-	-	-	2,248,021
Costs of raising funds	-	(128,335)	-	-	-	-	(128,335)
Share-based payments	-	-	-	-	4,977	-	4,977
Reversal of share-based payment charges for forfeited/waived options	-	-	(1,057,432)	-	-	1,057,432	-
Balance as at 31 December 2017	4,417,442	15,009,243	-	-	4,977	(18,617,987)	813,675
Issue of shares	291,667	3,208,334	-	-	-	-	3,500,000
Issue of consideration shares	564,820	-	-	6,213,021	-	-	6,777,841
Issue of adviser shares	12,500	137,500	-	-	-	-	150,000
Costs of raising funds	-	(307,297)	-	-	-	-	(307,297)
Share-based payments	-	(47,533)	258,060	-	71,480	-	282,007
Loss and total comprehensive income for the year	-	-	-	-	-	(1,231,774)	(1,231,774)
Balance as at 31 December 2018	5,286,429	18,000,247	258,060	6,213,021	76,457	(19,849,761)	9,984,453

The notes on pages 29 to 48 form part of these financial statements.

Consolidated statement of cash flows
for the year ended 31 December 2018

	31 December 2018	31 December 2017
	£	£
Cash flows from operating activities		
(Loss) before taxation	(3,313,242)	(493,746)
Adjustments for:		
Amortisation	4,407	503
Depreciation	3,134	1,907
Share based payment on reverse acquisition	1,411,478	-
Equity settled share-based payments	282,007	11,849
Finance expense	729	-
	<u>(1,611,487)</u>	<u>(479,487)</u>
Changes in working capital		
(Increase)/decrease in trade and other receivables	(602,523)	19,074
Increase/(decrease) in trade and other payables	208,715	(133,365)
Cash used in operations	<u>(2,005,295)</u>	<u>(593,778)</u>
Taxation received	27,623	27,976
Net cash used in operations	<u>(1,977,672)</u>	<u>(565,802)</u>
Cash flow from investing activities		
Investment in intangible assets	(46,687)	(520)
Cash acquired with subsidiary	208,817	-
Investment in property, plant and equipment	(17,524)	-
Net cash flow generated from/(used in) investing activities	<u>144,606</u>	<u>(520)</u>
Cash flow from financing activities		
Loans from shareholders	-	40,000
Proceeds from issue of share capital	4,245,988	499,014
Cost of issue	(307,297)	-
Interest paid	(729)	-
Net cash generated from financing activities	<u>3,937,962</u>	<u>539,014</u>
Increase/(decrease) in cash and cash equivalents in the year	2,104,896	(27,308)
Cash and cash equivalents at beginning of year	1,661	28,969
Cash and cash equivalents at the end of the year	<u>2,106,557</u>	<u>1,661</u>

The notes on pages 29 to 48 form part of these financial statements.

Company statement of cash flows
for the year ended 31 December 2018

	31 December 2018	31 December 2017
	£	£
Cash flows from operating activities		
(Loss) before taxation	(1,231,774)	(384,204)
Adjustments for:		
Directors remuneration waived	-	52,033
Expenses financed by shares	150,000	-
Share-based payments	282,007	3,415
Finance expense	-	35,581
Impairment of intercompany	-	1,156,629
Impairment of investment	-	1,171,238
CVA surplus	-	(2,281,302)
	(799,767)	(246,610)
Changes in working capital		
(Increase) in trade and other receivables	(764,540)	(20,311)
Increase in trade and other payables	22,865	2,793
Net cash (used in) operations	(1,541,442)	(264,128)
Cash flow from investing activities		
Intercompany loan advanced	-	(1,156,629)
Investment in subsidiary undertakings	(400,000)	
Net cash flow used in investing activities	(400,000)	(1,156,629)
Cash flow from financing activities		
Issue of ordinary shares for cash	3,500,000	2,000,000
Costs directly related to issue of shares	(307,297)	(126,535)
Loans advances	-	375,000
Net cash generated from financing activities	3,192,703	2,248,465
Increase in cash and cash equivalents in the year	1,251,261	827,708
Cash and cash equivalents at beginning of year	835,859	8,151
Cash and cash equivalents at the end of the year	2,087,120	835,859

The notes on pages 29 to 48 form part of these financial statements.

Notes to the financial statements

1 General information

Bidstack Group Plc (the “Company”) is a public limited company and is incorporated and domiciled in the UK. The address of the registered office is 201 Temple Chambers, 3-7 Temple Avenue, London, EC4Y 0DT.

The registered number of the company is 04466195.

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 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.

Consolidation

The consolidated financial statements consolidate the financial statements of the Company and the results of its subsidiary undertaking Bidstack Limited made up to 31 December 2018.

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.

Although the consolidated financial information has been issued in the name of Bidstack Group Plc, the legal parent, it represents in substance continuation of the financial information of the legal subsidiary.

The assets and liabilities of the legal subsidiary are recognised and measured in the consolidated financial statements at the pre-combination carrying amounts and not re-stated at fair value.

The retained earnings and reserves balances recognised in the consolidated financial statements reflect the retained earnings and other reserves balances of the legal subsidiary immediately before the business combination and the results of the period from 1 January 2018 to the date of the business combination are those of the Legal Subsidiary only.

Going concern

The financial statements have been prepared on a going concern basis which assumes that the Group will be able to continue trading for the foreseeable future. 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 on pages 1 to 2.

The financial statements at 31 December 2018 show that the Group generated an operating loss for the period of £3.3 million (2017: £0.5 million) after accounting for acquisition related costs (£2.1 million; 2017: £nil); with cash used in operating activities of £2.0 million (2017: £0.6 million) and a net increase in cash and cash equivalents of £2.1 million in the year (2017: decrease of £0.03 million). Group balance sheet also showed cash reserves at 31 December 2018 of £2.1 million (2017: £0.01 million).

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 and are satisfied that such revised operating strategies could be adopted, if and when necessary.

Notes to the financial statements (continued)

2 Summary of significant accounting policies (continued)

This is based on the Board's most recent forecasts for the Group, which indicate that the Group has sufficient cash available to continue in operational existence throughout the forecast period.

Standards and interpretations adopted during the year

The adoption of the following mentioned amendments in the current year have not had a material impact on the Group's and Company's financial statements:

	EU effective date – periods beginning on or after
Amendment to IAS 7 <i>Statement of Cash Flows</i> : Disclosure initiative	1 January 2018
Amendment to IAS 12 <i>Income Taxes</i> : Recognition of deferred tax assets for unrealised losses	1 January 2018

At the date of approval of these annual report and accounts, certain new standards, amendments and interpretations to existing standards became effective, as they had not been previously adopted by the Group.

Information on new standards, amendments and interpretations that are relevant to the Group's annual report and accounts is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's annual report and accounts.

IFRS 9 “Financial Instruments”

In the current year, the Group has applied IFRS 9 “Financial Instruments” (as revised in July 2014) and the related consequential amendments to other IFRS Standards that are effective for an annual period that begins on or after 1 January 2018. The IASB have released IFRS 9 following completion of the project to replace IAS 39 ‘Financial Instruments: Recognition and Measurement’. The new standard introduces extensive changes to IAS 39's guidance on the classification and measurement of financial assets and introduces a new ‘expected credit loss’ model for the impairment of financial assets. IFRS 9 also provides new guidance on the application of hedge accounting. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018 and has been endorsed by the European Union. The Group's management has performed an impact assessment of the effects of IFRS 9 on the 2018 figures and there are no material changes to the Group's annual report and accounts.

IFRS 15, ‘Revenue from Contracts with Customers’

In the current year, the Group has applied IFRS 15 “Revenue from Contracts with Customers” (as amended in April 2016) which is effective for reporting periods beginning on or after 1 January 2018. IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 ‘Revenue’, IAS 11 ‘Construction Contracts’, and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities.

Notes to the financial statements (continued)

2 Summary of significant accounting policies (continued)

This standard has been endorsed by the European Union. The Group's management has performed an impact assessment of the effects of IFRS 15 on the 2018 figures and there is no material change to the statement of comprehensive income as presented.

New and revised IFRS Standards in issue but not yet effective

At the date of approval of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective and, in some cases, had not yet been adopted by the EU:

IFRS 16 "Leases"

The IASB has published IFRS 16 'Leases', completing its long-running project on lease accounting. The new Standard, which is effective for accounting periods beginning on or after 1 January 2019, requires lessees to account for leases 'on-balance sheet' by recognising a 'right-of-use' asset and a lease liability. The date of initial application of IFRS 16 for the Group will be 1 January 2019. It will affect most companies that report under IFRS and are involved in leasing, and will have a substantial impact on the annual report and accounts of lessees of property and high value equipment. This standard has been endorsed by the European Union.

The Group's management has carried out an impact review of the implementation of IFRS 16 and has decided it will apply the modified retrospective adoption method in IFRS 16, and, therefore, will only recognise leases on the balance sheet as at 1 January 2019. In addition, it has decided to measure right-of-use assets by reference to the measurement of the lease liability on that date. This will ensure there is no immediate impact to net assets on that date.

At 31 December 2018 operating lease commitments amounted to £152,640 (see note 19), which is not expected to be materially different to the anticipated position on 31 December 2019 or the amount which is expected to be disclosed at 31 December 2018 under IFRS 16. The Group has assessed the lease commitments the Company holds, as since no lease committed is longer than a year, there is no IFRS 16 impact, assuming the Group's lease commitments remain at this level.

Other

The Group does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the group.

The following is a list of other new and amended standards which, at the time of writing, had been issued by the IASB but which are effective in future periods. The amount of quantitative and qualitative detail to be given about each of the standards will, much like the amount of detail to be given about IFRS 16, depend on each entity's own circumstances.

- Amendments to IFRS 9 Prepayment Features with Negative Compensation (effective 1 January 2019)
- Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures (effective 1 January 2019)
- IFRIC 23 "Uncertainty over income tax treatments", effective 1 January 2019;
- Annual Improvements to IFRSs 2015-2017 Cycle (IFRS 3 Business Combinations and IFRS joint Arrangements, IAS 12 Income Taxes, and IAS 23 Borrowing Costs) (effective 1 January 2019)
- Amendments to IAS 19: Plan amendments, curtailment on settlement (effective 1 January 2019)
- IFRS 17 Insurance Contracts (effective 1 January 2021)

Notes to the financial statements (continued)

2 Summary of significant accounting policies (continued)

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.

Notes to the financial statements (continued)

2 Summary of significant accounting policies (continued)

Research and Development tax credits are not recognised as receivables until the claims have been submitted and agreed by HMRC.

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.

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

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.

Notes to the financial statements (continued)

2 Summary of significant accounting policies (continued)

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 share or options are shown in equity as deduction 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.

Notes to the financial statements (continued)

3 Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated on historical experience and other factors, including expectations of future events that are believed to be reasonable. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Share-based payments

In order to calculate the charge for share-based compensation as required by IFRS 2, the Group makes estimates principally relating to the assumptions used in its option-pricing model as set out in note 18.

Impairment review

Impairment testing is carried out for all non-current assets at the year-end date or where there is an indication that impairment exists. For the purposes of impairment testing, the carrying amounts of the non-current assets are reviewed and an impairment loss is recognised where the carrying amounts exceed the assets recoverable amount.

Expected credit losses (ECLs)

Expected credit losses are shown in note 14. ECLs are determined based on historical data available to management in addition to forward looking information utilising management knowledge. Adequate information exists to support the recoverability of the net receivables balance.

4 Segmental information

During the year ended 31 December 2018 and the period ended 31 December 2017, the Group operated one business segment, that of the provision of native in-game advertising.

Given that there is only one continuing class of business, operating within the UK, no further segmental information has been provided.

Notes to the financial statements (continued)

5 Loss for the year

	31 December 2018	31 December 2017
	£	£
<i>The loss for the year has been arrived at after charging:</i>		
Depreciation of property, plant and equipment	3,134	1,907
Amortisation of intangible assets	4,407	503
Equity settled share-based payments	282,007	11,849
Operating lease payments	82,090	20,583
Auditors' remuneration	29,500	15,500
	<hr/> 29,500	<hr/> 15,500

6 Auditors' remuneration

	31 December 2018	31 December 2017
	£	£
Fees payable to the Group's auditors in respect of:		
Audit of the financial statements of the Company	15,000	12,000
Audit of the financial statements of the Company's subsidiary	10,000	-
Other services in relation to the audit	2,750	-
Other services in relation to taxation	1,750	3,500
	<hr/> 29,500	<hr/> 15,500

7 Employees and directors

Staff costs, including directors, comprise:

	31 December 2018	31 December 2017
	£	£
Wages and salaries	719,246	122,506
Social security costs	73,385	9,191
Share-based payment expense	258,060	11,849
Other benefits	88	-
	<hr/> 1,050,779	<hr/> 143,546

Notes to the financial statements (continued)

7 Employees and directors (continued)

Directors' remuneration is as follows:

	31 December 2018	31 December 2017
	£	£
Salaries and fees	224,454	33,833
Bonus	100,000	-
Share-based payments	257,240	-
Gain on exercise of share options	117,190	-
Other benefits	88	-
Total	698,972	33,833
	2018	2017
Average number of directors	4	4
Average number of employees	9	7

Key management compensation

The directors consider that the key management comprises the directors of the Group and the heads of sales, their emoluments are set out below:

	31 December 2018	31 December 2017
	£	£
Salaries and fees	416,136	33,833
Bonus	100,000	-
Share-based payments	257,240	11,849
Gain on exercise of options	117,190	-
Other benefits	88	-
Total	890,654	45,682

Highest paid director

	31 December 2018	31 December 2017
	£	£
Salaries and fees	40,000	33,833
Bonus	50,000	-
Share-based payments	240,477	11,849
Total	330,447	45,682

Notes to the financial statements (continued)

8 Finance income and finance costs

	31 December 2018	31 December 2017
	£	£
Other interest receivable and similar income	-	561
Total finance income	-	561

	31 December 2018	31 December 2017
	£	£
Other interest payable	729	-
Total finance costs	729	-

9 Taxation

Reconciliation of effective tax rate

Tax assessed for the year is lower than (2017: lower than) the standard rate corporation tax of 19% (2017: 19.25%). The differences are explained below:

	31 December 2018	31 December 2017
	£	£
Loss before tax	(3,313,242)	(493,746)
Tax using the UK corporation tax rate of 19% (2017: 19.25%)	(629,516)	(95,046)
Unrelieved tax losses and other deductions in the period	13,873	95,046
Research and development tax credit	(33,109)	(27,976)
Expenses not deductible for tax purposes other than goodwill amortisation and impairment	369,670	-
Adjustment for prior period	(5,813)	-
Adjust closing deferred tax to average rate	440,203	-
Adjust opening deferred tax to average rate	(415,532)	-
Deferred tax not recognised	209,705	-
Other reconciling items	2	-
Total tax charge	(50,517)	(27,976)

The Group has tax losses of approximately £3,738,890 (2017: loss of £366,000) to carry forward against future taxable profits.

No deferred tax asset has been recognised in relation to the trading losses available for offset against future taxable profits. The Company has not recognised deferred tax asset due to there being insufficient evidence of short-term recoverability.

Notes to the financial statements (continued)

10 Loss per share

The loss per share is based upon the loss of £3,262,725 (2017: loss of £465,770) and the weighted average number of ordinary shares in issue for the year of 77,234,073 (2017: 13,688,435).

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.

11 Intangible assets - Group

	Website costs £	Trademarks £	Total £
<i>Cost</i>			
At 1 November 2016	1,931	-	1,931
Additions	-	520	520
At 31 December 2017	1,931	520	2,451
<i>Amortisation</i>			
At 1 November 2016	386	-	386
Charge	451	52	503
At 31 December 2017	837	52	889
<i>Cost</i>			
At 1 January 2018	1,931	520	2,451
Additions	46,687	-	46,687
At 31 December 2018	48,618	520	49,138
<i>Amortisation</i>			
At 1 January 2018	837	52	889
Charge	4,355	52	4,407
At 31 December 2018	5,192	104	5,296
<i>Net book value</i>			
At 31 December 2018	43,426	416	43,842
At 31 December 2017	1,094	468	1,562

Notes to the financial statements (continued)

12 Property, plant and equipment - Group

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 November 2016	-	4,904	4,904
Additions	-	-	-
At 31 December 2017	-	4,904	4,904
Depreciation			
At 1 November 2016	-	1,635	1,635
Charge	-	1,907	1,907
At 31 December 2017	-	3,542	3,542
Cost			
At 1 January 2018	-	4,904	4,904
Additions	4,819	12,705	17,524
At 31 December 2018	4,819	17,609	22,428
Depreciation			
At 1 January 2018	-	3,542	3,542
Charge	161	2,973	3,134
At 31 December 2018	161	6,515	6,676
Net book value			
At 31 December 2018	4,658	11,094	15,752
At 31 December 2017	-	1,362	1,362

13 Investments - Company

	Investments in subsidiaries £
Cost	
At 1 January 2018	-
Additions	7,177,847
At 31 December 2018	7,177,847
Impairment	
At 1 January 2018	-
Charge	-
At 31 December 2018	-
Net book value	
At 31 December 2018	7,177,847

Notes to the financial statements (continued)

13 Investments (continued)

Principal subsidiary undertakings of the Company

On 19 September 2018, the Company acquired the entire issued share capital of Bidstack Limited (“legal subsidiary”) for a consideration of £6,777,841, satisfied by the issue of 112,964,011 shares. As the legal subsidiary is reversed into the Company (“legal parent”), which originally was a publicly listed cash shell company, this transaction cannot be considered a business combination, as the legal parent does not meet the definition of a business, under IFRS 3 “Business Combinations”. As the transaction is capital in nature and completed through the issue of shares it falls within the scope of IFRS 2 ‘Share-based payments’. Any difference in the fair value of shares deemed to be issued by the legal subsidiary and the fair value of net identifiable assets in the legal parent will form part of the deemed cost of acquisition.

The Investment balance includes a loan of £0.4m from Bidstack Group to Bidstack Ltd which converted to equity in Bidstack Ltd on 17 September 2018, prior to the Acquisition completion.

The subsidiary undertaking of the Company is presented below:

Subsidiary	Country of incorporation	Proportion of ordinary shares held
Bidstack Limited	England and Wales	100%

The principal activity of the Company’s subsidiary is the provision of native in-game advertising.

14 Trade and other receivables

	Group		Company	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	£	£	£	£
Trade receivables	380,227	-	-	-
Prepayments and accrued income	183,515	6,000	15,745	9,792
Other receivables	221,055	61,893	830,909	72,322
Corporation tax	22,894	27,976	-	-
	807,691	95,869	846,654	82,114

Analysis of trade receivables

	<30	31 – 60	61 -90	> 90	Total Gross	ECL	Total Net
2018	380,227	-	-	-	380,227	-	380,227
2017	-	-	-	-	-	-	-

In the year ended 31 December 2018 one customer (as a reseller of the Group’s services to end users) accounted for 93% of the Group’s revenue and 93% of the debtors outstanding at the year end.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. The Group measures ECL based on historical data available to management in addition to current and forward-looking information utilising managements knowledge of their customers. Based on the analysis performed there is no material impact on the transition to ECL The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

Notes to the financial statements (continued)

14 Trade and other receivables (continued)

The Group applies the IFRS 9 simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. The ECL balance has been determined based on historical data available to management in addition to forward looking information utilising management knowledge. Based on the analyses performed, management expect that all balances will be recovered, thus there is no material impact on the transition to ECL.

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. All trade and other receivables are non-interest bearing. The carrying amount of trade and other receivables approximates fair value.

15 Cash and cash equivalents

	Group		Company	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	£	£	£	£
Cash and cash equivalents	2,106,557	1,661	2,087,120	835,859

16 Trade and other payables

	Group		Company	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	£	£	£	£
Trade payables	315,238	39,956	71,989	71,548
Taxation and social security	32,778	31,073	3,802	4,500
Other payables	8,793	49,680	-	-
Accruals and deferred income	82,873	4,196	51,371	28,250
	439,682	124,905	127,162	104,298

Notes to the financial statements (continued)

17 Share capital and reserves

Allotted, called up and fully paid	Ordinary 0.5p shares	Share capital
	No.	£
At 31 December 2017	25,010,280	4,417,442
Issue of shares	58,333,340	291,667
Issue of consideration shares	112,964,011	564,820
Issue of adviser shares	2,500,000	12,500
As at 31 December 2018	198,807,631	5,286,429

On 31 August 2018, the Company announced that it had agreed to acquire the entire issued share capital of Bidstack Ltd. The consideration for the Acquisition was £6.8m comprising the issue on 19 September 2018, of 112,964,011 shares at £0.06 per share. The Company also raised £3.5m by a placing of 58,333,340 shares at £0.06 per share.

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

The following describes the nature and purpose of each reserve within owner's equity:

Share capital: Amount subscribed for shares at nominal value.

Share premium: Amount subscribed for share capital in excess of nominal value, less costs of share issue.

Share-based payment reserve: The share-based payment reserve comprises the cumulative expense representing the extent to which the vesting period of share options has passed and management's best estimate of the achievement or otherwise of non-market conditions and the number of equity instruments that will ultimately vest.

Merger relief reserve: Effect on equity of the consideration shares issued over their nominal value.

Reverse acquisition reserve: Effect on equity of the reverse acquisition of Bidstack Limited.

Capital redemption reserve: The nominal value of shares that have been repurchased by the Company.

Warrant reserve: The warrant reserve comprises the cumulative expense representing the extent to which the vesting period of warrants has passed and management's best estimate of the achievement or otherwise of non-market conditions and the number of equity instruments that will ultimately vest.

Subscription reserve: Represents cash received as a subscription for a specific and imminent share issue but where those shares have not been issued at the period end.

Retained losses: Cumulative realised profits less cumulative realised losses and distributions made, attributable to the equity shareholders of the Company.

Notes to the financial statements (continued)

18 Share-based payment

Options

The Company operates two equity-settled share-based remuneration schemes for employees, one being the Enterprise Management Incentive (“EMI”) Scheme and the other is an unapproved scheme for executive directors and certain senior management.

A condition attached to both schemes is for the option holder to remain in employment until exercised otherwise the options become forfeited.

	2018		2017	
	Number	Weighted Average Exercise Price £	Number	Weighted Average Exercise Price £
Outstanding at the beginning of the year	2,295,390	0.095	2,180,570	0.086
Granted during the year	30,132,837	0.122	114,820	0.009
Forfeited/waived during the year	(1,662,000)	0.087	-	-
Exercised during the year	(633,390)	0.115	-	-
Total outstanding	30,132,837	0.122	2,295,390	0.095
Total exercisable	22,500,000	0.153	2,295,390	0.095

On 19 September 2018, J Draper was granted 4,166,667 and 833,333 options under the EMI and unapproved schemes respectively. The options are exercisable at 20p per share, vested immediately and expire on the 3rd anniversary of the grant date (unless extended by the Board to a maximum of ten years). There were no vesting conditions attached to the grant of the share options.

On 19 September 2018, F Petruzzelli was granted 17,500,000 options under the unapproved scheme. The options are exercisable at 6p (7,500,000) and 20p (10,000,000), vested immediately and expire on the 3rd anniversary of the grant date (unless extended by the Board to a maximum of ten years). There were no vesting conditions attached to the grant of the share options.

On 19 September 2018, F Petruzzelli was granted 4,166,667 and 632,833 options under the EMI and unapproved schemes respectively. The options are exercisable at 1.14p per share, vested immediately and expire on the 10th anniversary of the grant date. There were no vesting conditions attached to the grant of the share options. These options were granted to him in consideration of his surrendering an option, entitling him to subscribe for 662,000 A Ordinary Shares in Bidstack Limited at an exercise price of 8.256 pence per share.

On 19 September 2018, J McIntosh was granted 1,000,000 options under the EMI scheme. The options are exercisable at 6p per share, vest on the 3rd anniversary of their grant date and expire on the 10th anniversary of the grant date. There were no vesting conditions attached to the grant of the share options.

On 13 December 2018, employees were granted a total of 1,833,337 options under the EMI scheme. The options are exercisable at 6p per share, vest on the 3rd anniversary from their grant date, and expire on the 10th anniversary of the grant date. There were no vesting conditions attached to the grant of the share options.

Notes to the financial statements (continued)

18 Share-based payment (continued)

Options (continued)

The Black-Scholes model was used for calculating the cost of options. The model inputs for each of the options issued were:

Grant date (all 2018)	19 September	19 September	19 September	19 September	13 December
Share price at grant date	6p	6p	6p	6p	6p
Exercise prices	20p	6p	1.14p	6p	6p
Expected volatility	66.39%	66.39%	66.39%	66.39%	63.1%
Contractual life	3 years	3 years	10 years	10 years	10 years

The weighted average contractual life of the options is 4 years and 186 days (2017: 7 years and 153 days)

Warrants

	2018		2017	
	Number	Weighted Average Exercise Price £	Number	Weighted Average Exercise Price £
Outstanding at the beginning of the year	7,501,028	15p	-	-
Issued during the year	1,250,000	6p	7,501,028	15p
Forfeited/cancelled during the year	-	-	-	-
Total outstanding and exercisable	8,751,028	13.7p	7,501,028	15p

On 31 August 2018, 1,250,000 warrants were issued to Spark Advisory Partners. The warrants have an exercise price of 6p, vested immediately and expire on the 3rd anniversary of the grant date.

On 19 September 2018, the expiry date of 2,501,028 existing warrants exercisable at 5p per share (of which 1,000,411 are held by three of the directors) was extended to 19 September 2020.

The Black-Scholes model was used for calculating the cost of warrants. The model inputs for each of the warrants issued were:

Options	31 August	19 September
Share price at grant date	6p	6p
Exercise prices	6p	6p
Expected volatility	64.93%	64.93%
Contractual life	3 years	3 years

The charge for the year for warrants and options amounted to £329,540 (2017: £11,849), of which, £282,007 was charged to the statement of comprehensive income whilst the remaining £47,533 was charged to the share premium account.

Notes to the financial statements (continued)

19 Operating lease commitments

	Group		Company	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	£	£	£	£
Within one year	152,640	45,784	-	-
	-	-	-	-
	152,640	45,784	-	-

20 Financial instruments

In common with other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The significant accounting policies regarding financial instruments are disclosed in note 2.

Financial assets

Financial assets measured at amortised cost comprise trade receivables, other receivables and cash, as follows:

	31 December 2018	31 December 2017
	£	£
Trade receivables	380,227	-
Other receivables	221,055	61,893
Cash and cash equivalents	2,106,557	1,661
Total financial assets	2,707,839	63,554

Financial liabilities

Financial liabilities measured at amortised cost comprise trade payables, other payables and accruals, as follows:

	31 December 2018	31 December 2017
	£	£
Trade payables	315,238	39,956
Other payables	8,793	49,680
Accruals	82,873	4,196
Total financial liabilities	406,904	93,832

There is no significant difference between the fair value and the carrying value of financial instruments.

Notes to the financial statements (continued)

20 Financial instruments (continued)

Risk management

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, while retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives regular reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. The Group's operations expose it to some financial risks arising from its use of financial instruments, the most significant ones being capital risk, credit risk and liquidity risk

Further details regarding these policies are set out below:

Capital risk management

The capital structure of the business consists of cash and cash equivalents, debt and equity. Equity comprises share capital, share premium and retained losses and is equal to the amount shown as 'Equity' in the balance sheet. Debt comprises various items which are set out in further detail above and in note 16.

The Group's current objectives when maintaining capital are to:

- Safeguard the Group's ability to operate as a going concern so that it can continue to pursue its growth plans.
- Provide a reasonable expectation of future returns to shareholders.
- Maintain adequate financial flexibility to preserve its ability to meet financial obligations, both current and long term.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of underlying assets.

Credit risk and impairment

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. In order to minimise the risk, the endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The maximum exposure to credit risk is the carrying value of its, trade and other receivables and cash and cash equivalents as disclosed in the notes.

As disclosed in note 14, one reseller accounted for 93% of the Group's sales in 2018. The Board recognises that this represents a concentration of risk, and is focussed on diversifying the Group's customer base so as to reduce it. The Group seeks to obtain charging orders over the property of trade receivables, where appropriate. The receivables' age analysis is also evaluated on a regular basis for potential doubtful debts, considering historic, current and forward-looking information.

The Company has made unsecured interest free loans to Bidstack Limited which stood at £718,774 at 31 December 2018. Although it is repayable on demand, it is unlikely to be repaid until the subsidiary is sufficiently cash generating.

Notes to the financial statements (continued)

20 Financial instruments (continued)

Liquidity risk

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. However, the Group continues to absorb cash in its operations for the time being and management recognises the risk of insufficient cash and capital to carry on its activities and safeguard the Group's ability to continue as a going concern.

The Board receives cash flow projections on a regular basis, which are monitored regularly. The Board will not commit to material expenditure in respect of its ongoing development programme prior to being satisfied that sufficient funding is available to the Group to finance the planned programmes. Regular reviews will ensure that further steps will be taken if necessary.

21 Related parties

Transactions with subsidiaries

During the year, cash advances of £625,000 (2017: £Nil) were made to Bidstack Ltd and incurred net costs of £93,774 that were paid on behalf by the Company (2017: £Nil). The advances are held on an interest free inter-group loan which has no terms for repayment. At the year end the inter-Group loan amounted to £718,774 (2017: £Nil).

Transactions with other related parties

During the year the Company paid £44,687 to Barletta Media, of which Francesco Petruzzelli is a director and shareholder. The invoices were for development work performed on the platform. All transactions have been conducted at arm's length. At the year end, the balance due to Barletta Media was £Nil.

22 Post balance sheet events

There were no material post balance sheet events.

Bidstack Group Plc

(Incorporated in England and Wales with registered number 04466195)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Kin Group Plc (“the Company”) will be held at Plexal, 14 East Bay Lane, The Press Centre, Here East, Queen Elizabeth Olympic Park, Stratford, London on 29 April 2019 at 11:00 a.m. for the transaction of the following business:

Ordinary Business

To consider, and, if thought fit, pass the following Resolutions which will be proposed as Ordinary Resolutions:

1. To receive and adopt the report of the Directors of the Company and the audited accounts for the Company for the year ended 31 December 2018.
2. To re-appoint John Taylor as a Director of the Company who, pursuant to Article 24.1 of the Company’s Articles of Association, retires by rotation and, being eligible, offers himself for re-election.
3. To re-appoint Lindsay Mair as a Director of the Company who, pursuant to Article 24.1 of the Company’s Articles of Association, retires by rotation and, being eligible, offers himself for re-election.
4. To re-appoint haysmacintyre LLP as auditors of the Company and to authorise the Directors to fix their remuneration.

Special Business

To consider, and, if thought fit, pass the following Resolutions of which, Resolution 5 will be proposed as an Ordinary Resolution and Resolution 6 will be proposed as a Special Resolution:

5. THAT, in accordance with section 551 of the Companies Act 2006 (the “Act”), the Directors be generally and unconditionally authorised to exercise all of the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into shares in the Company (“Rights”) up to an aggregate nominal amount of £589,645.38, provided that the authority granted by this Resolution shall, unless renewed, varied or revoked by the Company, expire at the Company’s next annual general meeting, except that the Company may, before it expires make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of that offer or agreement. This authority is in substitution for all previous authorities conferred on the directors in accordance with section 551 of the Act to the extent not utilised at the date it is passed.
6. THAT, subject to and conditional upon the passing of Resolution 5, in accordance with sections 570 and 571 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by Resolution 5, as if section 561(1) of the Act did not apply to such allotment provided that this power shall be limited to:

- (a) the allotment of equity securities in connection with an offer of, or invitation to apply for, equity securities made (i) to holders of ordinary shares in the Company in proportion (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on the record date for such offer and (ii) to holders of other equity securities as may be required by the rights attached to those securities or, if the directors consider it desirable, as may be permitted by such rights, but subject in each case to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
- (b) otherwise than in connection with sub-paragraph (a), up to an aggregate nominal amount of £235,858.15,

provided that this authority shall expire at the Company's next annual general meeting. The Company may, before this authority expires, make an offer or agreement which would or might require equity securities to be allotted after it expires and the directors may allot equity securities pursuant to that offer or agreement.

By order of the Board

Liam O'Donoghue
Company Secretary

Registered office:
201 Temple Chambers,
3-7 Temple Avenue,
London
EC4Y 0DT

Dated: 4 April 2019

Notes

1. A member entitled to attend and vote at the above meeting is entitled to appoint a proxy or proxies to attend, speak and vote instead of him. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company.
2. A Form of Proxy is enclosed for your use if desired. To be valid, your proxy form and any power of attorney or other authority under which it is signed or a notorially certified copy of that power of attorney or authority must reach the Company's Registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD not less than 48 hours, excluding non-working days, before the time of holding of the meeting.
3. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders of the Company on the register of members of the Company at 11.00 a.m. on 25 April 2019 shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at the time. Changes to the register of members after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.
4. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you should contact Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD.
6. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

7. CREST members who wish to appoint a proxy or proxies through the CREST Electronic Proxy Appointment Service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited (“EUI”) and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company’s agent (ID 7RA11) by 11.00 a.m. on 25 April 2019. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
8. CREST members and, where applicable, their CREST sponsors or voting services provider(s) should note that EUI does not make available special procedures in EUI for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
9. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
10. Except as provided above, members who have general queries about the meeting should contact Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD. You may not use any electronic address provided either in this notice of annual general meeting or any related documents (including the chairman's letter, the form of proxy and the Directors’ letter and explanatory note in respect of electronic communications) to communicate with the Company for any purposes other than those expressly stated.
11. A copy of the Register of Directors’ interests in shares in the Company and copies of the Directors’ service contracts will be available for inspection at the registered office of the Company during business hours only on any weekday (excluding Saturdays, Sundays and public holidays) from the date of this notice until the date of the meeting and at the place of the meeting for at least 15 minutes prior to and during the meeting.