

Registered number: 07923345

# **FESTICKET LIMITED**

## **ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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**FESTICKET LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	Z Sabban J Younes D Fisher MJ Hann BW Leaver EB Malinger I McCaig
<b>Registered number</b>	07923345
<b>Registered office</b>	2nd Floor, Centro Forum 74-80 Camden Street London NW1 0EG
<b>Independent auditors</b>	Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

**FESTICKET LIMITED**

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## FESTICKET LIMITED

### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

#### Introduction

The directors present their strategic report for the group for the year ended 31 December 2020.

#### Principal activities

The group's core target audience are event creators.

An event creator is defined as an organiser of any live event. An event creator can be a 'promoter' (music), a venue or club owner (venue), a concert maker, an organiser of an attraction park, sport event, art or food event, or a live streaming event.

A live event is defined as including indoor and outdoor festivals, concerts, nightclubs, theatres, sporting events, art events, food & drinks events, tourist attractions, immersive experiences, virtual events and live streaming events.

The group has a clear vision, mission and strategy that summarises the principal activities of the business:

1. **Vision** -> Our vision is to enable event creators' success at scale.
2. **Mission** -> Our mission is to empower event creators with technology solutions to manage, sell, promote and run their events.
3. **Strategy** -> Our strategy is to help event creators run their business more efficiently and profitably by consolidating all their revenues and data through a single live event technology platform.

To deliver on the Vision, Mission and Strategy, the company operates a (i) sell, (ii) promote and (iii) run approach as follows:

(i) Software solutions via Event Genius ('eg') allowing creators to **MANAGE & SELL** their events:

- egTicketing - self-service software for exclusive live event ticketing inventories. Available for both physical and live stream events;
- egCheckout - online payment services specialised for live events, including installment payment and group payment solutions;
- egTravel - accommodation, travel, ancillary, and package technology solutions for live events.

(ii) Software services allowing creators to **PROMOTE** their events:

- egMarketing - marketing tools allowing event creators to increase reach, broaden & diversify their audience via API integrations to proprietary marketplaces: Festicket & Ticket Arena, and soon the Apps.

(iii) Software tools via Event Genius allowing creators to **RUN** their events:

- egAccess - Access control software including self-service IOS and Android app for event creators box offices and integrated hardware;
- egPay - Contactless and RFID cashless onsite payment solutions including reporting tools specialised for event creators.

The group today operates primarily in the Live Music ticketing market which was valued at \$29bn pre COVID-19, and is expected to reach \$31bn by 2024.

The adjacent indirect markets which Festicket could target with its current technology both vertically and horizontally include:

- The global events industry size was valued at \$1,100bn in 2018, and is expected to grow at a CAGR of 10.3% to reach \$2,330bn by 2026;
- Additional sales in and around the live event ecosystem including Food, Drinks, Hotels, Travel & Merchandise = \$90bn - \$120bn - 3-4x the size of the core ticketing TAM.

## FESTICKET LIMITED

### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

#### Review of the business

The group's revenues of €4.7m, reduced year on year by 65% (from €13.6m in 2019) due to the impact of COVID-19 on live events.

In response to the pandemic, the group reduced operating expenses year on year from €16.6m to €11.6m, resulting in comprehensive losses reducing to €9.0m (from €12.9m in 2019).

#### Future developments

The Live Music ticketing market experienced a decline in sales from \$29bn per annum in 2019, to \$10.4bn in 2020. The market is expected to partially recover in 2021 reaching \$19bn, before returning to pre-COVID-19 levels in 2022 exceeding \$29bn again (source: PWC).

During the lockdown period, the group continued its operations albeit at a reduced scale, and positioned itself well for when live events can return. The group has secured over €100m of Gross Booking Value via new primary contracts during the last 18 months, which will be realised once live events can return positioning the group strongly for a return to growth.

The group has also developed COVID-19 safe technology solutions for Live Events such as track and trace and its cashless solutions "egPay" that are expected to be used widely in 2021.

#### Principal risks and uncertainties

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

The plan to operate profitably is still management's financial goal, despite the COVID-19 global pandemic altering revenue expectations in the industry downwards in 2021. The group's agile cost base and strong financial planning has enabled it to adapt accordingly to continue to focus on the path towards this key goal.

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

DocuSigned by:  
  
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**Z Sabban**  
Director

Date: 21 June 2021

## **FESTICKET LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report and the financial statements for the year ended 31 December 2020.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period.

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

- select suitable accounting policies for the group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Principal activity**

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

#### **Results and dividends**

The loss for the year, after taxation, amounted to €8,976,888 (2019: loss €12,934,107).

The directors have not declared a dividend (2019: €nil).

#### **Directors**

The directors who served during the year are noted on the company information page.

#### **Matters covered in the strategic report**

The group has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the group's Strategic Report information required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 Schedule 7 to be contained in the directors' report.

**FESTICKET LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**Disclosure of information to auditors**

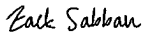
Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

**Post balance sheet events**

There have been no significant events affecting the group since the year end.

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

DocuSigned by:  
  
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**Z Sabban**  
Director

Date: 21 June 2021

## **FESTICKET LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FESTICKET LIMITED**

#### **Opinion**

We have audited the financial statements of Festicket Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020, which comprise the group statement of comprehensive income, the group and company balance sheets, the group statement of cash flows, the group and company statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2020 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



## **FESTICKET LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FESTICKET LIMITED (CONTINUED)**

#### **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 auditors' 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.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

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

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 directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **FESTICKET LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FESTICKET LIMITED (CONTINUED)**

#### **Auditors' 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 auditors' 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focused on key laws and regulations the entity has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detect irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- obtaining an understanding of the entity's policies and procedures and how the entity has complied with these, through discussions and sample testing of controls;
- obtaining an understanding of the entity's risk assessment process, including the risk of fraud;
- designing our audit procedures to respond to our risk assessment; and
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

In response to the risk of irregularities in relation to non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and associated parties.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

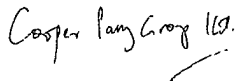
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**FESTICKET LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FESTICKET LIMITED (CONTINUED)**

**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 auditors' 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.



Steven Leith (senior statutory auditor)

for and on behalf of

**Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor

Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA  
Date: 22 June 2021

## FESTICKET LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 €	2019 €
<b>Turnover</b>	1,3	4,706,375	13,585,049
Cost of sales		(3,021,180)	(5,696,775)
<b>Gross profit</b>		<u>1,685,195</u>	<u>7,888,274</u>
Administrative expenses		(11,598,073)	(16,564,302)
Other operating income	4	<u>828,802</u>	<u>18,069</u>
<b>Operating loss</b>	5	<u>(9,084,076)</u>	<u>(8,657,959)</u>
Impairment of goodwill		-	(4,806,289)
Interest receivable and similar income	9	688	463
Interest payable and expenses	10	<u>(434,760)</u>	<u>(348,180)</u>
<b>Loss before taxation</b>		<u>(9,518,148)</u>	<u>(13,811,965)</u>
Tax on loss	11	<u>541,260</u>	<u>877,858</u>
<b>Loss for the financial year</b>		<u><u>(8,976,888)</u></u>	<u><u>(12,934,107)</u></u>
Currency translation differences		(50,726)	1,558
<b>Total comprehensive income for the year</b>		<u><u>(9,027,614)</u></u>	<u><u>(12,932,549)</u></u>

There were no recognised gains and losses for 2020 or 2019 other than those included in the consolidated statement of comprehensive income.

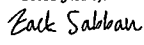
The notes on pages 16 to 35 form part of these financial statements.

**FESTICKET LIMITED**  
**REGISTERED NUMBER: 07923345**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 €	2019 €
<b>Fixed assets</b>			
Intangible assets	12	24,282	28,284
Tangible assets	13	178,692	250,930
		<u>202,974</u>	<u>279,214</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	15	27,039,393	16,118,176
Cash at bank and in hand		20,315,098	5,703,158
		<u>47,354,491</u>	<u>21,821,334</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>(50,697,141)</u>	<u>(23,024,220)</u>
<b>Net current liabilities</b>		<u>(3,342,650)</u>	<u>(1,202,886)</u>
<b>Creditors: amounts falling due after more than one year</b>	17	(6,339,913)	(2,450,147)
<b>Provisions for liabilities</b>			
Other provisions	19	(165,872)	(270,133)
<b>Net liabilities</b>		<u>(9,645,461)</u>	<u>(3,643,952)</u>
<b>Capital and reserves</b>			
Called up share capital	20	38,549	31,284
Share premium account	21	28,449,526	25,091,189
Shares to be issued	21	-	374,236
Other reserves	21	39,188	4,449
Profit and loss account	21	(38,172,724)	(29,145,110)
<b>Shareholders' funds</b>		<u>(9,645,461)</u>	<u>(3,643,952)</u>

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

DocuSigned by:  
  
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**Z Sabban**  
 Director

Date: 21 June 2021

The notes on pages 16 to 35 form part of these financial statements.

**FESTICKET LIMITED**  
**REGISTERED NUMBER: 07923345**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 €	2019 €
<b>Fixed assets</b>			
Intangible assets	12	24,282	28,284
Tangible assets	13	178,692	250,930
Investments	14	1	1
		<u>202,975</u>	<u>279,215</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	15	30,204,315	13,297,227
Cash at bank and in hand		<u>16,331,687</u>	<u>5,595,501</u>
		46,536,002	18,892,728
<b>Creditors: amounts falling due within one year</b>	16	<u>(47,194,248)</u>	<u>(20,100,550)</u>
<b>Net current liabilities</b>		(658,246)	(1,207,822)
<b>Creditors: amounts falling due after more than one year</b>	17	(6,295,919)	(2,450,147)
<b>Provisions for liabilities</b>			
Other provisions	19	<u>(126,818)</u>	<u>(270,133)</u>
<b>Net liabilities</b>		<u><u>(6,878,008)</u></u>	<u><u>(3,648,887)</u></u>
<b>Capital and reserves</b>			
Called up share capital	20	38,549	31,284
Share premium account	21	28,449,526	25,091,189
Shares to be issued	21	-	374,236
Other reserves	21	39,188	4,449
Profit and loss account	21	<u>(35,405,271)</u>	<u>(29,150,045)</u>
<b>Shareholders' funds</b>		<u><u>(6,878,008)</u></u>	<u><u>(3,648,887)</u></u>

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

DocuSigned by:  
  
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**Z Sabban**  
Director

Date: 21 June 2021

The notes on pages 16 to 35 form part of these financial statements.

## FESTICKET LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital €	Share premium account €	Shares to be issued €	Other reserves €	Profit and loss account €	Total equity €
<b>At 1 January 2019</b>	29,606	22,846,440	-	179,328	(16,212,561)	6,842,813
Loss for the year	-	-	-	-	(12,934,107)	(12,934,107)
Currency translation differences	-	-	-	-	1,558	1,558
<b>Total comprehensive income for the year</b>	-	-	-	-	(12,932,549)	(12,932,549)
Shares to be issued	-	-	374,236	-	-	374,236
Shares issued during the year	1,678	2,244,749	-	-	-	2,246,427
Share option charge	-	-	-	(174,879)	-	(174,879)
<b>Total transactions with owners</b>	1,678	2,244,749	374,236	(174,879)	-	2,445,784
<b>At 1 January 2020</b>	31,284	25,091,189	374,236	4,449	(29,145,110)	(3,643,952)
Loss for the year	-	-	-	-	(8,976,888)	(8,976,888)
Currency translation differences	-	-	-	-	(50,726)	(50,726)
<b>Total comprehensive income for the year</b>	-	-	-	-	(9,027,614)	(9,027,614)
Shares issued during the year	-	-	(374,236)	-	-	(374,236)
Shares issued during the year	7,265	3,358,337	-	-	-	3,365,602
Share option charge	-	-	-	34,739	-	34,739
<b>Total transactions with owners</b>	7,265	3,358,337	(374,236)	34,739	-	3,026,105
<b>At 31 December 2020</b>	38,549	28,449,526	-	39,188	(38,172,724)	(9,645,461)

The notes on pages 16 to 35 form part of these financial statements.

## FESTICKET LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital €	Share premium account €	Shares to be issued €	Other reserves €	Profit and loss account €	Total equity €
<b>At 1 January 2019</b>	29,606	22,846,440	-	179,328	(16,095,171)	6,960,203
Loss for the year	-	-	-	-	(13,054,874)	(13,054,874)
<b>Total comprehensive income for the year</b>	-	-	-	-	(13,054,874)	(13,054,874)
Shares to be issued	-	-	374,236	-	-	374,236
Shares issued during the year	1,678	2,244,749	-	-	-	2,246,427
Share option charge	-	-	-	(174,879)	-	(174,879)
<b>Total transactions with owners</b>	1,678	2,244,749	374,236	(174,879)	-	2,445,784
<b>At 1 January 2020</b>	31,284	25,091,189	374,236	4,449	(29,150,045)	(3,648,887)
Loss for the year	-	-	-	-	(6,255,226)	(6,255,226)
<b>Total comprehensive income for the year</b>	-	-	-	-	(6,255,226)	(6,255,226)
Shares issued during the year	-	-	(374,236)	-	-	(374,236)
Shares issued during the year	7,265	3,358,337	-	-	-	3,365,602
Share option charge	-	-	-	34,739	-	34,739
<b>Total transactions with owners</b>	7,265	3,358,337	(374,236)	34,739	-	3,026,105
<b>At 31 December 2020</b>	38,549	28,449,526	-	39,188	(35,405,271)	(6,878,008)

The notes on pages 16 to 35 form part of these financial statements.



## FESTICKET LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 €	2019 €
<b>Cash flows from operating activities</b>		
Loss for the financial year	(8,976,888)	(12,934,107)
<b>Adjustments for:</b>		
Amortisation of intangible assets	4,002	4,002
Depreciation of tangible assets	80,489	137,980
Interest paid	434,760	348,180
Interest received	(688)	(463)
Taxation charge	(541,260)	(877,858)
Increase in debtors	(7,491,961)	(10,447,078)
Increase in creditors	24,648,380	14,216,066
(Decrease)/increase in provisions	(104,261)	270,133
Share options charge	34,739	(174,879)
Corporation tax received	1,071,349	-
Impairment of goodwill	-	4,806,289
<b>Net cash generated from operating activities</b>	<b>9,158,661</b>	<b>(4,651,735)</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	-	(4,806,289)
Purchase of tangible fixed assets	(8,251)	(255,064)
Interest received	688	463
<b>Net cash from investing activities</b>	<b>(7,563)</b>	<b>(5,060,890)</b>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	2,991,366	2,246,427
Expenses paid in connection with share issue	-	374,236
Venture debt loan	(1,017,982)	2,260,039
New convertible loan notes	3,595,177	-
Other new loans	145,542	-
Interest paid	(202,535)	(348,180)
Difference in currency exchange	(50,726)	1,558
<b>Net cash used in financing activities</b>	<b>5,460,842</b>	<b>4,534,080</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>14,611,940</b>	<b>(5,178,545)</b>
Cash and cash equivalents at beginning of year	5,703,158	10,881,703
<b>Cash and cash equivalents at the end of year</b>	<b>20,315,098</b>	<b>5,703,158</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	20,315,098	5,703,158
	<b>20,315,098</b>	<b>5,703,158</b>

The notes on pages 16 to 35 form part of these financial statements.

## FESTICKET LIMITED

CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2020

	At 1 January 2020 €	Cash flows €	Other non- cash changes €	At 31 December 2020 €
Cash at bank and in hand	5,703,158	14,611,940	-	20,315,098
Debt due after 1 year	(2,450,147)	(111,437)	(183,152)	(2,744,736)
Debt due within 1 year	(1,630,215)	(2,410,748)	(193,688)	(4,234,651)
	<u>1,622,796</u>	<u>12,089,755</u>	<u>(376,840)</u>	<u>13,335,711</u>

The notes on pages 16 to 35 form part of these financial statements.

## FESTICKET LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

Festicket Limited ('the company') and its subsidiary undertakings ('the group') are limited liability companies. All subsidiaries, with the exception of Yeslab Inc., are incorporated in the United Kingdom. Yeslab Inc. is incorporated and domiciled in the United States of America. The address of the company's registered office is disclosed on the company information page.

The financial statements are prepared in Euros (€). The financial statements are for the year ended 31 December 2020 (2019: year ended 31 December 2019).

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies. The areas involving a higher degree of judgement, complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following principal accounting policies have been applied consistently throughout the year:

##### 1.2 Basis of consolidation

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

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

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The loss after tax of the parent company for the year was €6,255,226 (2019: €13,054,874).

## **FESTICKET LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **1. Accounting policies (continued)**

##### **1.3 Going concern**

The group has made a loss for the year of €8,976,888 (2019: €12,934,107) and has net liabilities of €9,645,461 (2019: €3,643,952).

During the year, the industry in which the group operates has been severely disrupted as a result of the COVID-19 pandemic. The pandemic resulted in unprecedented conditions such as the cancellation of festivals worldwide, government enforced lockdowns - both locally and globally, restrictions and bans on travel and the enforcement of social distancing. The impact of this saw significant reductions to the group's turnover as refunds had to be made and consumer confidence remained low due to the uncertain timing of the unwinding of such restrictions.

The directors reacted quickly to manage cash flows and costs, measures included: the identification and implementation of cost saving measures; the utilisation of the UK Government's Coronavirus Job Retention Scheme; the utilisation of similar payment protection schemes in the United States of America and the Netherlands; obtaining capital repayment holiday from the group's main lender; and issuing shares and convertible loan notes in the group which generated €6.58m in cash from new and existing shareholders, including the UK Governments Future Fund scheme.

Whilst, at the time of writing, there are green shoots towards the recovery of both the local and global economies the directors remain cautious in their forecasts of how fast the industry can bounce back following the lifting of the restrictions imposed. The financial forecasts show, the group can continue to meet its liabilities as they fall due for a period of at least 12 months from the date of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

##### **1.4 Revenue**

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

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

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

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

##### **Sale of goods**

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

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

## FESTICKET LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1. Accounting policies (continued)

##### 1.5 Intangible assets

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

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

The estimated useful lives range as follows:

Brand development	-	10	years straight line
Trademarks	-	10	years straight line

##### 1.6 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

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

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

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

##### 1.7 Impairment of fixed assets and goodwill

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

##### 1.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

##### 1.9 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other

## **FESTICKET LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **1. Accounting policies (continued)**

##### **1.9 Financial instruments (continued)**

third parties and loans with related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost except for those financial assets classified as fair value through the consolidated statement of comprehensive income, which are initially measured at fair value unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the instrument is measured at the present value of the future payments or receipts discounted at a market rate of interest for a similar debt instrument.

##### **1.10 Cash and cash equivalents**

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

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

##### **1.11 Provisions for liabilities**

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

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

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

##### **1.12 Foreign currency translation**

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

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

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

##### **1.13 Operating leases**

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

## **FESTICKET LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **1. Accounting policies (continued)**

##### **1.14 Research and development**

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

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

##### **1.15 Government grants**

Grants are accounted for under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the consolidated statement of comprehensive income in the same period as the related expenditure. Government grants relate to the receipt of Coronavirus Job Retention Scheme income which is included within other operating income in the consolidated statement of comprehensive income.

##### **1.16 Interest income**

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

##### **1.17 Finance costs**

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

##### **1.18 Borrowing costs**

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

##### **1.19 Pensions**

###### **Defined contribution pension plan**

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

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

## **FESTICKET LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **1. Accounting policies (continued)**

##### **1.20 Share based payments**

The group operates a share based payment scheme which allows employees to acquire shares in the parent company. The grant date fair value of share-based payment awards granted is recognised as an employee expense with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards.

The fair value of the options granted is measured using an option pricing model, taking into account the terms and conditions upon which the options were granted. The fair value will be charged as an expense in the consolidated statement of comprehensive income over the vesting period and the charge is adjusted each year to reflect the expected and actual level of vesting.

##### **1.21 Taxation**

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

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

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

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

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



## **FESTICKET LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **2. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements in conformity with Financial Reporting Standard 102 requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of turnover and expenses during the reporting period. Actual results in the future could differ from the estimates. In this regard, the director believes that the critical accounting policies where judgements or estimations are necessarily applied are summarised below.

##### **Recoverability of trade debtors**

Trade and other debtors are recognised to the extent that they are judged recoverable. The directors' reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain. The directors make allowance for doubtful debts based on an assessment of the recoverability of debtors.

Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The directors specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the consolidated statement of comprehensive income.

##### **Taxation**

There are many transactions and calculations for which the ultimate tax determination is uncertain. The group takes professional advice on its tax affairs and recognises liabilities for anticipated tax based on estimates of what taxation is likely to be due.

Management estimation is required to determine the amount of any deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits.

##### **Provisions**

A provision is recognised when the group has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

##### **Share based payment charge**

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

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

**FESTICKET LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****3. Turnover**

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

	2020 €	2019 €
Agent	1,242,234	7,425,001
Principal	3,219,174	4,910,819
Cashless	244,967	1,249,229
	<u>4,706,375</u>	<u>13,585,049</u>

The directors consider that any further analysis of turnover by geographical location would be seriously prejudicial to the interests of the group and so this information has not been presented.

**4. Other operating income**

	2020 €	2019 €
Other operating income	8,810	18,069
Government grants receivable	819,992	-
	<u>828,802</u>	<u>18,069</u>

Government grants receivable are in respect of employees placed on 'furlough' during the year, as part of the UK Government's Coronavirus Job Retention Scheme.

**5. Operating loss**

The operating loss is stated after charging:

	2020 €	2019 €
Depreciation of tangible fixed assets	80,489	137,980
Exchange differences	648,739	47,046
Other operating lease rentals	3,053	3,500
Amortisation of intangible assets	4,002	4,002
Profit on disposal of fixed assets	-	(5,206)
	<u>-</u>	<u>(5,206)</u>

## FESTICKET LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 6. Auditors' remuneration

	2020 €	2019 €
Fees payable to the group's auditor and its associates for the audit of the group's annual financial statements	29,500	44,500
<b>Fees payable to the group's auditor and its associates in respect of:</b>		
Tax Compliance	5,000	29,057
Tax Advisory	10,000	127,035
Accounts Preparation	-	2,459
Other	-	1,171
	15,000	159,722

## 7. Employees

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

	Group 2020 €	Group 2019 €	Company 2020 €	Company 2019 €
Wages and salaries	5,996,143	7,400,784	5,798,596	6,851,303
Social security costs	960,743	897,444	944,610	837,369
Other pension costs	123,266	77,694	123,266	72,644
	7,080,152	8,375,922	6,866,472	7,761,316

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

	Group 2020 No.	Group 2019 No.	Company 2020 No.	Company 2019 No.
Administrative and operational staff	130	141	128	137

**FESTICKET LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****8. Directors' remuneration**

	2020 €	2019 €
Directors' emoluments	746,111	702,346
Directors' pension costs	1,482	-
	<u>747,593</u>	<u>702,346</u>

During the year retirement benefits were accruing to 1 director (2019: 0) in respect of defined contribution pension schemes.

The highest paid director received remuneration of €233,784 (2019: €241,051).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to €Nil (2019: €Nil).

**9. Interest receivable**

	2020 €	2019 €
Other interest receivable	688	463
	<u>688</u>	<u>463</u>

**10. Interest payable and similar expenses**

	2020 €	2019 €
Bank interest payable	1,983	3,043
Venture debt loan interest	376,840	345,137
Other interest payable	55,937	-
	<u>434,760</u>	<u>348,180</u>

The contractual implied annual fixed interest rate is 10.15% per annum for the venture debt loan. The effective interest rate for the venture debt loan is 16.38% per annum resulting in a charge of €376,840 for the year ended 31 December 2020 (2019: €345,137).

## FESTICKET LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 11. Taxation

	2020 €	2019 €
<b>Corporation tax</b>		
Current tax on profits for the year	(591,413)	(815,132)
Adjustments in respect of previous periods	50,153	(62,726)
<b>Total current tax</b>	<u>(541,260)</u>	<u>(877,858)</u>
<b>Taxation on loss on ordinary activities</b>	<u>(541,260)</u>	<u>(877,858)</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2019: higher than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 €	2019 €
Loss on ordinary activities before tax	<u>(9,518,148)</u>	<u>(13,811,965)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(1,808,448)	(2,457,480)
<b>Effects of:</b>		
Fixed asset differences	-	27,759
Expenses not deductible for tax purposes	56,829	994,977
Other tax adjustments, reliefs and transfers	-	(588,950)
Additional deduction for R&D expenditure	(438,018)	(617,170)
Surrender of tax losses for R&D tax credit refund	183,542	245,132
Adjustments in respect of prior periods	11,554	(11,554)
Current tax (prior period) exchange difference arising on movement between opening and closing spot rates	38,599	(51,172)
Current tax (current period) exchange difference arising on movement between opening and closing spot rates	-	(25,262)
Deferred tax not recognised	<u>1,414,682</u>	<u>1,605,862</u>
<b>Total tax charge for the year</b>	<u>(541,260)</u>	<u>(877,858)</u>

**Factors that may affect future tax charges**

On 3 March 2021, the Chancellor of the Exchequer announced that the corporation tax rate would increase to a maximum of 25% from 1 April 2023.

The group has carried forward tax losses of €20,300,000 (2019: €18,044,000) in which a deferred tax asset has not been recognised as the timing of its recoverability is uncertain.

## FESTICKET LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 12. Intangible assets

## Group and Company

	Brand development €	Trademarks €	Goodwill €	Total €
<b>Cost</b>				
At 1 January 2020	37,659	2,361	4,806,289	4,846,309
At 31 December 2020	37,659	2,361	4,806,289	4,846,309
<b>Amortisation</b>				
At 1 January 2020	10,984	752	4,806,289	4,818,025
Charge for the year	3,766	236	-	4,002
At 31 December 2020	14,750	988	4,806,289	4,822,027
<b>Net book value</b>				
At 31 December 2020	22,909	1,373	-	24,282
At 31 December 2019	26,675	1,609	-	28,284

## FESTICKET LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 13. Tangible fixed assets

## Group and Company

	Fixtures and fittings €	Office equipment €	Total €
<b>Cost</b>			
At 1 January 2020	271,417	237,711	509,128
Additions	-	8,251	8,251
At 31 December 2020	<u>271,417</u>	<u>245,962</u>	<u>517,379</u>
<b>Depreciation</b>			
At 1 January 2020	82,848	175,350	258,198
Charge for the year	37,305	43,184	80,489
At 31 December 2020	<u>120,153</u>	<u>218,534</u>	<u>338,687</u>
<b>Net book value</b>			
At 31 December 2020	<u>151,264</u>	<u>27,428</u>	<u>178,692</u>
At 31 December 2019	<u>188,569</u>	<u>62,361</u>	<u>250,930</u>

## FESTICKET LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 14. Fixed asset investments

## Company

	Investments in subsidiary companies €
<b>Cost</b>	
At 1 January 2020	1,506,654
At 31 December 2020	1,506,654
<b>Impairment</b>	
At 1 January 2020	1,506,653
At 31 December 2020	1,506,653
<b>Net book value</b>	
At 31 December 2020	1
At 31 December 2019	1

## Subsidiary undertakings

The following were subsidiary undertakings of the company:

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

The registered office of Yeslab Inc is 60 Broad Street, Suite 3502, New York, NY, 10004 USA. The registered office of all other subsidiary undertakings is the same as that listed on the company information page.

Festicket Limited intends to provide a parental guarantee for the companies noted above with an asterisk thus entitling them to exemption from statutory audit under section 479A of the Companies Act 2006.



## FESTICKET LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 15. Debtors

	Group 2020 €	Group 2019 €	Company 2020 €	Company 2019 €
Trade debtors	7,055,898	8,057,388	6,787,300	5,371,666
Amounts owed by group undertakings	-	-	3,846,475	-
Other debtors	1,736,773	2,143,044	1,644,613	2,039,579
Prepayments and accrued income	18,246,722	5,917,744	17,925,927	5,885,982
	<u>27,039,393</u>	<u>16,118,176</u>	<u>30,204,315</u>	<u>13,297,227</u>

## 16. Creditors: Amounts falling due within one year

	Group 2020 €	Group 2019 €	Company 2020 €	Company 2019 €
Venture debt loan	605,369	1,630,215	605,369	1,630,215
Other loans	34,105	-	34,105	-
Trade creditors	14,837,581	400,700	12,931,066	(2,140,580)
Amounts owed to group undertakings	-	-	726	1,094,439
Other taxation and social security	1,247,807	1,280,192	1,244,391	1,280,809
Other creditors	94,228	203,516	85,897	196,315
Accruals and deferred income	33,878,051	19,509,597	32,292,694	18,039,352
	<u>50,697,141</u>	<u>23,024,220</u>	<u>47,194,248</u>	<u>20,100,550</u>

On 27 July 2018 and amended on 21 December 2018 and 26 November 2020, the Group entered into a basic loan agreement with Kreos Capital V (UK) Limited whereby a facility in the amount of €5m was made available to drawn down in two tranches.

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

Tranche 2 was drawn down in one tranche on 1 September 2019 for the amount of €3m with a 51 month loan term.

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

The amendment agreed in November 2020 extended the repayment period so that the final repayment date is December 2023.

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

Other loans, both due within one year and due after more than one year, are unsecured and are due for repayment by April 2022. Included within Other loans is an amount of €43,994 which incurs interest at a rate of 1% per annum. The remaining Other loans are interest free.

## FESTICKET LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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## 17. Creditors: Amounts falling due after more than one year

	Group 2020 €	Group 2019 €	Company 2020 €	Company 2019 €
Convertible loan notes	3,595,177	-	3,595,177	-
Venture debt loan	2,633,299	2,450,147	2,633,299	2,450,147
Other loans	111,437	-	67,443	-
	<u>6,339,913</u>	<u>2,450,147</u>	<u>6,295,919</u>	<u>2,450,147</u>

Convertible loan notes are unsecured, carry a fixed nominal interest rate of 8%, and, in the absence of any default or redemption event as prescribed by the loan note instruments, are repayable by the maturity date, as defined by the loan note instrument.

Please see Note 16 for further details in respect of the Venture debt loan and the Other loans amount.

## 18. Loans

	Group 2020 €	Group 2019 €	Company 2020 €	Company 2019 €
<b>Amounts falling due within one year</b>				
Venture debt loan	605,369	1,630,215	605,369	1,630,215
Other loans	34,105	-	34,105	-
	<u>639,474</u>	<u>1,630,215</u>	<u>639,474</u>	<u>1,630,215</u>
<b>Amounts falling due 1-2 years</b>				
Venture debt loan	2,633,299	1,425,219	2,633,299	1,425,219
Other loans	111,437	-	67,443	-
	<u>2,744,736</u>	<u>1,425,219</u>	<u>2,700,742</u>	<u>1,425,219</u>
<b>Amounts falling due 2-5 years</b>				
Venture debt loan	-	1,024,928	-	1,024,928
Convertible loan notes	3,595,177	-	3,595,177	-
	<u>3,595,177</u>	<u>1,024,928</u>	<u>3,595,177</u>	<u>1,024,928</u>
	<u>6,979,387</u>	<u>4,080,362</u>	<u>6,935,393</u>	<u>4,080,362</u>

## FESTICKET LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 19. Provisions

## Group

	Refund provision €	Total €
At 1 January 2020	270,133	270,133
Profit and loss account	(104,261)	(104,261)
<b>At 31 December 2020</b>	<b>165,872</b>	<b>165,872</b>

## Company

	Refund provision €	Total €
At 1 January 2020	270,133	270,133
Profit and loss account	(143,315)	(143,315)
<b>At 31 December 2020</b>	<b>126,818</b>	<b>126,818</b>

## 20. Share capital

	2020 €	2019 €
<b>Allotted, called up and fully paid</b>		
171,316,587 (2019: 74,655,963) Ordinary shares of £0.0001 each	17,132	7,466
0 (2019: 25,678,100) Seed Preferred shares of £0.0001 each	-	2,568
0 (2019: 45,342,700) Series A Preferred shares of £0.0001 each	-	4,534
0 (2019: 49,121,000) Series B Preferred shares of £0.0001 each	-	4,912
0 (2019: 28,744,200) Series C Preferred shares of £0.0001 each	-	2,874
1,100,918 (2019: 89,300,296) Series D Preferred shares of £0.0001 each	110	8,930
208,397,616 Series F Preferred shares of £0.0001 each	21,307	-
	<b>38,549</b>	<b>31,284</b>

## **FESTICKET LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **20. Share capital (continued)**

On 3 January 2020 1,100,918 Series D Preferred shares of €0.0001 each were issued for consideration of €1,500,000.

Between 25 November 2020 and 15 December 2020 3,274,362 Ordinary shares of €0.0001 each were issued for consideration of €67.

Between 25 November 2020 and 15 December 2020 63,597,582 Series F Preferred shares of €0.0001 each were issued for consideration of €2,851,173.

On 25 November 2020 25,678,100 €0.0001 Seed Preferred shares, 45,342,700 €0.0001 Series A Preferred shares, 49,121,000 €0.0001 Series B Preferred shares, 28,744,200 €0.0001 Series C Preferred shares and 89,300,296 €0.0001 Series D Preferred shares were re-designated into 144,800,034 Series F Preferred shares of €0.0001 each and 93,386,262 Ordinary shares of €0.0001 each.

Each class of shares have the same voting and dividend rights. On a distribution of assets on a liquidation or a return of capital, the surplus assets of the Company remaining after payments of its liabilities shall be applied first to the holders of Deferred shares, second to Series F Preferred shareholders, third if the EEV is greater than or equal to £114,00,000 an amount equal to 2% of the aggregate of all assets to be distributed, fourth to Series D Preferred shareholders, fifth to Series C Preferred shareholders, sixth to Series B Preferred shareholders, seventh to Series A Preferred shareholders, eighth to Seed Preferred shareholder and the balance to ordinary shareholders, Series F1 Preferred shares and Series F2 Preferred shares.

As a result of the venture debt loan agreement (as detailed in Note 16), the group granted warrants to the holder as is calculated by dividing £149,301.60 by the subscription price.

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

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

The directors have assessed the warrants are classified as financial liabilities but have determined the value at 31 December 2020 to be immaterial.

#### **21. Reserves**

##### **Share premium account**

The share premium account includes any premiums received on the issue of share capital above its nominal value. Any transaction costs associated with the issuing of shares are deducted from the share premium.

##### **Other reserves**

Other reserves relate to the fair value of share options arising in respect of the company's equity settled Enterprise Management Incentive ('EMI') share scheme.

##### **Profit and loss account**

The profit and loss account includes all current and prior period retained profits and losses.

## FESTICKET LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**22. Share based payments**

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

As required by Financial Reporting Standard 102, section 26, a valuation of the options was carried out at the date they were issued, by an external specialist, using market based information available. Based upon this valuation, the company has recognised a charge in the profit and loss account in the year in respect of the value attributed to these options. The charge for the year is €34,739.

	Weighted average exercise price (pence) 2020	Number 2020	Weighted average exercise price (pence) 2019	Number 2019
Outstanding at the beginning of the year	1.8370	25,212,094	1.8420	26,018,894
Option pool increase during the year	2.0400	18,897,712	0.0000	-
Granted during the year	2.0400	(7,873,600)	2.0400	(1,200,000)
Forfeited during the year	2.0400	400,000	2.0940	393,200
<b>Outstanding at the end of the year</b>	<b>1.7230</b>	<b>36,636,206</b>	<b>1.8370</b>	<b>25,212,094</b>

**23. Contingent liabilities**

A secured bond of €350,440 at end of 2020 (2019: €234,163) has been issued in favour of the Association of British Travel Agents. The bonds are held within the Independents' Advantage Insurance Company Ltd.

The group are currently in ongoing legal discussions regarding a festival which was cancelled in 2019. The directors are of the opinion that the contractual obligation to provide the refund lies with the promoter and not the group. The directors have estimated that the worst case scenario would be a payment of €270,133 however assess the likelihood of repayment as remote, due to this the group have not made provision for the amount within the financial statements.

**24. Pension commitments**

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to €123,266 (2019: €77,694). Contributions totalling €61,642 (2019: €38,266) were payable to the fund at the balance sheet date and are included in creditors.

**FESTICKET LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****25. Commitments under operating leases**

At 31 December 2020 the group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2020 €</b>	<b>Group 2019 €</b>	<b>Company 2020 €</b>	<b>Company 2019 €</b>
Not later than 1 year	273,200	579,653	273,200	579,653
Later than 1 year and not later than 5 years	330,800	518,058	330,800	518,058
	<u>604,000</u>	<u>1,097,711</u>	<u>604,000</u>	<u>1,097,711</u>

**26. Related party transactions**

The directors are considered to be the only employees who have authority and responsibility for planning, directing and controlling the activities of the group and are considered to be key management personnel. Their remuneration is disclosed in the Directors' remuneration note.

**27. Post balance sheet events**

On 22 April 2021, Event Genius Pty Limited was incorporated in Australia and is a wholly owned subsidiary of Festicket Limited.

**28. Controlling party**

There is no ultimate controlling party.