Company registered number: 10706264

Airnow plc

Annual Report & Consolidated Financial Statements

for the year ended 31 December 2020

FRIDAY

AAD713NM

A08 17/09/2021 #193

COMPANIES HOUSE

Contents to the financial statements

Company Information

Directors

Philip Marcella,	*Chief Executive Officer*
Clive Carver,	*Executive Chairman and Chief Financial Officer*
James Eggleston,	*Chief Operating Officer*
Inman Breaux,	*Executive Director*
Linda Beal,	*Senior Independent Non-Executive Director*
Poi ("Paul") Wu,	*Non-Executive Director*

Registered Office	Salisbury House London Wall London EC2M 5PS	
Company registered number	10706264	
Company Secretary	D&A Secretarial Services Limited	
Company Website	www.airnowplc.com	
Auditors	PKF Littlejohn LLP 15 Westferry Circus, Canary Wharf London E14 4HD	
Registrars	Computershare Investor Services Plc The Pavilions Bridgwater House Bristol BS99 6ZY	
Legal Advisers	Taylor Wessing 5 New Street Square London EC4A 3TW	Druces LLP Salisbury House London Wall London EC2M 5PS

Strategic Report

Introduction

This strategic report comprises: our objectives, strategy, vision and business model. The Chairman's Statement, the Chief Executive Review and the Financial Review, which also form the main part of the strategic review, contains a review of the development and performance of the Group's business during the financial year, and the position of the Group's business at the end of that year. Additionally, a summary of the principal risks and uncertainties facing the business is set out immediately after the Directors' report.

Objectives

The Group's objective is to create shareholder value from the development of services to the mobile app community. The Group has a number of secondary objectives, including developing our staff to their highest potential and being a good corporate citizen in our chosen countries of operations.

Our Strategy

To provide solutions to the app economy to maximise the revenues of app developers and publishers.

Our Vision

Create a market leading unified B2B platform, focusing on app publishing, monetisation, data intelligence, user growth and analytics.

Our Model

The Group's customers range from small app developers to large international organisations. Revenues are generated from three principal sources:

- Software transactions - where our customers use one of our software platforms such as Data Intelligence or our Media SDK ('Software Development Kit')
- Media transactions – where our customers spend to find new customers through one of our various ad formats
- Services – where customers use one of our Value Added Services or Consultancy such as App Store Optimisation

Highlights

Operational

- Airnow Media was created through the integration of Airpush Inc
- More than 1,500 unique publisher properties were added to the Airnow Media supply network
- In Q1 2021 we launched CP[X], a full stack omni channel performance marketing solution specifically built for mobile app advertisers
- In July 2021 we acquired MightySignal adding realtime SDK and app scanning of over 12 million apps

Financial highlights

- Revenue growth of more than 250% to USD 32.9 million
- Profit after tax of USD 4.7 million
- Unadjusted EBITDA at USD 11.1 million,
- Adjusted EBITDA at USD 2.5 million
- Total assets USD 85 million
- More than USD 20 million equity raised since 1 January 2020

Clive Carver
Chairman
2 September 2021

Clive Carver

S.172 Report

The Board is mindful of the duties of directors under S.172 of the Companies Act 2006.

Directors act in a way they consider, in good faith, to be most likely to promote the success of the Group for the benefit of its members. In doing so, they each have regard to a range of matters when making decisions for the long-term success of the Group.

The Group regards its key stakeholders as its shareholders; staff; customers; suppliers; and the local and national governments in the territories in which it operates. Our culture is that of treating everyone fairly and with respect and this extends to all our principal stakeholders.

Through engaging formally and informally with our key stakeholders, we have been able to develop an understanding of their needs, assess their perspectives and monitor their impact on our strategic ambition.

As part of the Board's decision-making process, the Board consider the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the Group's operations on the community and environment, responsible business practices and the likely consequences of decisions on the long term.

Our objective is to act in way that meets the long term needs of all our main stakeholder groups. However, in so doing we pay particular regard to the longer term needs of shareholders.

We engage with investors on our financial performance, strategy and business model and our Annual General Meeting provides an opportunity for investors to meet and engage with members of the Board.

Following the cancellation of the Group's AIM listing, shareholders have been updated as to the Group's progress by a series of newsletters. Once we return to the public markets our financial reporting will become more frequent and significant developments will released to the market as soon as practical.

Stakeholders are also encouraged to follow the Group's progress via its website www.airnowplc.com.

Clive Carver

Clive Carver
Chairman
2 September 2021

Chairman's Statement

I am pleased to present the 2020 Report & Accounts. Last year was dominated by the Covid-19 pandemic which had a significant impact on the economy and our daily lives. Despite these challenges, Airnow made significant progress, both financially and strategically. This progress has continued into 2021, which shows that the Group's strategy, and in particular the introduction of video advertising formats, is starting to pay off.

Results

Revenue grew by more than 250% to USD 32.9 million in 2020 from the USD 9.0 million reported in the previous year. We saw our first positive Adjusted EBITDA[1] of USD 2.5 million and in 2020 we raised in excess of USD 12 million for the Company from new and existing shareholders.

This is even more remarkable considering that, especially in the second quarter of 2020, many advertisers reduced or halted their activity due to the uncertainty of the pandemic. During this period Airnow pushed forward with the integration of Airpush Inc, the introduction of video advertising and on the development of the unified platform.

Action in 2020 to realise synergies from the Airpush integration by streamlining and simplifying the organisational structure, which included rebranding the entire group as "Airnow," resulted in a significant reduction in costs, allowing us to report our first positive Adjusted EBITDA.

Board appointments

During 2020 and subsequently we have made new appointments to the board and senior management to prepare for future growth.

- James Eggleston, formerly the Group's CTO has joined the board as Chief Operating Officer. James has a strong background in mobile technology and is leading the product and tech teams on our unified platform launch for 2022.
- Inman Breaux who was part of the original Airpush founding team and was a non-executive director has joined as Chief Revenue Officer. Inman is a veteran in the mobile ad tech industry. He was SVP at MoVoxx and was an early member of the Rubicon project (Magnite).
- In preparation for a public listing, Linda Beal who is an experienced UK public company director and was a partner at PwC for 16 years, joined the board as senior independent non-executive director and will upon completion of the planned return to the public markets chair the audit and remuneration committees.
- As well as remaining Chairman I have joined the executive team as CFO and will be responsible for structuring a new finance team to drive the business growth.

We intend to continue to strengthen the management team with further executive and non-executive Board appointments in connection with the Group's planned return to the public markets.

Return to the public markets

Only a few years ago financial markets interest in AdTech businesses was limited. This has now changed significantly, accelerated partly by the increased time spent by consumers on their devices, with some high-profile IPOs in the US of our peers at strong valuations such as Applovin (75x EV/EBITDA[2]) and IronSource (83x EV EBITDA[3]). This high level of *investor appeal offers significant opportunities for Airnow.*

We spent much of the period under review working to return to the public markets via admission to the Standard List of the London Stock Exchange. However, post period we paused work on the London listing to consider an approach from a leading financial institution to take the Group directly to Nasdaq.

1) Adjusted EBITDA is defined as operating profit or loss before depreciation, amortisation, impairment, share based payments, and transaction, restructuring and IPO costs.
2) source: yahoo finance, last twelve-Month EBITDA to Enterprise Value as of 19th July 2021.
3) source: IronSource company presentation May 2021, Last Twelve-Month EBITDA 31.3.2021 to Enterprise Value

The Board's strong view is that the Nasdaq route is the one that will maximise shareholder returns, given that all our major listed competitors trade at Nasdaq / NYSE, and the very significantly higher valuations achieved by AdTech companies on Nasdaq / NYSE compared to the London Stock Exchange.

While we have a clear recommendation as a Board, we believe it is appropriate that shareholders have the final say on this matter. Accordingly, at the Annual General Meeting, to be held in September 2021, we will submit a stand-alone resolution seeking shareholder confirmation of the board's strategy to take the Nasdaq route, with a pre-IPO fund raise later this year followed by a 2022 Nasdaq IPO.

Outlook

Our focus is to continue to develop the Group's business and the single platform and to ensure shareholders benefit from the surge in AdTech company fortunes. We remain confident in delivering year-on year growth and we look forward to further updating our shareholders as we continue to deliver on our strategy.

Clive Carver

Clive Carver
Chairman
2 September 2021

Chief Executive's Review

I am proud to provide an assessment of the Group and the progress we have made towards achieving our vision.

When the company was founded, we had one overriding goal, which was to create a unified platform for app developers and publishers worldwide, with services and solutions added through partnerships, acquisitions or internal development.

Airpush Integration

We started 2020 focused on the integration of the appScatter and Airpush business, which in mid-December 2019 had merged to form Airnow. Thanks to the phenomenal efforts from our teams, the integration was successfully completed despite the ongoing Covid-19 pandemic crisis, and significant costs savings made.

One of the major benefits of this transaction was the base technology, which allowed us to add app monetisation to our list of products. This was a major boost resulting in Airnow having its own Demand Side Platform (DSP) and creating our own exchange which allowed not only third-party supply but also our own direct inventory. These were key steps in the development of the unified platform, which will see its formal launch in 2022.

At the beginning of the year the new group had 145 employees and consultants located across US, India, China and Europe. As part of the integration, we dramatically reduced the head count and closed various offices. We now have 67 staff, of whom 35 are employees and 31 are contractors, with 38 in sales, 19 in tech (of which 11 are focused on R&D) and 15 staff in admin and senior management.

We closed the Berlin office, which we inherited from our acquisition of Priori Data. This business is now fully integrated into the group as Airnow Data operating out of the UK. We also consolidated our Asia Pacific operations in Hong Kong, which allowed us to close our Shanghai office. We now have operations in the US, UK, China and the UAE.

All non-performing operations or companies not part of the Group's strategy from the Airpush acquisition, were closed, dissolved or put into administration. The cost savings which began to show through in 2020 have continued into the current financial year.

During 2020 we also signed agreements to recover 6,401,540 shares issued in connection with the Airpush Merger in December 2019. These shares will be held for the benefit of the Group.

Results

While COVID-19 has brought operational challenges worldwide we have been relatively unaffected due to an existing work from home policy. This was not the case with a number of our suppliers and customers which were more severely impacted and which fed through indirectly to our own performance.

New mobile device manufacturing and distribution slowed down effecting our ability to install apps at factory level. At the same time India banned various apps including TikTok amongst others, which meant some great campaigns we had running or planned were cancelled. However, the negative impact was short lived and we have subsequently entered into new agreements with most of the affected suppliers. In the case of TikTok, we were even able to increase our scope, opening up new territories such as South Africa and Peru.

In the second half of 2020 and the first half of 2021 many new partnerships were formed and exciting new clients joining across the group. Cybersecurity began new partnerships including with Security Score Card, Palo Alto Networks, Rebasoft and recently Snyk who have over 2.2 million developers. New customers signing up for our data intelligence service include Uber Eats, Reuters, Babbel, Mastercard, Bosch and many more. New publishers, agencies and partners are adopting our media offering and we are proud to be working with great companies like TikTok, USA Today and Disney.

Video advertising

In recognition of the video advertising growth, we started Airnow Video in July 2020. The global Video Advertising market has grown dramatically and we had many requests from customers to support video formats.

We entered the market by acquiring certain video advertising contracts from Avantis Team Technologies (Avantis) under a deal which required us to pay an initial consideration followed by a series of deferred payments based on the income derived from the acquired contracts.

Initial revenues were impressive, and our staff gained significant experience in video advertising. However, the acquired contracts were desktop / website only and did not cover the faster growing mobile device / app-based video advertising segment of the market required to complement our supply base.

At the end of Q1 2021 we agreed with Avantis to terminate the underlying Acquisition Agreement, with the potential saving of further deferred payments of up to $35 million. We continue to work with Avantis as a supplier to the desktop / website portion of the market but have already established our own business in the more lucrative mobile / app-based segment.

Acquisitions

In July 2021, we announced the completion of our acquisition of Mighty Signal, a US App Data company which adds to our Airnow Data offering. Together they will strategically support our media sales over the coming year.

We are also now nearing completion of an acquisition of an established app games publisher, which will give us our own gaming titles with our SDK embedded in these new apps. This should not only increase media revenues but allow us to publish games on behalf of others, increasing our own direct supply margins.

Current trading

Our AdTech business is seasonal building from Q1 throughout the year to a peak in the 4^{th} Quarter. We are currently ahead of management expectations and internal forecasts produced last year.

Unified platform

Our comprehensive solution incorporates media, data, security and now gaming. The offering is split into 3 sections, Publishing, Monetisation and Intelligence. We partner with app owners; acquire app titles and this year we will begin to develop our own original content. The more apps we bring into our unified platform the stronger our business becomes and the more revenues we can generate.

Our focus now is to combine our services into a single platform to allow customers to maximise the advertising spend and to improve the quality of our advertising inventory with our own in-house supply. We typically target small app developers to international organisations.

Summary

2020 was a year that saw a full integration of prior acquisitions and a jump in revenue growth. That progress has continued to date in 2021 and we have the momentum for it to further continue in the coming years.

The main operational goals for the Group in 2022 are first the launch of our unified platform, which will bring all products and services together for our clients in a single place, and second to accelerate growth of our recently launched Airnow Gaming unit, which focuses on what we believe highly attractive casual market.

At Airnow we have an excellent team who will continue aggressively driving the company forward via its technology and organic growth and further acquisitions.

I would like to personally thank our team for their hard work and resilience over the last year. The success we had in 2020 of significantly growing the revenue base and achieving our first positive EBITDA and Adjusted EBITDA, while integrating acquired businesses and breaking successfully into new segments such as video, shows the exceptional talent we have at Airnow. Combined with our technology platform this will ensure our continued future growth, no matter where the industry is going.

Philip Marcella
Chief Executive Officer
2 September 2021

Financial Review

Basis of preparation

There are a number of one-off events which has complicated the accounting for the year under review.

Reverse accounting in 2019

For the financial year ended 31 December 2019 we were required to use the IFRS Reverse Accounting whereby despite the Airpush Inc business only being acquired by Airnow PLC ("Airnow") (formerly appScatter Group Plc) for the final two weeks of 2019 the published consolidated results for the Group were prepared on the basis that Airpush Inc was owned for the full year and the appScatter businesses for just the final two weeks of the year.

Under IFRS rules we are required to show the published 2019 as the comparatives to the 2020 numbers. However, using them as the basis to assess performance in 2020 would serve no purpose.

Group rationalisation

In November 2020, parts of the Airpush Inc group, acquired in December 2019, were placed into Administration, resulting in certain business activities being designated as discontinued.

Video contracts acquired in 2020 and relinquished with effect from the end of March 2021

As set out more fully in the CEO Review with effect from 1 October 2020 the Group acquired certain video related contracts from Avantis, which at the balance sheet date were expected to continue to be owned for the foreseeable future. Accordingly, the income from the contracts has been included together with the associated direct costs with the resultant net profit being included as a reduction in the committed amounts due to be paid to Avantis at the year end.

The capital costs associated with the amounts paid to Avantis are included within the Administrative Expenses heading.

Profit and loss

Revenue

Revenue for the year was USD 32.9 million. The bulk was generated from the Media division.

Cost of sales and Gross Profit

The Cost of Sales were USD 21.5 million and were again predominantly the costs of the Media division, producing a Gross Profit of USD 11.4 million.

Included in Administrative Expenses of USD 17.1 million as set out in Note 6 is an amount of USD 5.8 million in respect of amortisation. The balance of USD 11.3 million reflects the much greater levels of operational and corporate activity

Balance sheet

Fixed assets

At 31 December 2020 Intangible assets were USD 56.4 million comprising principally USD 27.8 million relating to the Group's technology and USD 28.5 million in respect of Group customer relationships.

Current Assets

At 31 December 2020 trade and other receivables were USD 27.1 million, comprising principally the amounts due to Airnow Video. Cash was USD 1.6 million.

Current liabilities

Trade and other payables at 31 December 2020 were USD 48.4 million, including approximately USD 13.8 million in respect of trade payables and USD 23.6 million in respect of other payables.

Non-current liabilities

Non-current liabilities at approximately USD 5.2 million were principally the balances due after more than 12 months on commercial loans.

Cashflow

During 2020 USD 12.7 million cash was spent on the business.

To fund this USD 13.8 million was raised from financing activities including USD 12.7 million raised by the issue of new equity.

Clive Carver

Clive Carver

2 September 2021

Directors

Philip Marcello (aged 57),
Founder and Chief Executive Officer
Philip is the founder and Chief Executive Officer of the Company. He is an experienced programmer who began his coding career in the mid-1980s. In 1997 he set up his first company, which became RMR Plc. Initially a web development company, RMR specialised in web conferencing. In 2000, RMR was admitted to trading on AIM with a £64 million valuation.

Clive Carver FCA, FCT (aged 60),
Executive Chairman and Chief Financial Officer
Clive is a qualified chartered accountant and worked with Coopers & Lybrand, Kleinwort Benson and Price Waterhouse Corporate Finance before becoming head of Corporate Finance at Seymour Pierce, Williams de Broe and finnCap successively. He is an experienced public company chairman and is currently Non-Executive Chairman of Caspian Sunrise PLC and a Non-Executive Director of Aukett Swanke Plc, both of which are admitted to trading on AIM. He joined Airnow in 2016 as a Non-Executive Director becoming Non-Executive Chairman in 2017. In 2020 he became Executive Chairman and CFO.

James Eggleston (aged 40),

Chief Operating Officer
James joined the appScatter Group in 2016, becoming CTO that year. He has been an integral part of the transactions team assessing and integrating the Group's acquisitions. He has a strong technology background specifically around mobile and complex cloud based systems. In May 2020 he became Chief Operating Officer and was appointed to the board on 13 April 2021.

Inman Breaux (aged 36),

Executive Director
Inman is the Chief Executive Officer of Airnow Monetisation and was formerly a SVP at MoVoxx Inc., one of the first mobile advertising networks (which was acquired by Motricity in 2010). Prior to this Inman was an early member of The Rubicon Project, one of the world's largest independent advertising exchanges. Inman was a member of the founding team at Airpush Inc., becoming its Chief Operating Officer in 2013 and President in 2016.

Linda Beal FCA (aged 60),

Senior Independent Non-Executive Director
Linda joined the Board as senior independent non-executive director on 13 April 2021. She is UK based and an experienced Non-Executive Director and an experienced chair of both audit and remuneration committees. She spent 30 years at PwC where for 16 years she was a partner in the tax department. She was also a partner for 2 years at Grant Thornton. She is currently non-executive chair of i3 Energy plc and a non-executive director of Kropz PLC & Orca Energy Group Inc.

Paul Wu (aged 50),

Non-Executive Director
Paul is the founder and CEO of General Mobile Corporation and has direct experience with operators and device makers including Nokia, Sony-Ericsson, HTC and MediaTek portals. Paul was previously a senior business development manager at MediaTek Technology Inc and Foxconn Group, as well as having served as CEO of PocketNet Wireless Technology until 2008.

Directors' Report

The Directors present their annual report on the affairs of the Group and parent Company, together with the Group financial statements for the year ended 31 December 2020.

Directors

The Directors who unless otherwise stated served during the period were:

Philip Marcella, *Chief Executive Officer*	
Clive Carver, *Non-Executive Chairman*	*(appointed Executive Chairman & CFO 1 July 2020)*
Jason Hill, *Executive Director*	*(resigned 6 March 2020)*
Colin Hutchinson, Chief Financial Officer	*(resigned 24 September 2020)*
Andy Bushby, *Non-Executive Director*	*(resigned 11 March 2020)*
Stefan Keiss, *Chief Operating Officer*	*(appointed 17 December 2019) / resigned 20 July 2020)*
Inman Breaux, *Non-Executive director*	*(non-exec from 17 December 2019 & executive 1 September 2020)*
Paul Wu, *Non-Executive Director*	*(appointed 17 December 2019)*
James Eggleston, *Chief Operating Officer*	*(appointed 13 April 2021)*
Linda Beal, *Senior Independent Non-Executive Director*	*(appointed 13 April 2021)*

Business review and future developments
The business review and future developments are dealt with in the Strategic Report , the Chairman's Statement and the Chief Executive Officer's Review.

The Group made a profit after taxation of USD 4.9 million. The Directors do not recommend the payment of a dividend.

Events after the reporting period
Events after the reporting period are set out in Note 30 to the financial statements.

Auditor
The Directors will place a resolution before a General Meeting to re-appoint PKF Littlejohn as auditor for the coming year.

Directors' remuneration
The remuneration of the Executive Directors paid during the year was that was set by the Remuneration Committee while the Company's shares were traded on AIM.

Non-Executive Directors did not receive any remuneration for their services as Non-Executive Directors during the period under review.

Remuneration paid to Directors for the year ended 31 December 2020 is set out in Note 7 and 29 to the consolidated financial statements.

Committees of the Board

Upon cancellation of the Company's AIM listing the operations of the various Board committees were suspended with all decisions taken by the Board as a whole. Upon the Company's return to the public markets the various committees of the Board will be reinstated.

Internal controls

The Board acknowledges responsibility for maintaining appropriate internal control systems and procedures to safeguard the shareholders' investments and the assets, employees and the business of the Group.

Internal audit

The Board does not consider it appropriate for the current size of the Group to establish an internal audit function. However, this will be kept under review.

Bribery and corruption

The Bribery Act 2010 came into force on 1 July 2011. The Company is committed to acting ethically, fairly and with integrity in all its endeavours and compliance with legislation is monitored. Consideration of the Bribery Act is a standing item at Company Board meetings.

Control procedures

The Board, working with external professional advisers is implementing procedures to ensure compliance with accounting standards and effective reporting.

Environmental responsibility

The Group is aware of the potential impact that its subsidiary companies may have on the environment. The Group ensures that it and its subsidiaries at a minimum comply with the local regulatory requirements and the revised Equator Principles, the industry standard for environmental and social risk.

Employment policies

The Group is committed to promoting policies which ensure that high calibre employees are attracted, retained and motivated, to ensure the ongoing success for the business. Employees and consultants and those who seek to work within the Group are treated equally regardless of sex, marital status, creed, colour, race or ethnic origin.

Health and safety
The Group's aim is to achieve and maintain a high standard of workplace safety. In order to achieve this objective, the Group provides training and support to employees and sets demanding standards for workplace safety.

Going concern
In common with many other fast growing technology companies the Group has relied in recent years on raising equity and debt capital to bridge the gap between receipts and expenditures. To continue on the current growth plan further equity and debt capital will be required.

In the year ended 31 December 2020 the Group made a profit after tax of USD 4.9 million for the year and had a net cash outflow from operations of USD 6.4 million.

Between 1 January 2020 and the date of this report the Company raised approximately USD 20 million by the issue of new shares.

The Board has considered detailed cashflows covering the 12 month period to August 2022, together with a series of sensitivities, including a 10% reduction in sales and the loss of the largest customer.

We have not seen any Covid-19 related material adverse impact on the Group's business. Similarly, the Directors do not expect there will be any Brexit related material adverse impact. Accordingly, the Directors do not believe the impact of Covid-19 or Brexit affects their assessment of going concern.

On the basis that the Board expects to be able to raise any additional capital required the Board has concluded that the adoption of the going concern convention in the presentation of these financial statements remains appropriate and accordingly the Financial Statements of the Group are prepared on a going concern basis as detailed in Note 2 to the financial statements. However, as there can be no certainty that additional capital will be raised, there exists a material financial uncertainty which may cast doubt on the use of the going concern convention. The consolidated statements do not include any adjustments that would be necessary if the going concern basis were inappropriate.

Disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Group's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

Clive Carver

Clive Carver
Executive Chairman
2 September 2021

Principal risks relating to the business and its industry

Include but are not limited to:

Security and privacy breaches

The Group's security and testing measures may not prevent security breaches that could harm the Group's or its users' businesses. For example, a number of the Group's users provide the Group with credit card and other confidential information and authorise the Group to bill their credit card accounts directly for the Group's products and services.

Typically, the Group relies on encryption and authentication technology licensed from third parties to enhance the transmission and storage security of confidential information.

Competition risk

There can be no guarantee that the Group's competitors have not already developed and/or will not develop products and services which are competitive to those supplied by the Group and there can be no assurances that the availability of any such products and services will not adversely affect future demand for the Group's own products and services.

Dependence on key executives and personnel

The future performance of the Group will to a significant extent be dependent on its ability to retain the services and personal connections or contacts of key executives and to attract, recruit, motivate and retain other suitably skilled, qualified and industry experienced personnel.

Requirement for continued investment

The Group needs to continue to invest resources in research and development in order to maintain and enhance the Group's existing products and services and introduce new high-quality products and services to its platform.

A downturn in the global economy

If economic conditions were to deteriorate, the Group's existing and potential customers may elect to decrease their marketing expenditure. Historically, economic downturns have resulted in overall reductions in marketing and advertising budgets.

Currency exchange rates risk

The Group's functional currency is the US Dollar and its contracts are sometimes denominated in local currencies. A significant portion of the Group's operating, marketing and administrative expenses are paid in other currencies, including Sterling and Euro. Hence, the Group is exposed to fluctuations in exchange rates, in particular, between the US Dollar and the other currencies..

Operational issues

The Group's revenues will be dependent on the operations of the Platforms. Operational risks include equipment failure, failure to comply with applicable regulations and standards and disruptions in the operations of suppliers engaged in the maintenance and development of the Platforms.

Tax related risks

There may, in certain circumstances, be withholding or other taxes on the profits or other returns derived from the Group's investments which may change from time to time and which could have a material and adverse impact on the Group's performance.

Reliance on third party data availability

Certain aspects of the Platforms rely on the continued availability of extensive data from app stores, data partners, users and devices regarding such matters as the level of sales of apps, ranking and usage of apps which data is then processed or re-presented by the software. Access to such data is regulated by the terms and conditions of each app store or partner and by the agreements between users and the app stores.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual 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 prepared the group and parent company financial statements in accordance with International Financial Reporting Standards and International Accounting Standards in conformity with the requirements of the Companies Act 2006.

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 and loss of the Group for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 Group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors' responsibility also extends to the on-going integrity of the financial statements contained therein.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIRNOW PLC - Group

Disclaimer of opinion

We were engaged to audit the group financial statements of Airnow Plc (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Profit and Loss including Statement of Other Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006.

We do not express an opinion on the accompanying financial statements of the group. Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for disclaimer of opinion

The group comprises of a number of subsidiaries (see note 14). All of the group components (10 out of 11) were audited by PKF Littlejohn LLP except for Airnow Video Limited, which was audited by a component auditor. This wholly owned subsidiary of the group is considered to be a financially significant component because its assets, liabilities, revenue and costs represented a significant portion of the group at the year end. As at 31 December 2020, Airnow Video Limited held the assets acquired from Avantis Team Technologies Limited ("Avantis"). Post year-end these were de-recognised due to a loss of control.

As a result, whilst the group were able to provide financial information in respect of certain Avantis balances, restrictions were imposed on access to information by Avantis in support of certain balances and transactions attributed to Airnow Video Limited. We evaluated the work undertaken by the component auditors and performed our own additional procedures in respect of this financially significant component for the purposes of the group audit. However, as a result of information not being provided by parties external to the Group, we were unable to obtain sufficient and appropriate audit evidence in respect of the balances and classes of transactions described below relating to Airnow Video Limited that are reflected in the group financial statements as at 31 December 2020.

We were unable to obtain sufficient and appropriate audit evidence of USD 19 million of revenue against a total group revenue of USD 33 million, USD 20 million of cost of sales against a total COS of USD 20 million, other expenses of USD 2.6 million against total other expenses of USD 15 million, USD 13 million of assets against total assets of USD 85 million and liabilities of USD 11 million against total liabilities of USD 57 million.

As a result, due to restrictions imposed on us by bodies outside of the Group, we were unable to determine whether any adjustments might have been found necessary in respect of the assets, liabilities, revenue and costs relating to Airnow Video Limited, and the subsequent impact on the group financial statements.

Other information

The other information comprises the information included in the strategic and directors' reports, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the strategic and directors' reports. Our opinion on the group 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

As described in the Basis for disclaimer of opinion on other matters prescribed by the Companies Act 2006 section of out report, we were unable to obtain sufficient appropriate audit evidence concerning Airnow Video Limited for the year ended 31 December 2020, we have concluded that where other information refers to Airnow Video Limited, it may be materially misstated for the same reason.

Opinion on other matters prescribed by the Companies Act 2006

Because of the significance of the matter described in the Basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether 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 group 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.

Matters on which we are required to report by exception

Notwithstanding our disclaimer of an opinion on the group financial statements, in the light of the knowledge and understanding of the group and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the strategic report or the directors' report.

Arising from the limitation of our work referred to above, we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.

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:

- certain disclosures of directors' remuneration specified by law are not made.

Responsibilities of directors

As explained more fully in the directors' report, the directors are responsible for the preparation of the group 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 group financial statements, the directors are responsible for assessing the group'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 to cease operations, or have no realistic alternative but to do so.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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:

- We obtained an understanding of the group and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research and experience of the sector.

- We determined the principal laws and regulations relevant to the group in this regard to be those arising from:
    - Companies Act 2006
    - Anti-Money Laundering Legislation
    - The Bribery Act 2010
    - Employment Law
    - GDPR

- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group with those laws and regulations. These procedures included, but were not limited to:

- Making enquiries of management
  - Review of minutes
  - Review of legal / regulatory correspondence
  - Review of accounting legers

- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and reviewing transactions through bank statements to identify potentially large and unusual transactions that do not appear to be in line with our understanding of the business operations.

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.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the group's financial statements in accordance with ISAs (UK) and to issue an auditor's report.

However, because of the matters described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other matter

We have reported separately on the parent company financial statements of Airnow Plc for the year ended 31 December 2020. The opinion in that report is unmodified with a material uncertainty related to going concern.

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.

PKF Littlejohn LLP

Joseph Archer (Senior Statutory Auditor)

For and on behalf of PKF Littlejohn LLP

Statutory Auditor

2 September 2021

15 Westferry Circus

Canary Wharf

London E14 4HD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIRNOW PLC – Parent Company

Opinion

We have audited the financial statements of Airnow Plc (the 'parent company') for the year ended 31 December 2020 which comprise the Company Statement of Financial Position, the Company Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the parent company financial statements:

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

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to Note 2 Going Concern to the financial statements, which indicates that the success of the company relies on the ability of raising additional capital required to continue on the current growth plan.

As stated in Note 2, there can be no certainty that additional capital will be raised, there exists a material uncertainty which may cast doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the parent company 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 parent company financial statements are prepared is consistent with the parent company financial statements; and
- the 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 parent company 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 directors' responsibilities statement, the directors are responsible for the preparation of the parent company 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 parent company financial statements, the directors are responsible for assessing 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 parent 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.

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:

- We obtained an understanding of the parent company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research and experience of the sector.
- We determined the principal laws and regulations relevant to the parent company in this regard to be those arising from:
    - Companies Act 2006
    - Anti-Money Laundering Legislation

- The Bribery Act 2010
- Employment Law
- GDPR

- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the parent company with those laws and regulations. These procedures included, but were not limited to:
  - Making enquiries of management
  - Review of minutes
  - Review of legal / regulatory correspondence
  - Review of accounting legers
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and reviewing transactions through bank statements to identify potentially large and unusual transactions that do not appear to be in line with our understanding of the business operations.

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.

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.

Other matter

We have reported separately on the group financial statements of Airnow Plc for the year ended 31 December 2020. The opinion in that report is a disclaimer of opinion.

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.

PKF Littlejohn LLP

Joseph Archer (Senior Statutory Auditor)

For and on behalf of PKF Littlejohn LLP

Statutory Auditor

15 Westferry Circus

Canary Wharf

London E14 4HD

2 September 2021

Consolidated statement of profit or loss

For the year ended 31 December 2020

	Note	2020 $'000	2019 $'000
Revenue	5	32,897	9,090
Cost of sales	6	(21,508)	(6,694)
Gross profit		11,389	2,396
Administrative expenses	6	(17,089)	(6,718)
Impairment reversal	6	10,952	-
Operating profit / (loss)		5,252	(4,322)
Finance expense	8	(855)	(677)
Profit / (loss) before tax		4,397	(4,999)
Tax credit	9	269	273
Profit / (loss) for the year from continuing operations		4,666	(4,726)
Profit / (loss) for the year from discontinued operations	10	-	(7,167)
Net profit / (loss) after tax attributable to owners of the parent		4,666	(11,893)

Statement of other comprehensive income

	Note	2020 $'000	2019 $'000
Profit / (loss) for the year		4,666	(11,893)
Items that will or may be recycled to profit or loss:			
Exchange gains arising on translation of foreign operations		991	202
Other comprehensive income for the year net of tax		991	202
Total comprehensive profit / (loss)		5,657	(11,691)
Earnings per share			
Basic and diluted (Cents) – Continuing operations	11	6.3	(8.2)
Basic (Cents) – Discontinued operations		-	(12.4)
		6.3	(20.6)

	2020	2019
Adjusted EBITDA – continuing operations		
Operating profit / (loss)	5,252	(4,322)
Add back depreciation and amortisation	5,847	1,060
EBITDA *	11,099	(3,262)
Share options (credit) / charge	(42)	30
Listing costs	1,534	90
Acquisition costs	794	922
Impairment reversal	(10,952)	-
Restructuring costs	73	10
Adjusted EBITDA	**2,506**	**(2,210)**

*Management use Adjusted EBITDA as a non-GAAP measure to better assess the underlying performance of the Group. This measure allows management and investors to compare operational performance without the potentially distorting effects of one-off items, non-operational items and the charge for non-cash share based payments.

Adjusted EBITDA is defined as operating profit or loss before depreciation, amortisation, impairment, share based payments, and transaction, restructuring and listing costs.

The accompanying notes to the accounts on pages 31 to 82 form an integral part of these financial statements.

Consolidated statement of financial position

As at 31 December 2020

	Note	2020 $'000	2019 $'000
Assets			
Non-current assets			
Property, plant and equipment	12	13	3
Intangible assets	13	56,355	41,402
Investment in associates	15	-	-
		56,368	41,405
Current assets			
Trade and other receivables	16	27,138	2,441
Cash and cash equivalents	17	1,549	418
		28,687	2,859
Total assets		85,055	44,264
Liabilities			
Current liabilities			
Trade and other payables	18	46,054	19,457
Loans and borrowings	20	2,371	1,486
		48,425	20,943
Non-current liabilities			
Other payables	18	963	-
Loans and borrowings	20	5,244	3,828
Deferred tax liability	21	2,160	2,430
		8,367	6,258
Total liabilities		56,792	27,201
Net assets		**28,263**	**17,063**
Issued capital and reserves attributable to shareholders			
Share capital	23	5,032	4,301
Share premium	24	29,686	17,043
Deferred shares	24	5,180	5,180
Shares to be issued	24	3,095	10,914
Shares held by administrators	24	(264)	(264)
Merger reserve	24	11,645	82,009
Reverse Acquisition reserve	24	-	(82,387)
Share-based payment reserve	22	29	30
Foreign exchange reserve	24	1,165	174
Retained earnings	24	(27,305)	(19,937)
Total capital and reserves attributable to shareholders		**28,263**	**17,063**

These financial statements were approved and authorised for issue by the Board of Directors on 2 September 2021, and were signed on its behalf by:

Clive Carver — *Clive Carver*

Director

The accompanying notes to the accounts on pages 31 to 82 form an integral part of these financial statements.

Company statement of financial position

As at 31 December 2020

Registered number: 10706264 (England and Wales)

	Note	2020 $'000	2019 $'000
Assets			
Non-current assets			
Property, plant, and equipment	12	5	-
Intangible asset	13	247	-
Investment in subsidiaries	14	29,458	61,773
Investment in associates	15	-	-
Net amounts due from subsidiaries		25,350	14,070
		55,060	75,843
Current assets			
Trade and other receivables	16	12,240	232
Cash and cash equivalents	17	1,280	1
		13,520	233
Total assets		68,580	76,076
Liabilities			
Current liabilities			
Trade and other payables	18	5,085	4,743
Loans and borrowings	20	2,266	377
		7,351	5,120
Non-current liabilities			
Loans and borrowings	20	5,244	1,226
		5,244	1,226
Total liabilities		12,595	6,346
Net assets		**55,985**	**69,730**
Issued capital and reserves attributable to shareholders			
Share capital	23	5,032	4,301
Share premium	24	29,686	17,043
Deferred shares	24	5,180	5,180
Shares to be issued	24	3,095	10,914
Share-based payment reserve	22	29	2,669
Merger reserve	24	11,645	38,184
Foreign exchange reserve	24	2,145	285
Retained earnings	24	(827)	(8,846)
Total equity		**55,985**	**69,730**

As permitted by Section 408 of the Companies Act 2006, the income statement and statement of comprehensive income of the parent Company is not presented as part of these financial statements. The parent Company's result after taxation for the financial year was a loss of USD 2.822 million (2019: loss USD 5.045 million).

These financial statements were approved and authorised for issue by the Board of Directors on 2 September 2021 and were signed on its behalf by:

Clive Carver *Clive Carver*

Director

The accompanying notes to the accounts on pages 31 to 82 form an integral part of these financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2020

	Share capital	Share premium	Deferred shares	Shares to be Issued	Administrator owned shares	Merger reserve	Reverse Acquisition reserve	Share-based payment reserve	Foreign Exchange reserve	Retained earnings	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Equity at 1 January 2019	**3,179**	**-**	**-**	**10,914**	**-**	**82,009**	**(89,237)**	**-**	**(28)**	**(8,044)**	**(1,207)**
Loss for the year	-	-	-	-	-	-	-	-	-	(11,893)	(11,893)
Other comprehensive income											
Foreign exchange	-	-	-	-	-	-	-	-	202	-	202
Total comprehensive income	-	-	-	-	-	-	-	-	202	(11,893)	(11,691)
Reverse Acquisition Airnow	1,122	17,043	5,180	-	-	-	6,850	-	-	-	30,195
Treasury shares movement	-	-	-	-	(264)	-	-	-	-	-	(264)
Share-based payment	-	-	-	-	-	-	-	30	-	-	30
Total transactions with owners recognised in equity	1,122	17,043	5,180	-	(264)	-	6,850	30	-	-	29,961
Equity at 31 December 2019	**4,301**	**17,043**	**5,180**	**10,914**	**(264)**	**82,009**	**(82,387)**	**30**	**174**	**(19,937)**	**17,063**

Consolidated statement of changes in equity (continued)

[1] See Note 23

	Share Capital[1]	Share premium	Deferred shares	Shares to be Issued[2]	Administrator owned shares	Merger reserve[3]	Reverse Acquisition reserve[3]	Share-based payment reserve[4]	Foreign Exchange reserve	Retained earnings	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Equity at 1 January 2020	**4,301**	**17,043**	**5,180**	**10,914**	**(264)**	**82,009**	**(82,387)**	**30**	**174**	**(19,937)**	**17,063**
Profit for the year	-	-	-	-	-	-	-	-	-	4,666	4,666
Other comprehensive income											
Foreign exchange	-	-	-	(268)	-	238	-	-	991	-	961
Total comprehensive income	-	-	-	(268)	-	238	-	-	991	4,666	5,627
Share issues	535	12,122	-	-	-	-	-	-	-	-	12,657
Settlement of share option	20	521	-	-	-	-	-	(541)	-	-	-
Shares issued and to be issued for Airpush acquisition	162	-	-	(4,332)	-	-	-	-	-	4,170	-
Shares issued and to be issued for Abilott acquisition	14	-	-	-	-	-	-	-	-	357	371
Airpush Inc restructure[5]	-	-	-	(6,314)	-	(70,602)	82,387	540	-	(16,561)	(10,550)
Share consideration - Avantis	-	-	-	2,718	-	-	-	-	-	-	2,718
Share-based payment	-	-	-	377	-	-	-	-	-	-	377
Total transactions with owners recognised in equity	731	12,643	-	(7,551)	-	(70,602)	82,387	(1)	-	(12,034)	5,573
Equity at 31 December 2020	**5,032**	**29,686**	**5,180**	**3,095**	**(264)**	**11,645**	**-**	**29**	**1,165**	**(27,307)**	**28,263**

[2] Shares to be issued comprised shares in escrow as a result of the legal acquisition of Airpush Inc by Airnow PLC. In the year to 31 December 2020, Airpush Inc was placed in administration and as such shares to be issued were extinguished. USD 2.718 million relates to shares to be issued as part consideration of the "Avantis" acquisition. The value of USD 0.377 million relates to shares issued post year end in settlement of trade and other payable liabilities incurred in the normal operation of business.

[3] The Reverse Acquisition reserve and part of Merger reserve were created due to the reverse acquisition of Airnow PLC by Airpush Inc. With Airpush Inc being placed into administration, the Reverse Acquisition reserve was extinguished. The transactional entries that created the entries were reversed with the disclosed values being transferred directly to retained earnings (Note 27).

[4] Two Company share option incentives schemes were cancelled.

[5] See Note 27

The accompanying notes to the accounts on pages 31 to 82 form an integral part of these financial statements.

Company statement of changes in equity

For the year ended 31 December 2020

	Share Capital[1] $'000	Share Premium $'000	Deferred shares $'000	Shares to be issued[2] $'000	Share-based payment reserve[3] $'000	Merger reserve[4] $'000	Foreign exchange reserve $'000	Retained earnings $'000	Total equity $'000
Equity at 1 January 2019	**5,916**	**15,485**	**-**	**-**	**1,374**	**11,645**	**(860)**	**(3,801)**	**29,759**
Loss for the year	-	-	-	-	-	-	-	(5,045)	(5,045)
Other comprehensive									
Foreign exchange	-	-	-	-	-	-	1,145	-	1,145
Total comprehensive income	-	-	-	-	-	-	1,145	(5,045)	(3,900)
Shares issues – acquisition of Airpush Inc	3,179	-	-	10,914	-	82,008	-	-	96,101
Investment impairment	-	-	-	-	-	(55,469)	-	-	(55,469)
Share issues (net of expenses)	386	1,558	-	-	-	-	-	-	1,944
Split and consolidation of shares	(5,180)	-	5,180	-	-	-	-	-	-
Share-based payment	-	-	-	-	1,295	-	-	-	1,295
Total transactions with owners recognised in equity	1,615	1,558	5,180	10,914	1,295	26,539	-	-	43,871
Equity at 31 December 2019	**4,301**	**17,043**	**5,180**	**10,914**	**2,669**	**38,184**	**285**	**(8,846)**	**69,730**
Loss for the year	-	-	-	-	-	-	-	(2,821)	(2,821)
Other comprehensive									
Foreign exchange	-	-	-	-	-	-	1,860	-	1,860
Total comprehensive income	-	-	-	-	-	-	1,860	(2,821)	(961)
Shares issues (net of expenses)	731	12,643	-	-	-	-	-	-	13,374
Airpush Inc restructure[5]	-	-	-	(10,914)	-	(27,390)	-	10,840	(27,464)
Opening foreign exchange	-	-	-	-	-	851	-	-	851
Share consideration - Avantis	-	-	-	2,718	-	-	-	-	2,718
Share based payment	-	-	-	377	(2,640)	-	-	-	(2,263)
Total transactions with owners recognised in equity	731	12,643	-	(7,819)	(2,640)	(26,539)	-	10,840	(12,784)
Equity at 31 December 2020	**5,032**	**29,686**	**5,180**	**3,095**	**29**	**11,645**	**2,145**	**(827)**	**55,985**

[1] See Note 23

[2] Shares to be issued comprised shares held in escrow as a result of the reverse acquisition of Airnow PLC by Airpush Inc. In the year to 31 December 2020, Airpush Inc was placed into administration and as such shares to be issued were extinguished. USD 2.718 million relates to shares to be issued as part consideration of the "Avantis" acquisition. The value of USD 0.377 million relates to shares issued post year end in settlement of trade and other payable liabilities incurred in the normal operation of business.

[3] Two Company share option incentives schemes were cancelled.

[4] With Airpush Inc being placed into administration, the value relating to Airpush Inc was transferred to retained earnings. The remaining value relates to transactions with continuing companies within the Group.

[5] See Note 27

The accompanying notes to the accounts on pages 31 to 82 form an integral part of these financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2020

	Note	2020 $'000	2019 $'000
Profit / (loss) for the year		4,666	(11,893)
Adjustments for:			
Tax credit		(269)	(330)
Finance expense		855	697
Share based payments		(1,429)	-
Depreciation of property, plant and equipment		3	-
Amortisation of intangible fixed assets		5,847	1,701
Impairment of intangible assets		-	2,993
Loss on disposal of property, plant, and equipment		3	-
(Increase) / decrease in trade and other receivables		(416)	2,332
(Decrease) / increase in trade and other payables		(1,391)	5,016
Group acquisition, reorganisation & restructure			
Increase in trade receivables – Airnow Video / Avantis	25	(12,553)	-
Increase in trade and other payables – Airnow Video / Avantis	25	5,837	-
Restructure of Airpush Inc / Assets repurchased by Airnow Group	26	(7,591)	-
Income taxes paid		-	(6)
Net cash flows (used) / generated by operating activities		(6,438)	510
Investing activities			
Acquisition of subsidiary net of cash acquired		-	35
Acquisition of property, plant & equipment		(16)	-
Acquisition of intangible assets - Capitalisation salary costs		(1,692)	-
Investment Avantis / Airnow Video - payments to Avantis		(7,634)	-
Shares to be issued as consideration - Avantis		2,718	-
Net cash (used) / generated by investing activities		(6,624)	35
Financing activities			
Loan interest paid		(484)	(369)
Other interest paid		(29)	-
Repayment of loans and borrowings		(2,351)	(304)
Proceeds of loans and borrowings		4,310	-
Proceeds from share issues		12,657	-
Proceeds from factoring		-	427
Proceeds of loan note		-	(160)
Net cash generated / (used) by financing		14,103	(406)
Net increase in cash and cash equivalents		1,041	139
Exchange gains on cash and cash equivalents		90	-
Cash and cash equivalents at beginning of year		418	279
Cash and cash equivalents at end of year	17	1,549	418

Significant non-cash transactions occurred as a result of the Group restructure exercise and the acquisition of video advertising assets from Avantis. These are disclosed separately in the sub-section "Group acquisition, reorganisation and restructure" within cashflows generated by operating activities.

The non-cash transactions relate to deferred consideration on a business activity purchase transaction outlined in the Chairman's Statement, Chief Executive's Review and Note 25.

The accompanying notes to the accounts on pages 31 to 82 form an integral part of these financial statements.

Notes to the Consolidated and Company Financial Statements

1. Corporate Information

The consolidated financial information represents the results of Airnow PLC ("Company") and its subsidiaries (together referred to as "the Group").

Airnow PLC is a company limited by shares incorporated on 3 April 2017 and domiciled in England and Wales, registration number 10706264. The Company's registered office is Salisbury House, London Wall, London, England, EC2M 5PS.

2. Basis of preparation

Group Financial Statements

The financial information for the Group and the Company have been prepared using the historical cost convention except for business combinations, financial assets and financial liabilities (refer to the individual accounting policies for details). These policies have been consistently applied to all periods presented, unless otherwise stated.

For consistency across the Group, the Group's and Company's financial statements are presented in US Dollars ("USD"/"$"), rounded to the nearest thousands (USD'000) unless otherwise indicated.

The consolidated financial information has been prepared in accordance with International Financial Reporting Standards and International Accounting Standards in conformity with the requirements of the Companies Act 2006.

Company Financial Statements

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) which forms part of UK accounting standards issued by the Financial Reporting Council. The financial statements have been prepared under the historical cost convention, as modified and in accordance with the Companies Act 2006. There were no adjustments required for all periods presented on the adoption of FRS 101, following the transition from IFRS to FRS 101.

The Company has taken advantage of the following disclosure exemptions under FRS 101, on the basis that equivalent disclosures are, where required, are given in the consolidated financial statements:

a. Cash Flow Statement and related notes as required by IAS 7 – 'Statement of Cashflows';

b. the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(IV) of IAS 1 – a reconciliation of the share capital at beginning and end of the period;

c. the requirements of paragraph 134 – 136 of IAS 1 'Presentation of Financial Statements' to disclose the management of the capital of the Company;

d. the requirements of paragraphs 30 and 31 of IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' to disclose the new or revised standards that have not been adopted and information about their likely impact;

e. all of the disclosure requirements of IFRS 7 'Financial Instruments: Disclosures';

f. the requirements of paragraph 17 of IAS 24, 'Related Party Disclosures' to disclose key management personnel; and

g. the requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Notes to the Consolidated and Company Financial Statements (continued)

Reverse acquisition with Airpush Inc

On 17 December 2019 Airnow PLC acquired the entire common stock of Airpush Inc and in exchange new shares in Airnow PLC were issued to the holders of common stock in Airpush Inc.

In applying IFRS 3 principles, this acquisition was treated in 2019 as a reverse acquisition as the Airpush Inc shareholders owned the majority of shares in Airnow PLC post combination. Accordingly, the following accounting treatment was applied in respect of the reverse acquisition.

1. Airpush Inc was deemed the accounting acquirer and the Goodwill arising on the reverse acquisition of Airnow PLC is shown in Note 13. Intangibles and the assets and liabilities acquired are shown in Note 27.
2. The presentation of the consolidated financial statements of the legal parent (Airnow PLC) is a continuation of the accounting acquirer's financial statements.
3. Consolidated financial statements for the year ended 31 December 2019 for the Group present the results of the Airpush Inc business from 1 January 2019 to and including 17 December 2019 (date of combination) and the enlarged Group thereafter.
4. The assets and liabilities of Airpush Inc business are recognised in the Group financial statements at pre-combination carrying amounts.
5. The equity structure appearing in the Group financial statements reflects the equity structure of the legal parent (Airnow PLC), including the shares issued and shares to be issued under the share for share exchange to effect the business combination.
6. The retained earnings and other equity balances recognised in the Group financial statements reflect the retained earnings and other equity balances of Airpush Inc business immediately before the business combination and includes that of the Group after the business combination on 17 December 2019.
7. The Reverse Acquisition reserve relates to the adjustments for (5) and (6) above for the reverse acquisition between Airnow PLC and Airpush Inc business on 17 December 2019.

Reversal of the Reverse Acquisition

On 17 November 2020 the accounting acquirer Airpush Inc was placed into administration and the legal parent Airnow PLC purchased from the administrator of Airpush Inc certain assets to continue the trade of Airpush Inc.

The consideration for the assets purchased from the administrator was USD 10.2 million and these are shown as an addition within Technology intangible assets (Note 13). Management has assessed the transaction to be an asset purchase rather than a business combination based on the result of the concentration test under IFRS 3. More details are disclosed in Note 3 Estimates and judgements.

Steps taken to reflect the administration of Airpush Inc. and its impact to the Statement of Changes in Equity is disclosed in Note 27.

Composition of the Airnow Group

A list of the subsidiary undertakings of the Airnow Group is given in Note 14 of the financial statements.

Notes to the Consolidated and Company Financial Statements (continued)
Basis of preparation (continued)

Going concern

In common with many other fast growing technology companies the Group has relied in recent years on raising equity and debt capital, generally in the form of trade finance, to bridge the gap between receipts and expenditures. To continue on the current growth plan further equity and debt capital will be required.

In the year ended 31 December 2020 the Group reported a profit after taxation of USD 4.9 million for the year and had a net cash outflow from operations of USD 6.4 million.

Between 1 January 2020 and the date of this report the Company raised approximately USD 20 million by the issue of new shares.

The Board has considered detailed cashflows covering the 12 month period to August 2022, together with a series of sensitivities, including a 10% reduction in sales and the loss of the largest customer.

We have not seen any Covid-19 related material adverse impact on the Group's business. Similarly, the Directors do not expect there will be any Brexit related material adverse impact. Accordingly, the Directors do not believe the impact of Covid-19 or Brexit affects their assessment of going concern.

On the basis that the Board expects to be able to raise any additional capital required the Board has concluded that the adoption of the going concern convention in the presentation of these financial statements remains appropriate and accordingly the Financial Statements of the Group are prepared on a going concern basis as detailed in Note 2 to the financial statements. However, as there can be no certainty that additional capital will be raised, there exists a material financial uncertainty which may cast doubt on the use of the going concern convention. The consolidated statements do not include any adjustments that would be necessary if the going concern basis were inappropriate.

New standards, interpretations, and amendments not yet effective and not adopted by the Group

a) New standards and amendments – applicable 1 January 2020

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2020:

	Effective Date	Impact
Definition of Material - Amendment to IAS 1 "Presentation of financial statements"	1 January 2020	None
Definition of Material - Amendment to IAS 8 "Accounting policies"	1 January 2020	None
Definition of a Business – Amendments to IFRS 3 "Business Combinations"	1 January 2020	None
Revised Conceptual Framework for financial reporting	1 January 2020	None
Interest rate benchmark reform – Amendments to IFRS 9 "Financial Instruments"	1 January 2020	None
Interest rate benchmark reform - Amendments to IFRS 39 "Financial Instruments: Recognition and measurement"	1 January 2020	None
Interest rate benchmark reform - Amendments to IFRS 9 "Financial Instruments: Disclosures"	1 January 2020	None

b) Forthcoming requirements

As at 31 December 2020, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2020.

	Effective Date	Impact
Reference to Conceptual Framework – Amendments to IFRS 3	1 January 2022	None
Annual improvements to IFRS Standards 2018 - 2020	1 January 2022	None
Classification of liabilities as current or non-current - Amendments to IAS 1	1 January 2023	None

The Directors do not expect the adoption of these standards, interpretations and amendments to have a material impact on the Group or Company financial statements in the period of initial application.

Basis of consolidation

Where Airnow PLC has control over an investee, it is classified as a subsidiary. Airnow PLC controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost (Note 3).

The consolidated financial statements present the results of Airnow PLC, its subsidiaries and associates as if they formed a single entity. Intercompany transactions and balances between Group companies are eliminated in full.

3. Summary of significant accounting policies

Foreign currency

For each entity, the Group determines the functional currency of the primary economic environment which the entity operates. The functional currency of the Company is GB Pound Sterling ("GBP" / "£"). The functional currencies of the Group's subsidiaries include United States Dollars and Euro ("EUR" / "€").

The presentation currency of the Group and the Company is USD as it is the normal currency for transactions in the digital advertising market place.

Transactions and balances denominated in foreign currency:

i) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.
ii) Foreign exchange gains and losses resulting from the settlement of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement within administrative expenses.

Consolidation of Group companies:
The results and financial position of Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i) Monetary assets and liabilities for each statement of financial liability are translated from the functional currency to USD using the closing rate at the date of that statement of financial position
ii) Income and expenses for each income statement are translated at average exchange rates of the period functional currency to USD.
iii) Non-monetary assets and liabilities, share capital, share premium, and other equity reserves are translated using the exchange rates prevailing at the dates of the transactions.
iv) The exchange differences arising from the translation of the net investment in foreign entities are recognised in other comprehensive income and accumulated in a separate component of equity.
v) Exchange differences are recycled to profit or loss as a reclassification adjustment upon disposal of the foreign operation.

Revenue recognition

The Group's primary source of revenue is from the delivery of performance-based advertising on mobile applications through its proprietary software development kit ("SDK") technology.

The Group's customers are direct advertisers, affiliate advertisers and advertising agencies with whom the Group will enter into a contract or ongoing master service agreement.

The Group generates revenue by charging its customers a fee based on a customer's total spend on advertising campaigns delivered through its platform. The customer's total spend on advertising is determined by multiplying an agreed performance metric option, such as cost per mil (CPM), impression (CPI), click (CPC) or action (CPA) with the volumes of units delivered.

The Group's other revenue includes sale of licences to use its software products on a rental basis for a fixed period of time. Revenue from licenses sold on a rental or subscription basis is recognised over the period for which the Group has obligations under the contract.

The Group also carries out non-recurring work under contracts or statements of work.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, sales-related taxes and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below.

Revenue from contracts is recognised in accordance with IFRS 15 as follows:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, which occurs when control of the goods or services underlying the relevant performance obligation is transferred to the customer.

Performance obligations and timing of revenue recognition

Revenues from performance-based advertising are recognised on completion of the performance criteria. In most cases, this is when the mobile user clicks through to an advertisement that has been displayed on a mobile application.

Revenues generated from ongoing master reseller agreements are based on a fixed price or milestone-based fee that are recognised over the period of the agreement in which the service is provided, and any relevant milestones are met.

Annual contracts for services are recognised on a monthly basis. Where advanced payments are made in advance of satisfying the performance obligation, these amounts are transferred to deferred revenue and recognised over the length of the contract.

Contracts for non-recurring services are invoiced and recognised when the performance obligations in a contract or statement of work has been completed.

Cost of sales

Cost of sales represents the direct and indirect expenses that are attributable to the services or product sold. They consist primarily of payments to mobile application developers as consideration for allowing the Company to integrate Airnow's SDK on their mobile applications and deliver the advertising on behalf of Airnow's customers. Cost of sales also includes hosting and data centre costs related to operating Airnow's SDK and delivery of advertisement content as well as payment processing fees.

Share-based payments

In normal operations, the Group operates equity settled share-based payment plans for remuneration of its employees. During 2020 no share-based schemes were in operation. New schemes were commenced in 2021.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (e.g. profitability or sales growth targets).

All share-based compensation is ultimately recognised as an expense in the income statement with a corresponding credit to the share-based payment reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, up to the nominal value of the shares issued are reallocated to common stock with any excess being recorded as additional share premium.

Where modifications are made to the vesting or lapse dates of options the excess of the fair value of the revised options over the fair value of the original options at the modification date is expensed over the remaining vesting period.

The cancellation of share options is accounted for as an acceleration of the vesting period and therefore any amount unrecognised that would otherwise have been charged should be recognised immediately.

Option grants generally vest over one to four years. The options have a contractual term of 10 years.

For stock options issued to non-employees, including consultants and contracted sales representatives, the Company records expense equal to the fair value of the options measured at the grant date.

Business combinations under common control

A common control transaction is a business combination in which all the combining entities or businesses are ultimately controlled by the same company before and after the combination. IFRS 3 provides no specific guidance on accounting for entities under common control and therefore other relevant standards have been considered. These standards refer to book value methodology that has been used for the following transactions.

Transfer of business from Priori Data to Airnow Data
On 12 August 2020 the business of Priori Data was transferred to another subsidiary Airnow Data. As both Priori Data and Airnow Data were under common control before and after the transaction, the transfer is scoped out of IFRS 3, and thus accounted for using book value method. Under this method, assets and liabilities were transferred from Priori Data to Airnow Data at book value and intangible assets are only recognised if they were recognised previously by Prior Data. No Goodwill is recorded, and expenses of the transfer are written off immediately in profit or loss. At the Group level the carrying value of the intangibles of the business have remained at the level of the BDO valuation (Note 27) less subsequent amortisation (Note 13).

Transfer of the ReachAds intangible and Ownership of Airpush Hong Kong
During the year, ownership of the ReachAds intangible was transferred from Airpush Inc to Airpush Hong Kong and the ownership of Airpush Hong Kong was transferred from Airpush Inc to Airnow PLC. These entities are under common control, the transfer of ownership of Airpush Hong Kong is scoped out of IFRS 3 and accounted for using the book value method. In the consolidated financial statements the carrying value of the ReachAds intangible has remained at the 2019 value less subsequent amortisation.

Business Combination and Goodwill

The Group uses the acquisition method of accounting for acquisitions of a subsidiary. The consideration transferred is measured at the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed in the period. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair value of net identifiable assets and liabilities acquired. Goodwill is recognised at the acquisition date.

Goodwill is capitalised as an intangible asset and is subsequently measured at cost less any accumulated impairment losses. Any impairment in carrying value is being charged to the consolidated statement of profit or loss. An impairment loss recognised for Goodwill cannot be reversed.

Goodwill is allocated to appropriate cash generating units (CGUs). Goodwill is not amortised but is tested annually for impairment or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

Non-controlling interests and equity accounting

An associate is an entity over which the Company has significant influence but not control, generally involving a shareholding of 20% to 50% of the voting rights of the entity. Significant influence is the power to participate in the financial and operating policy of the investee but not the ability to control those policy decisions. Investment in associates are accounted for using equity method of accounting.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment at each year end.

Intangible assets acquired as part of a business combination

Intangible assets acquired in a business combination are identified and recognised separately from Goodwill where they satisfy the definition of an intangible asset. Externally acquired intangible assets are initially recognised at cost which is their fair value at the acquisition date and comprise customer relationships, trade names and technology.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. The carrying values are tested for impairment when there is an indication that the value of the assets might be impaired.

All intangible assets acquired through business combinations are depreciated on a straight-line basis over their useful economic lives.

The significant intangible assets recognised by the Airnow Group and their useful economic lives are as follows:

Customer relationships	4 years
Technology	From 3 to 10 years

The amortisation expense is recognised within administrative expenses in the profit or loss.

Property, plant and equipment

Property, plant and equipment 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, the following assets have been depreciated using the declining-balance method. The estimated useful lives range as follows:

Office equipment	-	3 to 6 years on cost
Domain names	-	2 to 3 years on cost

Capitalised Development Costs

Expenditure on research activities undertaken with the prospect of gaining technical knowledge and understanding is recognised in the income statement as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by Group are recognised as intangible assets where the following criteria are met.

a) It is technically feasible to complete the asset so that it will be available for use;
b) Management intends to complete the asset and use or sell it;
c) There is an ability to use or sell the asset;
d) It can be demonstrated how the asset will generate probable future economic benefits;
e) Adequate technical, financial and other resources to complete the development and to use or sell the asset are available; and
f) The expenditure attributable to the asset during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the asset include the product development employee costs and appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits held with banks with a maturity of three months or less.

Notes to the Consolidated and Company Financial Statements (continued)
Summary of significant accounting policies (continued)

Financial assets

Classifications

On initial recognition, the Group classifies its financial assets as either those to be measured subsequently at fair value or those to be measured at amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. At each reporting year-end, the financial assets of the Airnow Group are all classified as receivables, cash and cash equivalents.

a) Financial assets subsequently measured at fair value through profit and loss

Financial assets at fair value through profit and loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling it in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current assets.

b) Financial assets at amortised cost

Financial assets at amortised cost are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest and are measured at amortised cost.

Recognition and measurement

Financial assets not carried at fair value through profit and loss are initially recognised at fair value plus transaction costs. Financial assets carried at fair value through profit and loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. Interest income from financial assets at amortised cost is included in finance income using the effective interest method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

Gains or losses arising from changes in fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within administrative expenses in the financial year in which they arise.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and it must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Impairment of financial assets carried at amortised cost

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables the Group applies a simplified approach permitted by IFRS 9 which requires expected lifetime losses to be recognised from initial recognition of the receivables. Further details are provided in Note 16.

Trade and other receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

They are initially recognised at fair value and measured subsequent to initial recognition at amortised cost using the effective interest method, less any impairment loss.

The Group's financial assets comprise trade receivables, other receivables (excluding prepayments), cash and cash equivalents.

Trade and other receivables - impairment

From 1 January 2018, the Group has applied an expected credit loss model to calculate the impairment losses on its trade receivables. The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. Trade receivables at the balance sheet date have been put into groups based on days past the due date for payment and an expected loss percentage has been applied to each group to generate the expected credit loss provision for each group and a total expected credit loss provision has thus been calculated.

Financial liabilities

Financial liabilities are recognised when the Airnow Group becomes a party to the contractual agreements of the instrument.

At initial recognition financial liabilities (trade and other payables, excluding other taxes and social security costs, bank borrowings and deferred income), are measured at their fair value plus, if appropriate, any transaction costs that are directly attributable to the issue of the financial liability. These financial liabilities are subsequently carried at amortised cost using the effective interest method.

The Group determines the classification of its financial liabilities at initial recognition and re-evaluate the designation at each financial year end.

A financial liability is de-recognised when it is extinguished, discharged, cancelled or expires.

Share capital

Financial instruments issued by the Airnow Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Airnow Group's share capital is classified as equity instruments and shown in Note 23.

Leases

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets, which are expensed to the profit & loss over the expense term.

The Group presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

There were no right-of-use assets nor lease liabilities at 31 December 2020 and 31 December 2019.

Retirement Benefits

The Group operates a defined contribution plan for its employees in the UK. 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 payments obligations. The Group also has a 401(k) plan, a type of defined contribution scheme in the United States in which all employees are eligible to participate after meeting eligibility requirements.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plans are held separately from the Group in independently administered funds.

Notes to the Consolidated and Company Financial Statements (continued)
Summary of significant accounting policies (continued)

Taxation

Current taxation
Current income tax assets and liabilities comprise those obligations to fiscal authorities in the countries in which the Group carries out its operations. They are calculated according to the tax rates and tax laws applicable to the fiscal period and the country to which they relate. All changes to current tax liabilities are recognised as a component of tax expense in the income statement unless the tax relates to an item taken directly to equity in which case the tax is also taken directly to equity. Tax relating to items recognised in other comprehensive income is recognised in other comprehensive income

Deferred taxation
Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the statement of financial position differs from its tax base, except for differences arising on:

- the initial recognition of Goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the deferred tax liabilities or assets are settled or recovered. Deferred tax balances are not discounted.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities.

Critical accounting estimates and judgements

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

Judgements

a) Fair value measurement (Note 27)

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of fair value. The inputs used in determining fair value measurements are observable direct or indirect inputs.

The management engaged an external valuer, BDO, to produce a valuation report of the fair value of the business acquired in the legal acquisition of Airpush Inc on 17 December 2019 ("BDO valuation"). As this has been accounted for as a reverse acquisition under IFRS 3, Airpush Inc is the accounting acquirer and the valuation is of the business of Airnow PLC and its direct subsidiaries on 17 December 2019. A purchase price allocation was undertaken to identify the technology and customer relationships acquired. The fair values of these intangible assets are shown in Note 27.

The determination of the fair value of intangible assets, including Goodwill arising on the acquisition of businesses, which is expected to generate future economic benefits, is based on management's judgement.

The fair value of assets is determined by discounting estimated future net cash flows generated by the asset where no active market for the assets exists. The use of different assumptions for the expectations of future cash flows, the discount rate and useful life of intangibles are inherently based on management's judgement and would change the valuation of the intangible assets.

Allocation of the purchase price affects the results of the Group as finite life intangible assets are amortised, whereas indefinite lived intangible assets, including Goodwill, are not amortised and could result in differing amortisation charges based on the allocation to indefinite lived and finite lived intangible assets Impairment of Goodwill and intangible assets acquired in a business combination.

b) Impairment of Goodwill and intangible assets acquired in a business combination (Note 13 and 14)

IFRS requires management to undertake an annual test for impairment of indefinite life assets and finite life assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

As set out in the accounting policies above, intangible assets acquired in a business combination other than Goodwill are capitalised and amortised over their useful lives. Both initial valuations and valuations for subsequent impairment tests are based on risk adjusted future cash flows discounted using appropriate discount rates. These future cash flows will be based on forecasts and the discount rates which are inherently judgemental. Future events could cause the assumptions to change which could have an adverse effect on the future results of the Group.

c) Principal vs Agent (Note 5)

The entity is a principal if it controls the specified good or service before that good or service is transferred to a customer. Management assessed whether Zhenli Technology, a wholly owned subsidiary, acts as principal or agent in its transactions with Amazon and GMobi India based on the following indications that an entity controls specified good or service as defined by IFRS 15.

i) The entity is primarily responsible for fulfilling the promise to provide goods or service
ii) The entity has inventory risk before the specified good or service has been transferred to a customer and
iii) The entity has discretion in establishing the price for the specified good or service.

Management concluded Zhenli is acting as principal in these transactions and on this basis, revenue in relation to Zhenli Technology is recorded gross.

d) Consolidation of Avantis assets within Airnow PLC Group (Note 27)

On 19 August 2020, Airnow PLC agreed to purchase from Avantis certain assets as set out in Note 25 ("Original Agreement").

On 6 April 2021 Airnow PLC and Avantis entered into a further agreement to terminate the Original Agreement as amended.

Management assessed this event and concluded that it is a non-adjusting post balance sheet event. The rationale for this assessment was that the Original Agreement conditions had been met and the acquisition had completed with the Group having control of the assets acquired and at 31 December 2020 the clear intention of the Group was to continue to operate under the Original Agreement as revised by a further agreement dated 1 December 2020.

e) Assets repurchased from Airpush Inc (Note 26)

Management assessed the acquisition of assets from Airpush Inc (in administration) and concluded the transaction be defined as an asset purchase rather than the acquisition of a business. This is based on the amount of fair value of the transaction being concentrated in a single identifiable asset of intellectual property being the Airpush Inc technology which is included as an addition within Technology intangibles of USD 10.2 million. Details are shown in Note 13 Intangible Assets.

f) Recoverability of investment in subsidiaries including intra group receivables (Note 14)

The recoverability of investments in subsidiaries, including intra group receivables, is directly linked to the recoverability of the underlying assets, which is subject to estimates and judgement as explained in impairment of intangible assets above.

Estimates

a) Convertible loan note (Note 20)

On 30 December 2017 Airpush Inc entered into a convertible promissory note and assignment agreement with Gogoplata Ventures LLC. The annual interest rate for this note was 20% and the Group has assessed the market interest for this note was 20%. In December 2019 the agreement was amended upon the negotiation of a new facility with Harbert. These facilities are shown in Note 20 Loans and Borrowings.

b) Taxation (Note 9)

In recognising income tax assets and liabilities, management makes estimates of the likely outcome of decisions by tax authorities on transactions and events whose treatment for tax purposes is uncertain. Where the final outcome of such matters is different, or expected to be different, from previous assessments made by management, a change to the carrying value of income tax assets and liabilities will be recorded in the period in which such a determination is made. In recognising deferred tax assets and liabilities management also makes judgements about likely future taxable profits. The carrying values of current tax and deferred tax assets and liabilities are disclosed separately in the consolidated statement of financial position.

c) Impairment (Note 13 and 14)

In assessing the carrying value of investments in subsidiaries and intangibles, management makes estimates of the appropriate risk adjusted cost of capital for each business unit and uses cashflow forecasts to obtain a value in use from a discounted cashflow.

To evaluate the recoverable amount of each intangible within a CGU based on value in use, the following key information should be noted.

- The recoverable amounts have been determined using the cashflow forecast from its most recent financial plans projected for a five-year period and then extrapolated into perpetuity, with a discount rate applied.
- The financial plans have been prepared at the cash generating unit level based on historical trends adjusted for expected events. Projected adjusted revenue for each CGU is expressed as the compound annual growth rates (CAGR) in the initial five years of the forecasts used for impairment testing. This methodology places strong emphasis on early year cash flows and revenue growth assumptions in evaluating impairment.

Notes to the Consolidated and Company Financial Statements (continued)

4. Financial instruments – risk management

The Board of directors of Airnow has overall responsibility for the determination of the Airnow Group's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Airnow Group's competitiveness and flexibility. The Airnow Group reports in US Dollars $. All funding requirements and financial risks are managed based on policies and procedures adopted by the board.

The Airnow Group is exposed to the following financial risks:

- Market risk
- Interest rate risk
- Foreign exchange risk
- Credit risk
- Liquidity risk

In common with all other businesses, the Airnow Group is exposed to risks that arise from its use of financial instruments. The principal financial instruments used by the Airnow Group, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Bank loans

To the extent financial instruments are not carried at fair value in the consolidated statement of financial position, book value approximates to fair value at 31 December 2020, 31 December 2019 and 1 January 2019.

Trade and other receivables are measured at amortised cost. Book values and expected cash flows are reviewed by the Board and any impairment charged to the consolidated statement of comprehensive income in the relevant period.

Trade and other payables are measured at amortised cost.

Financial instruments by category

Financial assets

	2020	**2019**
	$'000	**$'000**
Current		
Cash and cash equivalents	1,549	418
Trade receivables – due at reporting date	939	493
Trade receivables – not due at reporting date	12,267	859
Gross trade receivables	13,206	1,352
Less provision for impairment	(86)	(75)
Trade receivables - net	13,120	1,277
Accrued income	26	426
Receivables at amortised cost	13,146	1,703
Financial assets at amortised cost	**14,695**	**2,121**

Financial liabilities

	2020 $'000	2019 $'000
Trade payables	13,779	11,177
Other payables	23,558	1,920
Deferred income	239	899
Accruals	7,203	4,182
Trade and other payables	**44,779**	**18,178**
Bank loans – fixed interest rate	5,115	2,264
Convertible loan note	2,500	2,500
Factoring	-	550
Loans and borrowings	**7,615**	**5,314**
Financial liabilities at amortised cost	**52,394**	**23,492**

The management of risk is a fundamental concern of the Airnow Group's management. This note summarises the key risks to the Airnow Group and the policies and procedures put in place by management to manage them.

a) Market risk

Market risk arises from the Airnow Group's use of interest-bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or foreign exchange rates (foreign exchange risk).

b) Interest rate risk

The Airnow Group borrowings are all on a fixed rate basis and thus the Airnow Group are not exposed to interest rate risk. Loans and other borrowings are disclosed in Note 20.

Notes to the Consolidated and Company Financial Statements (continued)
Financial instruments – risk management (continued)

c) Foreign exchange risk

The Group and Company operate internationally and are exposed to foreign exchange risk arising from transactional currency exposures, primarily in US Dollars $. Foreign exchange risk arises from recognised assets and liabilities and future commercial transactions.

Foreign exchange risk is managed centrally by the Group finance team. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Group's functional currency.

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in Sterling £ and in Euro € being reported in US Dollars $.

Sterling £	**2020**	**2019**
	$'000	**$'000**
Cash & equivalents	1,304	1
Trade & other receivables	12,433	1,551
Other payables and accruals	(16,378)	(8,314)
Bank overdrafts	(27)	(660)
	(2,668)	**(7,422)**

Euro €	**2020**	**2019**
	$'000	**$'000**
Cash & equivalents	16	34
Trade & other receivables	13	165
Other payables and accruals	(185)	(977)
Loans and borrowings	(5,010)	(1,603)
	(5,166)	**(2,381)**

Sensitivity analysis

The following table indicates the change in the Group's loss for the period and accumulated losses that would arise if foreign exchange rates in Sterling £ and Euro to which the Group has significant exposure at the end of each reporting period had changed at that date, assuming all other risk variables remained constant.

Sterling £ currency change	**2020**	**2019**
Profit or loss	**$'000**	**$'000**
10% strengthening of sterling	(593)	(61)
10% weakening of sterling	593	50
Net assets/(liabilities)		
10% strengthening of sterling	(267)	(1,078)
10% weakening of sterling	267	890

Euro currency change	**2020**	**2019**
Profit or loss	**$'000**	**$'000**
10% strengthening of euro	(50)	(65)
10% weakening of euro	50	53
Net assets/(liabilities)		
10% strengthening of euro	(513)	(349)
10% weakening of euro	513	285

d) Credit risk

Credit risk is the risk of financial loss to the Airnow Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Airnow Group is mainly exposed to credit risk from credit sales. The Airnow Group's net trade receivables for the two reported periods are disclosed in the financial assets table above.

The Airnow Group attempts to mitigate credit risk by assessing the credit rating of new customers prior to entering into contracts and by entering contracts with customers with agreed credit terms.

In order to minimise this credit risk, the Airnow Group 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 value of the outstanding amount.

Airnow evaluates the collectability of its accounts receivable and provides an allowance for expected credit losses based upon the ageing of receivables as shown in Note 16 Trade and other receivables.

The Group considers an accounts receivable to be in default when there is no realistic receipt of contractual funds. At this point the amount owing to Group is written off.

Other receivables comprise prepayments, the management do not consider that there is any concentration of risk within other receivables.

Credit risk on cash and cash equivalents is considered to be small as the counterparties are all substantial banks with high credit ratings. The deposits and cash balances at the main banks are partly insured, some balances at smaller foreign banks are not insured but are not material. The maximum exposure is the amount of the deposit. To date, Airnow has not experienced any losses on its cash and cash equivalent deposits.

e) Liquidity risk

Liquidity risk arises from the Airnow Group's management of working capital. It is the risk that the Airnow Group will encounter difficulty in meeting its financial obligations as they fall due. The Group plans to acquire additional financing, the Company is in constant negotiations with the venture capitals and financial institutions. The Airnow Group also uses an invoice discounting facility to help manage this risk. The table below analyses the Airnow Group's financial liabilities by contractual maturities and all amounts disclosed in the table are the undiscounted contractual cash flows:

GROUP

31 December 2020	**Within 1 year $'000**	**1-2 years $'000**	**2-5 years $'000**
Trade/other payables and accruals	44,540	-	-
Bank loans	5,115	-	-
Convertible loan note	-	-	2,500
Factoring	-	-	-
	49,655	**-**	**2,500**

31 December 2019	**Within 1 year $'000**	**1-2 years $'000**	**2-5 years $'000**
Trade/other payables and accruals	17,279	-	-
Bank loans	2,264	-	-
Convertible loan note	-	-	2,500
Factoring	550	-	-
	20,093	**-**	**2,500**

f) Capital management

The Airnow Group's capital is made up as follows:

	2020 $'000	2019 $'000
Share capital	5,032	4,301
Share premium	29,686	17,043
Deferred shares	5,180	5,180
Shares to be issued	3,095	10,914
Treasury shares reserve	(264)	(264)
Merger reserve	11,645	82,009
Reverse Acquisition reserve	-	(82,387)
Share-based payment reserve	29	30
Retained earnings & foreign exchange reserve	(26,140)	(19,763)
	28,263	**17,063**

The Airnow Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The capital structure of the Airnow Group consists of shareholders' equity as set out in the consolidated statement of changes in equity. All working capital requirements are financed from existing cash resources and borrowings.

5. Revenue from contracts with customers and segmental information

Revenue from contracts with customers

Disaggregation of revenue

The Group has disaggregated revenue into various categories in the following table which is intended to:

- depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic date; and
- enable users to understand the relationship with revenue segment information.

Year ended 31 December 2020

Primary geographic markets

	Media $'000	Data $'000	Total $'000
USA	17,796	200	17,996
United Kingdom	2,595	83	2,678
Rest of the World	11,554	669	12,223
	31,945	**952**	**32,897**

The Airnow Group has a 50% holding in Airnow Cybersecurity Ltd, a company incorporated on 9 January 2019. Airnow Cybersecurity Ltd supplies cybersecurity services to Business customers. During the year to 31 December 2020, Airnow Cybersecurity Ltd had revenues of USD 0.374 million. The results of Airnow Cybersecurity are accounted for on an equity basis in the Airnow Group financial statements, see Note 14.

Contract counterparties

	Media $'000	Data $'000	Total $'000
Direct to consumers	-	-	-
B2B Services	31,945	952	32,897
	31,945	**952**	**32,897**

Product types

	Media $'000	Data $'000	Total $'000
Digital services	31,945	952	32,897
	31,945	**952**	**32,897**

Timing of transfer of services

	Media $'000	Data $'000	Total $'000
Over time	640	339	979
Point in time	31,305	613	31,918
	31,945	**952**	**32,897**

Notes to the Consolidated and Company Financial Statements (continued)
Revenue from contracts with customers (continued)

Year ended 31 December 2019

Primary geographic markets

	Media $'000	Data $'000	Total $'000
USA	1,848	-	1,848
United Kingdom	-	-	-
Rest of the World	7,242	-	7,242
	9,090	**-**	**9,090**

Contract counterparties

	Media $'000	Data $'000	Total $'000
Direct to consumers	-	-	-
B2B Services	9,090	-	9,090
	9,090	**-**	**9,090**

Product types

	Media $'000	Data $'000	Total $'000
Digital services	9,090	-	9,090
	9,090	**-**	**9,090**

Timing of transfer of services

	Media $'000	Data $'000	Total $'000
Point in time	9,090	-	9,090
	9,090	**-**	**9,090**

Contract balances

Balance of trade receivables are presented in Note 16. The Group does not have any contract assets or liabilities (2019: none).

Remaining performance obligations

The Group does not enter into sales contracts greater than 12 months.

Segmental information

The management team including key management members and the Directors are responsible for allocating resources and assessing performance of the business and other activities at the operating segment level.

The Group is organised into three operating segments: media, data, and cybersecurity. Cybersecurity services are offered through an equity accounted associate and hence the respective revenue is not disclosed in the table below.

(a) Revenue from operations

	2020 $'000	2019 $'000
Revenue arises from:		
Media	31,945	9,090
Data	952	-
	32,897	9,090

No customer accounts for more than 10% of revenue.

(b) Geographic markets

An analysis of top external revenue by geographic market is given below:

	2020 $'000	2019 $'000
United States of America	17,996	1,848
United Kingdom	2,678	-
Rest of the World	12,223	7,242
	32,897	9,090

An analysis of non-current assets by geographical location of assets:

	2020 $'000	2019 $'000
United States of America	-	9,540
United Kingdom	26,993	31,862
Rest of the World	29,375	3
Total	56,368	41,405

Notes to the Consolidated and Company Financial Statements (continued)

6. Expense by nature

	2020 $'000	2019 $'000
Cost of sales – continuing operations		
Technical support – Avantis	19,685	-
Hosting Costs	1,075	5,879
Technical support	711	815
Commission	37	-
Total Cost of Sales	21,508	6,694

Administration costs – continuing operations		
Restructuring costs	73	-
Amortisation	5,847	1,060
Depreciation	3	-
Wages and salaries	2,602	1,561
Administration	3,926	3,947
Telephone	1,294	-
Listing costs	1,139	-
Contractor costs	715	-
Auditor remuneration	105	150
Professional fees	404	-
Acquisition costs	300	-
Software & apps	345	-
Foreign exchange	336	-
Total Administration costs	17,089	6,718

Impairment reversal

Airnow PLC negotiated a return of certain shares that were issued to shareholders of Airpush Inc on 17 December 2019. These shares will be held for the benefit of Airnow PLC. The value of these shares is shown as a receivable to the consolidated and company's statement of financial position (Note 16) and a credit to the consolidated and company's statement of comprehensive income, being a part reversal of the 2019 impairment of the carrying value of investment in Airpush Inc. The value of shares is denominated in Sterling and converted to USD using year end and average exchange rate.

	(10,952)	-
Total Impairment reversal	(10,952)	-

	2020 $'000	2019 $'000
External auditor's remuneration:		
Group – Fees payable to the Group's external auditor and its associates for the audit of the Company and consolidated financial statements financial statements		
PKF Littlejohn LLP	105	-
Moore Kingston Smith	-	150
Fees payable to the external auditor and its associates in respect of other services	-	-
Total	105	150

7. Staff costs

The average monthly number of employees during the period was as follows:

	2020	2019
Management	8	5
Operations and administration	29	48
Total	37	53

Within operating costs:

	2020 $'000	2019 $'000
Wages and salaries	2,378	1,361
Defined contribution pension cost	60	53
Social security contributions and similar taxes	206	120
Share based payment (credit) / expense	(42)	27
Total	2,602	1,561

The staff costs for continuing businesses above for 2019 included Airnow PLC and its subsidiaries for the period from 17 December 2019 to 31 December 2019 after the business combination with Airpush Inc.

Within costs capitalised as intangible assets:

	2020 $'000	2019 $'000
Wages and salaries	455	-
Defined contribution pension cost	1	-
Social security cost contributions and similar taxes	24	-
Share based payment expense	-	-
Total	480	-

Key management personnel compensation for continuing businesses was made up as follows:

	2020 $'000	2019 $'000
Salaries/fees	535	430
Share based payment expense	-	10
	535	440

The highest paid Director received remuneration of USD 0.35 million (2019: USD 0.05 million).

The following directors' remuneration of Airnow PLC is included in the staff costs for 2019 for the enlarged Group for the period from 17 December 2019 to 31 December 2019.

	2019
	$'000
Salaries/fees	27
Pension costs	-
Share based payment expense	11
	38

COMPANY

The average monthly number of employees during the period was as follows:

	2020	**2019**
Management	6	4

8. Finance expense

	2020	**2019**
	$'000	**$'000**
Finance expenses		
Interest on bank loans	451	177
Interest on convertible loan note	375	500
Other finance costs	29	-
Total finance expense	855	677

Notes to the Consolidated and Company Financial Statements (continued)

9. Taxation

	2020 $'000	2019 $'000
Corporate tax	-	-
Foreign tax	-	294
State tax	1	(3)
Total current tax expense/(credit)	1	291
Deferred tax		
Origination and reversal of timing differences	(270)	(621)
Tax credit for the year	(269)	(330)
Income tax (credit)/expense from continuing operations	(269)	(273)
Income tax credit from discontinued operations	-	(57)
Tax credit for the year	(269)	(330)

The tax assessed for the year is different from the standard rate of corporation tax as applied in the respective trading domains where the Group operates. The differences are explained below:

	2020 $'000	2019 $'000
Profit / (loss) before tax – continuing and discontinued operations	4,397	(12,223)
Profit / (loss) before tax multiplied by the respective standard rate of corporation tax applicable – 19% (2019: 25%)	835	(3,056)
Effects of:		
State taxes	1	(3)
Overseas tax rates	-	294
(Profit) / loss not recognised as deferred taxation	(1,105)	3,056
Deferred tax credit – amortisation and impairment of intangibles	-	(621)
Tax credit for the year	(269)	(330)
Continuing	(269)	(273)
Discontinued	-	(57)
Tax credit for the year	(269)	(330)

For 2019, the USA corporation tax rate of 25% (including USA state tax rate) was used as the Group results include Airpush Inc Group results for the year to 31 December 2019 and only 14 days to 31 December 2019 of Airnow PLC Group companies in the UK and Germany. Hence, the 2019 corporation tax rate was not adjusted. In 2020, the UK Corporation tax rate of 19% was used.

The Group had losses for tax purposes of approximately USD 32.2 million as at 31 December 2020 (2019: USD 24.4 million) which, subject to agreement with taxation authorities, are available to carry forward against future profits. They can be carried forward indefinitely.

As the timing and extent of taxable profits are uncertain, the deferred tax asset arising on the above losses and net of accelerated timing differences has not been recognised in the financial statements.

Notes to the Consolidated and Company Financial Statements (continued)

10. Discontinued operations

The management made a strategic withdrawal from anti-piracy monetisation tool business within the media segment and certain geographical area of operations comprising of Tapcore BV, SIA Tapcore and Airpush India at 31 December 2019. The combined results for these discontinued businesses are shown below:

	Note	2020 $'000	2019 $'000
Revenue	5	-	383
Cost of sales		-	(628)
Gross loss		-	(245)
Administrative expenses		-	(6,959)
Operating loss		-	(7,204)
Finance expense		-	(20)
Loss before tax		-	(7,224)
Tax credit	9	-	57
Loss on discontinued operation, net of tax		**-**	**(7,167)**

The discontinued business did not meet the criteria under IFRS 5 'Non-current assets held for sale and discontinued operations' for its assets and liabilities to be classified as held for sale in the Group's financial position as at 31 December 2019.

11. Earnings per share

	2020	2019
Profit / (loss) attributable to shareholders of the Company ($'000)		
- Continuing operations	4,666	(4,726)
- Discontinued operations	-	(7,167)
- Total operations	4,666	(11,893)
Weighted average number of ordinary shares ('000)	73,572	57,709
Diluted weighted average number ordinary shares ('000)	73,808	-
Basic earnings (loss) per share (Cents):		
- Continuing operations	6.3	(8.2)
- Discontinued operations	-	(12.4)
- Total operations	6.3	(20.6)
Diluted earnings (loss) per share (Cents):		
- Continuing operations	6.3	(8.2)
- Discontinued operations	-	(12.4)
- Total operations	6.3	(20.6)

Basic earnings / loss per share is calculated by dividing the profit or loss for the period of the Group by the weighted average number of ordinary share capital of Airnow PLC. Where a loss has been recorded the effect of options is not dilutive and therefore the basic and diluted figure are the same.

For 2019, the weighted average number of shares is calculated using the number of Airnow PLC shares that were owned by the accounting acquirer Airpush Inc pre and post the business combination on 17 December 2019.

12. Property, plant and equipment

GROUP	Office equipment $'000	Domain names $'000	Total $'000
COST			
At 1 January 2019	260	9	269
Additions	-	-	-
Disposals	-	-	-
At 31 December 2019	260	9	269
Additions	16	-	16
Disposals	(260)	-	(260)
At 31 December 2020	16	9	25
DEPRECIATION			
At 1 January 2019	257	9	266
Charge for period	-	-	-
Disposals	-	-	-
At 31 December 2019	257	9	266
Charge for period	3	-	3
Disposals	(257)	-	(257)
At 31 December 2020	3	9	12
NET BOOK VALUE			
At 31 December 2019	3	-	3
At 31 December 2020	13	-	13

Notes to the Consolidated and Company Financial Statements (continued)
Property, plant and equipment (continued)

COMPANY	Office equipment $'000	Total $'000
COST		
At 1 January 2019	-	-
Additions	-	-
Disposals	-	-
At 31 December 2019	-	-
Additions	6	6
Disposals	-	-
At 31 December 2020	6	6
DEPRECIATION		
At 1 January 2019	-	-
Charge for period	-	-
Disposals	-	-
At 31 December 2019	-	-
Charge for period	1	1
Disposals	-	-
At 31 December 2019	1	1
NET BOOK VALUE		
At 31 December 2019	-	-
At 31 December 2020	5	5

Notes to the Consolidated and Company Financial Statements (continued)

13. Intangible assets

GROUP	Goodwill[1]	Trade name	Technology[2]	Software	Customer Relationships	Total
	$'000	$'000	$'000	$'000	$'000	$'000
COST						
At 1 January 2019	2,232	120	916	76	1,248	4,592
Additions	-	-	10,600	-	-	10,600
Acquisitions	22,679	-	7,636	-	1,547	31,862
At 31 December 2019	24,911	120	14,152	76	2,795	47,054
Foreign exchange	-	-	351	-	-	351
Additions	-	-	14,248	-	29,000	43,248
Write off due to administration	(24,911)	(120)	-	(76)	(1,248)	(26,355)
At 31 December 2020	-	-	33,751	-	30,547	64,298
AMORTISATION AND IMPAIRMENT						
At 1 January 2019	-	33	420	75	430	958
Charge for period	-	24	1,365	-	312	1,701
Impairment for period	2,232	63	191		507	2,993
At 31 December 2019	2,232	120	1,976	75	1,249	5,652
Foreign exchange	-	-	120	-	-	120
Charge for period	-	-	3,845	-	2,002	5,847
Write off due to administration	(2,232)	(120)	-	(75)	(1,249)	(3,676)
At 31 December 2020	-	-	5,941	-	2,002	7,943
NET BOOK VALUE						
At 31 December 2019	22,679	-	17,176	1	1,546	41,402
At 31 December 2020	-	-	27,810	-	28,545	56,355

[1] Goodwill written off upon administration of Airpush Inc

[2] Technology intangible asset is the development of proprietary software development which contributes to the Group's primary source of revenue.

Remaining amortisation period:

Customer relationships	4 years
Technology	2.5 years

Notes to the Consolidated and Company Financial Statements (continued)
Intangible assets (continued)

COMPANY	Technology	Total
	$'000	$'000
COST		
At 1 January and 31 December 2019	-	-
Additions	282	282
At 31 December 2020	282	282
At 1 January and 31 December 2019	-	-
Charge for period	35	35
At 31 December 2020	35	35
NET BOOK VALUE		
At 31 December 2019	-	-
At 31 December 2020	247	247

Amortisation charges on the Group's and parent's intangible assets are recognised in the administrative expenses line item in the statement of profit or loss and other comprehensive income.

The carrying value of Goodwill per CGU was as follows:

	2020 $'000	2019 $'000
Airnow PLC	-	22,679
	-	22,679

Goodwill arising on the reverse acquisition of Airnow PLC

On 17 December 2019 Airnow PLC and Airpush Inc completed an agreement under which Airnow PLC acquired the entire common stock of Airpush Inc in exchange for new shares in Airnow PLC. On 17 December 2019, 48,384,601 new shares of Airnow PLC were issued to holders of common stock in Airpush Inc. Based on the reverse acquisition rules, the calculation of the Goodwill of USD 22.7 million is related to the acquisition of Airnow PLC and this is as detailed in Note 27.

Reversal of the Goodwill arising on the reverse acquisition of Airnow PLC

On 17 November 2020 the accounting acquirer Airpush Inc was placed into administration and the legal parent Airnow PLC purchased from the administrator of Airpush Inc certain assets to continue the trade. The Goodwill on consolidation of USD 22.7 million that arose in the 2019 financial statements has been fully impaired in the 2020 financial statements.

Other Intangible Assets during the year to 31 December 2020

Repurchase of Assets from the Administration of Airpush Inc

On 17 November 2020 the accounting acquirer Airpush Inc was placed into administration and the legal parent Airnow PLC purchased from the administrator of Airpush Inc certain assets to continue the trade. Included within Technology intangibles is USD$ 10.2m in respect of intellectual property purchased from the administrator.

Purchase of Assets from Avantis Team Technologies

Airnow Video a subsidiary of Airnow PLC has recognised intangibles of USD 31.4m on the purchase of certain assets from Avantis, USD 29.0m in respect of customer relationships and USD 2.4m in respect of Technology. The acquisition is described in Note 25.

Transfer of ReachAds Intangible

The ReachAds technology intangible described in Note 25 was transferred from Airpush Inc to Airpush Hong Kong prior to the administration of Airpush Inc.

Impairment review

The Technology and Customer relationships intangibles were reviewed for impairment as at 31 December 2020. These impairment tests were based upon future cash flow forecasts for the cash generating unit (CGU) holding the intangibles and these forecasts were based upon management judgement. Management concluded no impairment was required.

In order to evaluate the recoverable amount of each intangible within a CGU based on value in use, the following key information should be noted.

- The recoverable amounts have been determined using the cashflow forecast from its most recent financial plans projected for a five-year period and then extrapolated into perpetuity, with a discount rate applied.
- The financial plans have been prepared at the cash generating unit level based on historical trends adjusted for expected events. Projected adjusted revenue for each CGU is expressed as the compound annual growth rates (CAGR) in the initial five years of the forecasts used for impairment testing. This methodology places strong emphasis on early year cash flows and revenue growth assumptions in evaluating impairment.
- The revenue growth started with a high revenue growth in year 1 (Year 2021) based on management projections and followed by the use of CAGR in subsequent years (Year 2022-2025) with gradual tapered revenue growth to reach 2% in the terminal period.
- The post adjusted discount rate is based on an adjusted weighted average cost of capital (WACC) of 17.9%.
- The perpetual growth rate reflects the maturity, penetration and profile of the cash generating units with 2% applied for each CGU.

Value in Use assumptions

The table below shows key assumptions used in the value in use calculations for each of the cash generating units (CGU):

	Airnow Media	Abilott Limited	Appscatter Limited	Airnow Data
Post-tax adjusted discount rate	17.9%	17.9%	17.9%	27.9%
Projected adjusted revenue – CAGR	15.8%	31.4%	15%	44%
Long-term growth rate	2.0%	2.0%	2.0%	2.0%

Notes to the Consolidated and Company Financial Statements (continued)

14. Subsidiaries

The principal subsidiaries of Airnow PLC, all of which have been included in the consolidated financial statements, are as follows:

	Country of Incorporation	Parent	Ownership interest at 31 Dec 2020	Nature of business
appScatter Limited	UK	Airnow PLC	100%	Software Development
appScatter LLC (Delaware) [2]	US	appScatter Limited	100%	Software Development
Abilott Limited [1]	UK	Airnow PLC	100%	Digital security solutions
Airnow Data Limited [1]	UK	Airnow PLC	100%	SaaS platform for mobile
Priori Data GmbH [3]	Germany	Airnow PLC	100%	SaaS platform for mobile
Airnow Media Limited [1]	UK	Airnow PLC	100%	Digital advertising
Airnow Media LLC [4]	US	Airnow PLC	100%	Digital advertising
Airnow Video Limited [5]	Israel	Airnow PLC	100%	Digital advertising
Airpush Hong Kong Co., Ltd [6]	Hong Kong	Airpush PLC	100%	Digital advertising
Zhenli (Shanghai) Information and Technology Limited [7]	P.R. of China	Airpush Hong Kong Co., Ltd	100%	Digital advertising
DSH Labs LLC (Delaware) [2]	US	appScatter Limited	100%	Software Development
		Subsidiaries of Airnow PLC in administration at 31 December 2020		
Airpush Inc.	US	Airnow PLC	100%	Digital advertising
Airpush India Holdings, Inc	US	Airpush Inc.	100%	Dormant
Airpush India PVT*	India	See note below	100%	Digital advertising
Tapcore BV	Netherlands	Airpush Inc.	100%	Digital advertising
SIA Tapcore**	Latvia	See note below	100%	Digital advertising

[1] Salisbury House, London Wall, London, England, EC2M 5PS
[2] 9 East Lookerman St STE 202, Dover, Kent, DE, 19901 USA
[3] Techspace Kreuzberg, Lobeckstrasse 36-40, Berlin, 10969, Germany
[4] Harvard Business Services, Inc 16192 Coastal Highway, Delaware, 19958
[5] 132 Begin Road, Tel Aviv Jaffa, 6701101, Israel.
[6] Flat 01B3, 10/F Carnival Comm, Bldg 18, Java Rd North Point. Hong Kong
[7] B2104, Lee Kum Kee Building, 970 Nanning Road, Xuhui, Shanghai, China

On 17 December 2019 upon the reverse acquisition of Airnow PLC, Airnow PLC acquired the common stock of Airpush Inc and recorded a new investment in its legal subsidiary Airpush Inc.

* 0.01% of Airpush India PVT owned by Airpush India Holdings, Inc and the remainder by Airpush Inc.
** 10% of SIA Tapcore is owned by Tapcore BV and the remainder by Airpush Inc.

Investment movements	**2020 $'000**	**2019 $'000**
Opening balance	61,773	19,263
Acquisitions	6,746	-
Acquisition of Airpush Inc	-	97,142
Return of Shares	(11,728)	-
Impairment during the year	11,728	(55,469)
Airpush Inc into administration	(41,673)	-
Share consideration - Avantis	2,718	-
Foreign exchange	(106)	837
Closing balance	29,458	61,773

Airpush Inc Administration

On 17 November 2020 the accounting acquirer Airpush Inc was placed into administration and the legal parent Airnow PLC purchased from the administrator of Airpush Inc certain assets to continue the trade. The Group consolidated financial statements contain profit or loss of Airpush Inc. to the date of administration.

Return of Shares

Airnow PLC negotiated a return of certain shares that were issued to shareholders of Airpush Inc on 17 December 2019. These shares will be held for the benefit of Airnow PLC. The value of these shares is shown as a receivable to the consolidated and company's statement of financial position (Note 16) and a credit to the consolidated and company's statement of comprehensive income (Note 6) being a part reversal of the 2019 impairment of the carrying value of investment in Airpush Inc. The value of shares is denominated in Sterling and converted to USD using year end and average exchange rate.

Impairment

At each reporting year end, the carrying value of each investment in a subsidiary is tested for impairment to assess whether the value of the investment carried at no more than its recoverable amount. When carrying out impairment tests these would be based upon future cash flow forecasts for the cash generating unit of each investment and these forecasts would be based upon management judgement.

In order to evaluate the recoverable amount of each CGU based on value in use, the following key information should be noted.

- The recoverable amounts have been determined using the cashflow forecast from its most recent financial plans projected for a five-year period and then extrapolated into perpetuity, with a discount rate applied.
- The financial plans have been prepared at the cash generating unit level based on historical trends adjusted for expected events. Projected adjusted revenue for each CGU is expressed as the compound annual growth rates (CAGR) in the initial five years of the forecasts used for impairment testing. This methodology places strong emphasis on early year cash flows and revenue growth assumptions in evaluating impairment.
- The revenue growth started with a high revenue growth in year 1 (Year 2021) based on management projections and followed by the use of CAGR in subsequent years (Year 2022-2025) with gradual tapered revenue growth to reach 2% in the terminal period.
- The post adjusted discount rate is based on an adjusted weighted average cost of capital (WACC) of 17.9%.
- The perpetual growth rate reflects the maturity, penetration and profile of the cash generating units with 2% applied for each CGU.

Value in Use assumptions

The table below shows key assumptions used in the value in use calculations for each of the cash generating units (CGU):

	Airnow Media	Abilott Limited	appScatter Limited	Airnow Data
Post-tax adjusted discount rate	17.9%	17.9%	17.9%	27.9%
Projected adjusted revenue – CAGR	15.8%	31.4%	15%	44%
Long-term growth rate	2.0%	2.0%	2.0%	2.0%

Sensitivity to changes in assumptions

Management considered a change in the key revenue assumption while leaving all other assumptions unchanged. This would cause the impairment of the carrying amount to change as follows:

Subsidiaries (continued)

	Airnow Media	Abilott Limited	appScatter Limited	Airnow Data
Projected adjusted revenue CAGR reduced by:	10%	10%	10%	10%
Impairment of carrying value:	$10.1m	$1.1m	$-	$7.1m

The Directors carried out an impairment review of the carrying value of the subsidiaries as at 31 December 2020 and the amount charged was USD nil (2019: USD 55.5m).

Net amounts due from subsidiaries

The amounts have no fixed repayment terms and are repayable on demand. Management assess recoverability within investment impairment testing. At 31 December 2020, management concluded all amounts due from subsidiaries are recoverable.

15. Investments in associates

The following entity is an associate of the Airnow Group and has been treated in the consolidated financial statements using the equity method:

	Country of Incorporation	Parent	Ownership interest at 31 Dec 2020	Nature of business
Airnow Cybersecurity Ltd	UK	Airnow PLC	50%	Digital security solutions

Airnow Cybersecurity Ltd (formally Abilott Sales Ltd) was incorporated in the United Kingdom on 9 January 2019. The primary business of Airnow Cybersecurity Ltd is digital security solution provision, which is in line with the Group's digital provision strategy. The Group holds a 50% interest in the Company and which the Group has determined it has the power to exercise significant influence but has no control over it, and as such the investment in Airnow Cybersecurity is accounted for using equity method of accounting.

The profit or loss for this Company for the period between 17 December 2019 (date of business combination with Airpush Inc) and 31 December 2019 was immaterial and therefore was not included in 2019 the financial statements.

For the year ended 31 December 2020, Airnow Cybersecurity made a loss of USD 0.028 million, and had net liabilities of USD 0.106 million. The Company has no legal or constructive obligation to make payments on behalf of Airnow Cybersecurity, and as such under IAS 28, the losses are not included in the consolidated financial statements. For 2019 and 2020 combined the 50% share of the losses was USD 0.053 million.

Group and Company

As at 31 December	**2020 $'000**	**2019 $'000**
Opening balance	-	-
Acquisition of investment in associate[1]	-	-
Closing balance	-	-

[1] Airnow PLC investment in Airnow Cybersecurity Limited amounts to GBP 50. The basis of disclosure in $'000's excludes the presentation of this amount in both Group and Company.

Group and Company: Summarised financial information

As at 31 December	2020 $'000	2019 $'000
Current assets	228	-
Non-current assets	1	-
Current liabilities	(267)	-
Non-current liabilities	(68)	-
Net liabilities (100%)	(106)	-
Share of net liabilities (50%) not recognised	(53)	-
Period ended 31 December		
Revenues	374	-
Loss from continuing operations (100%)	(106)	-
Share of net losses (50%) not recognised	(53)	-

16. Trade and other receivables

The Group and Company apply the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables.

The expected loss rates are based on historical credit losses experienced over the three-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers. The Group has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors in the markets where the Group operates.

Trade and other receivables have not been discounted as they are short-term debts.

GROUP	2020 $'000	2019 $'000
Trade receivables – gross	13,206	1,352
Less: provision for impairment	(86)	(75)
Trade receivable – net	13,120	1,277
Prepayments and accrued income	728	570
Other receivables	13,290	594
Total trade and other receivables	27,138	2,441

	2020 $'000	2019 $'000
Not past due, not impaired	12,267	812
Past due but not impaired:		
Up to 30 days	556	174
31 to 60 days	140	143
61 to 90 days	33	81
Over 90 days	210	95
	939	493
Past due but impaired - more than 90 days	-	47
Less: Impairment provision	(86)	(75)
Net trade receivables	13,120	1,277

Not past due and not impaired	12,267	812
Past due but not impaired	939	493
Past due and fully impaired	-	47
Gross trade receivables	13,206	1,352

Provision for impairment

Opening balance	75	246
(Decrease)/increase during the period	11	(171)
Closing balance	86	75

Specific provision	-	48
Expected loss provision	86	27
Total provision	86	75

Trade and other receivables (continued)

Factoring

The following amounts of trade receivables were held under a factoring arrangement:

	2020 $'000	2019 $'000
	-	2,579

The use of factoring has not led to derecognition of the underlying trade receivable.

COMPANY

The Company does not carry any trade receivables.

	2020 $'000	2019 $'000
Prepayments	87	25
Other taxes receivable	417	207
Other receivables	11,736	-
Total trade and other receivables	12,240	232

Airnow PLC negotiated a return of certain shares that were issued to shareholders of Airpush Inc on 17 December 2019. These shares will be held for the benefit of Airnow PLC. The value of these shares is shown as a receivable to the consolidated and company's statement of financial position and a credit to the consolidated and company's statement of comprehensive income (Note 6) being a part reversal of the 2019 impairment of the carrying value of investment in Airpush Inc. The value of shares is denominated in Sterling and converted to USD using year end exchange rates.

17. Cash and equivalents

GROUP	2020 $'000	2019 $'000
Cash at bank available on demand	1,549	418
Total cash and cash equivalents	**1,549**	**418**

COMPANY	2020 $'000	2019 $'000
Cash at bank available on demand	1,280	1
Total cash and cash equivalents	**1,280**	**1**

Notes to the Consolidated and Company Financial Statements (continued)

18. Trade and other payables

GROUP Due within one year	2020 $'000	2019 $'000
Trade payables	13,779	11,177
Other taxes and social security	1,276	1,279
Other payables	23,557	1,920
Accruals	7,203	4,182
Deferred income	239	899
Total trade and other payables	**46,054**	**19,457**

COMPANY Due within one year	2020 $'000	2019 $'000
Trade payables	3,724	2,079
Other taxes and social security	21	84
Other payables	4	1,310
Accruals	1,336	1,270
Total trade and other payables	**5,085**	**4,743**

GROUP Due after one year	2020 $'000	2019 $'000
Other payables	963	-
Other payables	**963**	**-**

19. Leases

Property, plant and equipment comprises owned assets. The Group has no right-of-use assets

20. Loans and borrowings

	GROUP 2020 $'000	GROUP 2019 $'000	COMPANY 2020 $'000	COMPANY 2019 $'000
Current				
Loan facility – secured	2,371	936	2,266	377
Factoring	-	550	-	-
Total current loans	**2,371**	**1,486**	**2,266**	**377**
Non-current				
Loan facility - secured	2,744	1,328	2,744	1,226
Convertible shareholder loan note	2,500	2,500	2,500	-
Total non-current loans	**5,244**	**3,828**	**5,244**	**1,226**
Total loans and borrowings	**7,615**	**5,314**	**7,510**	**1,603**

Loan facility - secured

The Harbert European Speciality Lending Company II Sarl loan and Funding Circle loan are secured by either fixed or floating charges over the assets of Airnow PLC Group (excluding Airpush Group). The Harbert loan of EUR 5.0 million is denominated in Euro. Interest on the loans are fixed rates between 7.5% to 20%.

Convertible shareholder loan note

On 30 December 2018 Airpush Inc entered into a further agreement extending the USD 2.5 million convertible promissory note with Gogoplata Ventures LLC to 30 December 2023 at an annual interest rate of 20%. Upon the purchase of Airpush Inc by Airnow PLC the terms were changed to subordinate the loan so the Harbert Loan had priority and payment on interest was limited to USD 0.015 million per month. On the Administration of Airpush Inc, the loan was acquired by Airnow PLC it was agreed to recognise this as a liability with no interest or principal repayable until listing. The value is shown within non-current loans.

Factoring

A facility agreement of USD 0.55 million was put in place between Airpush Inc and Triple Dragon Limited in 2019. The facility was secured over all receivables of Airpush Inc and the interest rate was 2.25% per calendar month. Amounts due under the factoring liability were repaid before the administration of Airpush Inc on 17 November 2020 (Note 27).

Notes to the Consolidated and Company Financial Statements (continued)
Loans and borrowings (continued)

Analysis of net debt

GROUP	**Secured Bank loans $'000**	**Convertible loan note $'000**	**Loan notes $'000**	**Factoring $'000**	**Total debt $'000**	**Cash and cash equivalent $'000**	**Net debt $'000**
1 Jan 2019	(304)	(2,500)	(160)	(123)	(3,087)	279	(2,808)
Acquisition of Airnow PLC	(2,264)	-	-	-	(2,264)	35	(2,229)
Cashflows	304	-	160	(427)	37	104	141
31 Dec 2019	**(2,264)**	**(2,500)**	**-**	**(550)**	**(5,314)**	**418**	**(4,896)**
Airpush Inc in administration	-	-	-	550	550	-	550
Cashflows	(3,007)	-	-	-	(3,007)	385	(2,622)
Currency	156	-	-	-	156	746	902
31 Dec 2020	**(5,115)**	**(2,500)**	**-**	**-**	**(7,615)**	**1,549**	**(6,066)**

COMPANY	**Secured Bank loans $'000**	**Convertible loan note $'000**	**Factoring $'000**	**Total debt $'000**	**Cash and cash equivalent $'000**	**Net debt $'000**
1 Jan 2019	-	-	(123)	(123)	15	(108)
Cashflows	(1,603)	-	123	(1,480)	(14)	(1,494)
31 Dec 2019	**(1,603)**	**-**	**-**	**(1,603)**	**1**	**(1,602)**
Airpush Inc in administration	-	(2,500)	-	(2,500)	-	(2,500)
Cashflows	(3,563)	-	-	(3,563)	1,279	(2,284)
Currency	156	-	-	156	-	156
31 Dec 2020	**(5,010)**	**(2,500)**	**-**	**(7,510)**	**1,280**	**(6,230)**

21. Deferred tax

	2020 $'000	2019 $'000
Intangible assets	2,160	2,430
At 31 December	2,160	2,430

Movement on the deferred tax balance

	2020 $'000	2019 $'000
At 1 January	2,430	351
Credited to profit or loss – continuing operations	(270)	(270)
Credited to profit or loss – discontinued operations	-	(351)
Arising on the acquisition of assets from GMobi	-	2,700
At 31 December	2,160	2,430

The Group has not recognised deferred tax assets arising from the accumulated tax losses due to uncertainty of their future recovery.

22. Share based payments

COMPANY AND GROUP

Share options
The Group uses share options as remuneration for services of employees. The fair value is expensed over the remaining vesting period. The previous share option scheme was cancelled on 31 December 2019 and there was no new scheme in operation throughout 2020.

Airpush Inc – SAR Awards

On 17 December 2019 Airnow PLC acquired the entire common stock of Airpush Inc. As part of the transaction, the option, stock appreciation right ("SAR"), and warrant holders of Airpush Inc agreed for their options, SAR awards and warrants to be cancelled in exchange for new shares or new share options in Airnow PLC.

The 647,827 SARs at 31 December 2019 were cancelled to be replaced with Airnow PLC shares. Of these, the recipients relating to 343,390 SARs did not respond and as such the respective agreements terminated; 8,091 shares relating to 4,437 SARs were issued in March 2020; and the remaining 300,000 SARs were converted into options for 805,712 shares as part of consideration of the Airpush restructure agreement.

	2020	**2020**	**2020**	**2019**	**2019**	**2019**
	SARs	Weighted average exercise price	Weighted contractual remaining life	SARs	Weighted average exercise price	Weighted contractual remaining life
	No.	$	years	No.	$	years
Outstanding at the beginning of the period	647,827	3.10	6.33	1,240,204	2.77	7.21
Cancelled and replaced with Airnow PLC shares	(647,827)	-	-	-	-	-
Forfeited during the period	-	-	-	(592,377)	(1.44)	-
Outstanding at the end of the period	-	-	-	647,827	3.10	6.33

Notes to the Consolidated and Company Financial Statements (continued)
Share based payments (continued)

Airnow PLC – Share options and warrants

	2020 Options and warrants No.	**2020** Weighted average exercise price £/($)	**2020** Weighted contractual remaining life Years	**2019** Options and warrants No.	**2019** Weighted average exercise price £/($)	**2019** Weighted contractual remaining life Years
Outstanding at the beginning of the period	70,156	0.64($0.8)	-	6,216,477	0.68($0.9)	9.0
Cancelled	-	-	-	(2,143,738)	0.56($0.7)	-
Forfeited during the period	-	-	-	(4,002,583)	0.61($0.8)	-
Outstanding at the end of the period	**70,156**	**0.64($0.8)**	**-**	**70,156**	**0.64($0.8)**	**5.0**
Exercisable at the end of the period	70,156	0.64($0.8)	-	70,156	0.64($0.8)	-

Shortly after incorporation in April 2017, Airnow PLC established an employee share option plan to enable the issue of options as part of the remuneration of Directors and employees to enable them to purchase ordinary shares in the Company. Under IFRS 2 "Share-based Payments", the Company determines the fair value of the options issued to Directors and employees as remuneration and recognises the amount as an expense in the profit or loss with a corresponding increase in equity.

The employee share option scheme was cancelled as at 31 December 2019.

Warrants

On 21 August 2017 the Company granted to Ruffena Capital Limited warrants to subscribe for up to 70,156 new Ordinary Shares at £0.644 ($0.8) per Ordinary Share. These warrants expire in tranches on a range of dates between 24 August 2023 and 4 May 2024 and were issued by way of replacement of a warrant of equivalent value and duration granted on 26 July 2017 which had entitled Ruffena Capital Limited to subscribe for up to 28,060 ordinary shares in appScatter Limited at £1.61 ($2.1) per appScatter Limited share.

There were 70,156 warrant options outstanding at 31 December 2020 (2019: 70,156). The weighted average share price (at the date of exercise) of warrant options exercised during the year and prior year was USD nil as no options were exercised.

No new share options were issued in 2020 (2019: none).

The share based payment credit of USD 0.042 million recognised in the income statement relates to cancellation of the employee share option scheme (2019: USD 0.03 million in relation to share option expense).

23. Share capital

Airnow PLC's issued and fully paid share capital is summarised in the table below:

	Ordinary shares of £0.05 each		Deferred shares of £0.04 each	
	Number	Nominal value $'000	Number	Nominal value $'000
At 1 January 2019	91,016,157	5,916	-	-
Shares issued before share split and consolidation	6,033,732	386	-	-
Shares before re-structuring	97,049,889	6,302		
Shares cancelled and sub-divided	(97,049,889)	(6,302)	97,049,889	5,180
New shares consolidated[1]	19,409,978	1,122	-	-
Shares issued - acquisition of Airpush Inc[2]	48,384,601	3,179	-	-
At 31 December 2019	67,794,579	4,301	97,049,889	5,180
Shares issued for cash at £1.34	7,675,809	488	-	-
Shares issued for cash at £1.50	516,684	35	-	-
Shares issued to settle trade and other payable liabilities at £1.34	3,361,680	208	-	-
At 31 December 2020	79,348,752	5,032	97,049,889	5,180

On 31 December 2020, the issued and fully paid shares of Airnow PLC consisted of ordinary shares each with a nominal value of £0.05.

The Ordinary shares carry rights to dividends and voting. The shares are not redeemable.

The Deferred shares carry no rights to dividends nor voting. On the winding up, shareholders are entitled to a maximum aggregate payment of £1, following repayment of the paid-up share capital. The Company may purchase all the deferred shares at any time for the aggregate payment of £1.

[1] On 13 December 2019, the ordinary shares at nominal value of £0.05 were subdivided into ordinary shares at £0.01 each and deferred shares at £0.04 each. The new ordinary shares £0.01 each was then consolidated in a ratio of 5:1 to 1 new shares at £0.05 each.

[2] On 17 December 2019 shares were issued for part of the consideration for the acquisition of Airpush Inc and its subsidiaries.

The Administrator Held Shares reserve represents the equity held by a subsidiary (Airpush Inc) in the legal parent (Airnow PLC). The shares have a nominal value of £0.05 ($0.07) and their nominal value amounts to USD 13,187 from 149,254 shares. These shares were purchased prior to the purchase of Airpush Inc by Airnow PLC.

Notes to the Consolidated and Company Financial Statements (continued)

24. Reserves

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

Share Capital	Ordinary shares are classified as equity. The nominal value of shares is included in share capital
Share Premium	Amount subscribed for share capital in excess of the nominal value less any related expenses.
Deferred Shares	Ordinary deferred shares are classified as equity. The nominal value of shares is included in deferred share capital.
Shares to be issued	Amount subscribed for share capital that has been committed to but not yet issued at agreed issue price.
Administrator Held Shares reserve	The equity held by a subsidiary (Aiprush Inc) in the legal parent (Airnow PLC).
Merger reserve	Amount subscribed for share capital in excess of nominal value when shares are issued in exchange for at least a 90% interest in the shares of another company.
Reverse Acquisition reserve	Additional amounts contributed by the shareholders to the business and including effect on equity of the reverse acquisition of Airnow PLC.
Share-based payment reserve	Value of share options granted and calculated with reference to Black Scholes model. When options lapse or are exercised, amounts are transferred from this account to retained earnings.
Foreign exchange reserve	Foreign exchange translation gains and losses arising on the translation of the financial statements from the functional to the presentation currency.
Retained earnings	Retained earnings represents all other net gains and losses and transactions with shareholders (e.g. dividends) not recognised elsewhere.

25. Business combinations

Acquisition of assets from Avantis Team Technologies Limited

On 19 August 2020 Airnow PLC agreed to purchase from Avantis certain assets including contracts, licenses and intellectual property with the primary purpose of expanding the mobile video offering to customers.

In October 2020, the Group through its wholly owned subsidiary Airnow Video Ltd., completed the acquisition of certain assets from Avantis for a consideration of USD 10 million (of which USD 8.75 million was payable in cash and USD 1.25 million was payable in shares).

In December 2020 the agreement was amended to include additional earnout payments and as further consideration, Avantis was granted warrants to subscribe for shares in Airnow PLC, 2.25 million warrants at an exercise price of £0.8 per share and 0.75 million warrants at a discount of 15% to the applicable share price, exercisable at any time within 24 months of the date of grant of such warrants.

Amendments to the purchase were as follows:

1. 23 August 2020 (Amendment No.1) (the **Original Agreement)**
2. 9 September 2020 (Amendment No.2)
3. 1 December 2020 (Amendment No. 3)

Details of the fair value of identifiable assets and liabilities acquired and purchase consideration as per the December 2020 amendment are as follows:

	Book value of assets acquired	Fair value adjustments	Fair value of assets acquired
	$'000	$'000	$'000
Developed technology	-	2,386,359	2,386,359
Customer Relationships	-	29,000,000	29,000,000
Net assets	-	31,386,359	**31,386,359**

These intangible assets are shown in Note 13 at their fair value after amortisation for 2020.

The Company made an initial investment of USD 4.25 million to purchase the assets and discounted future consideration payable from 2021 until 2023 together with the cost of warrants issued and fees is included within the fair value of USD 31.4 million.

The future consideration payable from 2021 until 2023 has been discounted at the cost of capital for the transaction. The warrants were valued using a Black Scholes model.

The breakdown of the fair value is as follows:

	USD
Consideration	27,476,986
Warrants	2,072,123
Fees	1,837,250
Total	31,386,359

On 6 April 2021 The Group and Avantis entered into a new agreement, terminating the Original Agreement and subsequent amendments, under which Avantis reacquired the assets from Airnow PLC for a nominal consideration.

Included within the consolidated financial position of Airnow PLC as at 31 December 2020 are trade receivables of USD 12.5 million and trade payables of USD 6.3 million relating to revenues and cost of sales relating to the assets. Avantis reacquired the assets.

As at 31 December, the control over these assets were held by Airnow PLC, and it was management intention to comply with the December 2020 purchase agreement. On this basis, and in accordance with IAS 10, management assessed this event as a non-adjusting post balance sheet event.

26. Group restructuring

The Airnow PLC Group carried out a restructuring in 2020 as follows:

a) Ownership of the ReachAds intangible was transferred from Airpush Inc to Airpush Hong Kong.
b) The ownership of Airpush Hong Kong and Zhenli (Shanghai) was transferred from Airpush Inc to Airnow PLC on 29 September 2020 for a consideration of USD 0.01 million.
c) On 17 November 2020 Airpush Inc was placed into administration. On the same date, Airnow PLC purchased from the administrators of Airpush Inc and its subsidiaries, certain assets and intellectual property and then transferred these to Airnow Media Ltd (formerly Airnow Monetisation Limited) for a consideration of GBP 0.45 million (USD 0.6 million). Airnow PLC assumed certain liabilities of USD 6.6 million from Airpush Inc and intercompany balances of USD 2.8 million due to Airnow PLC and its subsidiaries were forgiven. The control of Tapcore BV, SIA Tapcore and Airpush India, subsidiaries of Airpush Inc, passed to the administrator and the entities have ceased trading.

   The effective consideration for the purchase of the assets of USD 10.2 million has been treated as an intangible asset and shown within Note 13.

   Management assessed the transaction to be an asset purchase rather than a business combination based on the result of the concentration test under IFRS. This is based on the amount of fair value of the transaction being substantially concentrated in a single identifiable asset: intellectual property. Intellectual property is identified as a separate class: "Technology" within intangible assets in Note 13.

d) Airnow Data Ltd purchased the business of Priori Data Gmbh on 12 August 2020 and started trading on 13 August 2020. The assumed liabilities were EUR 1.3 million. Airnow Data Ltd paid no consideration for the business. These entities are under common control and in the consolidated financial statements the intangible assets that were identified under the reverse acquisition see Note 27 remain and have been amortised as shown in Note 13.

Notes to the Consolidated and Company Financial Statements (continued)

27. Reverse Acquisition of Airnow PLC

On 17 December 2019 Airnow PLC and Airpush Inc agreed an acquisition whereby Airnow PLC issued shares in exchange for the entire issued stock of Airpush Inc. The Airnow PLC shares issued to the holders of Airpush Inc stock led to Airpush Inc stockholders owning 75.4% of the combined entity equity and therefore the merger has been accounted for as a reverse acquisition with Airpush Inc being the accounting acquirer. Airnow PLC is the legal acquirer.

Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and Goodwill were as follows:

	Book value of assets acquired $'000	**Fair value adjustments** $'000	**Fair value of assets acquired** $'000
Goodwill	2,776	(2,776)	-
Developed technology	10,428	(2,792)	7,636
Customer relationships	-	1,547	1,547
Cash and cash equivalents	35	-	35
Trade and other receivables	974	-	974
Loans and Borrowings	(2,264)	-	(2,264)
Trade and other payables	(8,294)	-	(8,294)
Net assets	**3,655**	**(4,021)**	**(366)**
Goodwill			22,679
Total purchase consideration			**22,313**

Shares	-
Total purchase consideration	**22,313**

Cash and cash equivalents acquired	35
Cash inflow on acquisition (net of cash acquired) within investing activities	35
Loans and borrowings acquired within net debt	(2,264)
Net debt consideration	(2,229)

The main factors leading to the recognition of Goodwill are new customers (in both existing and new territories) of the Group that will support future revenues, enhancements or improvements to the existing technology assets to support and drive future revenues, the highly skilled assembled workforce which do not qualify for separate recognition under IAS 38 and an amount that is required for general operational purposes.

Reversal of Reverse Acquisition

On 17 November 2020 the accounting acquirer Airpush Inc was placed into administration and the legal parent Airnow PLC purchased from the administrator of Airpush Inc certain assets to continue the trade of Airpush Inc.

In order to reflect these events the following steps were taken and are reflected in the statement of changes in equity;

a) The investment of USD 41.6m in Airpush Inc within Airnow PLC was written down to USD nil. USD 27.4 million of the write-down has been debited to the merger reserve in Airnow PLC and the balance of USD 14.2 million has been debited to the profit and loss.
b) In the consolidated statement of changes in equity the reverse acquisition reserve of USD 82.8 million arose on reverse acquisition of Airpush Inc. has been reversed. This reversal includes the goodwill on consolidation recorded in the 2019 accounts of USD 22.7 million.
c) USD 70.6 million of the merger reserve has been reversed. The balance at 31 December 2020 represents the merger reserve at the Company level relating to Priori Data Gmbh, Abilott Limited, and Appscatter Limited.
d) USD 6.3 million has been transferred out of shares to be issued reflecting that shares will not be issued as a result of the Airpush Inc administration.

28. Commitments

There are no capital commitments as at 31 December 2020 (31 December 2019 USD nil).

29. Related party transactions

GROUP
During the year Airnow Group companies entered into the following transactions with related parties who are not members of the Airnow Group:

On 30 December 2018 the Group entered into an agreement with Gogoplata Ventures LLC to extend the repayment date of the convertible promissory note with an outstanding amount of USD 2.5 million until 30 December 2023. This is disclosed in Note 20 to the financial statements.

Members of the Group trade with each other under normal market conditions and fees are charged by the Company for management services it provides to its subsidiaries.

The amounts due to the Directors at 31 December 2020 as disclosed in the table below are included in Note 18. Under the reverse acquisition accounting, only a proportion of the transactions amounts listed in the Company's table below relating to the period between 17 December 2019 and 31 December 2019 were included in the Group's results in 2019.

Notes to the Consolidated and Company Financial Statements (continued)
Related party transactions (continued)

COMPANY
The Company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with its subsidiaries and paragraph 17 of IAS 24, 'Related Party Disclosures' to disclose key management personnel. There are no other related party transactions other than those relating to Directors and the Gogoplata Loan that have been disclosed in the table below.

Transactions with Directors as listed in the table below are included in the Company results and the amounts due to them (except for Culmore Limited included in Appscatter Limited) are included in Note 18.

Related party $'000	Type	2020 $'000 Transactions include in Company's results	2020 $'000 Balance due	2019 $'000 Transactions include in Company's results	2019 $'000 Balance due
Philip Marcella[1]	Fees	-	-	-	(25)
MG IT Services[1]	Fees	350	(275)	287	(74)
Clive Carver[2]	Fees	185	(23)	57	(59)
Culmore Limited[3]	Service provision	57	(8)	-	(60)
Goodwick Services Ltd[4]	Service provision	19	(50)	67	(20)
Tron Lake LLC[5]	Service provision	107	(20)	-	-
Gogoplata Ventures LLC[6]	Convertible loan	-	(2,500)	-	(2,500)
Total		718	(2,876)	411	(2,738)

Notes
1. Philip Marcella is a director of Airnow PLC and has an interest in MG IT Services. Amounts paid to MG IT services relate to management fees for a subsidiary within the Airnow group.
2. Clive Carver is executive chairman and chief financial officer of Airnow PLC.
3. Colin Hutchinson was a director of Airnow PLC from 17 December 2019 and resigned 24 September 2020. Mr Hutchinson has an interest in Culmore Limited. The fees were related to provision of accounting services and were included in AppScatter Limited.
4. Jason Hill was a director of Airnow PLC, resigning 6 March 2020. Mr Hill had an interest in Goodwick Services Ltd and the fees were related to consultancy services provided to Airnow Group up until resignation. Goodwick Services continued to provide consultancy services after this date.
5. Inman Breaux is a director of Airnow PLC and has an interest in Tron Lake LLC. The amount paid to Tron Lake LLC relates to marketing services and are included in the Airnow Media LLC.
6. Gogoplata Ventures LLC is controlled by a significant shareholder of Airnow PLC.

With the exception of the Gogoplata loan, which is interest bearing, the amounts due from/(to) for the above parties are non-interest-bearing balances and included under trade and other receivables and trade and other payables notes. Details of key management personnel compensation are given in Note 7.

The Group and company do not have an ultimate controlling party.

30. Events after the balance sheet date

Goldbeck Loan

On 5 April 2021, The Company entered into a short term borrowing facility with Jan-Hendrik Goldbeck for the purposes of providing working capital financing to the Company. The loan was for the amount of USD 7.0 million which was all drawn down. The maturity date of the loan is 1 September 2022.

Harbert Loan

In May 2021, the Company was advised that the Harbert facility would be repayable, this facility is shown in Note 20. The repayment was agreed to be in three equal monthly instalments of EUR 1.18 million, the first of which was paid on 26 May 2021 and the final instalment on 30 July 2021.

Issue of Shares

Following the year end Airnow PLC issued 10.8 million new £0.05 ordinary shares for cash consideration after expenses of USD 13.8 million. The Company also issued 2.8 million shares to settle trade liabilities of USD 3.9 million.

Mighty Signal Inc

On 4 June 2021 Airnow PLC signed an agreement to acquire 100% of the shares in Mighty Signal Inc a US firm providing insights into the mobile ecosystem. The purchase consideration was USD 4.5 million, USD 0.5 million in cash and USD 4.0 million in shares. The number of shares being determined by a price of £1.65 per share unless the listing price is different when the number of shares will be adjusted to give not less than USD 4.0 million.

Repurchase of Assets by Avantis

On 19 August 2020, Airnow PLC agreed to purchase from Avantis certain assets as set out in note 25 ("Original Agreement").

On 6 April 2021 Airnow PLC and Avantis entered into a further agreement and terminated the Original Agreement as amended. Avantis reacquired the assets from Airnow PLC for a nominal consideration.

Management assessed this event and concluded that it is non-adjusting post balance sheet event. The rationale for this assessment was that the Original Agreement conditions had been met and the acquisition had completed with the Group having control of the assets acquired and at 31 December 2020 the clear intention of the Group was to continue to operate under the Original Agreement as revised by a further agreement dated 1 December 2020.