**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or as to what action you should take, you should consult you accountants, legal or professional adviser or financial adviser or an independent professional adviser authorise under the Financial Services and Markets Act 2000 ("FSMA") if you are in the UK, or, if not another appropriately authorised independent financial adviser who specialises in advising on the acquisition of shares and other securities.**

This Document comprises a UK Growth Prospectus (the "**Document**") and is being issued in connection with the proposed admission of All Things Considered Group Plc to the Aquis Stock Exchange ("**AQSE**") Growth Market. This Document does not constitute and the Company is not making an offer to the public within the meaning of the Prospectus Regulation Rules. This Document is a UK Growth Prospectus as defined in the Prospectus Regulation Rules. It has been prepared in accordance with the Prospectus Regulation Rules. The contents of this Document have not been approved by an authorised person for the purposes of section 21 of FSMA.

The Company, the Directors and the Proposed Directors of the Company, whose names appear on page 13 of this Document, have taken all reasonable care to ensure that the facts stated in this Document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in this Document, whether of fact or of opinion. The Company, the Directors and the Proposed Directors accept full responsibility accordingly, collectively and individually for the information contained in this Document including the Company's compliance with the Aquis Stock Exchange Growth Market Rules.

The Directors and Proposed Directors, whose names appear on page 13 of this Document, and the Company accept responsibility for the information contained in this Document. The Company, the Directors and the Proposed Directors declare, that to the best of their knowledge, the information contained in the Document is in accordance with the facts and that the Document makes no omission likely to affect its import. The share capital of the Company is not presently listed on or dealt in any stock exchange. Application has been made for the Enlarged Issued Share Capital of the Company to be traded on the Aquis Stock Exchange Growth Market. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence on the Aquis Stock Exchange Growth Market on 21 December 2021.

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atc
GROUP PLC

# UK GROWTH PROSPECTUS

for admission to trading on the AQSE Growth Market
of
6,871,600 existing ordinary shares of £0.01 each
and
Proposed Placing of 2,467,352 new Ordinary Shares and Proposed Subscription of 245,068
new Ordinary Shares at a price of 153p
of

## All Things Considered Group Plc

(*incorporated under the companies Act 2006 and registered under the laws of England and Wales under company number 13411674*)
International Securities Identification Number (ISIN): GB00BM9CMX71
AQSE Code: ATC

*AQSE Corporate Adviser and Broker*

cg/Canaccord Genuity

**Canaccord Genuity Limited**

The date of this Document is 14 December 2021

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**The AQSE Growth Market, which is operated by Aquis Exchange PLC ("Aquis Stock Exchange"), a Recognised Investment Exchange, is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.**

**It is not classified as a Regulated Market under Article 2 of Regulation (EU) No 600/2014 of the European Parliament and of the Council as amended by s.26 of The Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 and of the Council on markets in financial instruments and AQSE Growth Market securities are not admitted to the Official List of the FCA. Investment in an unlisted company is speculative and involves a higher degree of risk than an investment in a listed company. The value of investments can go down as well as up and investors may not get back the full amount originally invested. An investment should therefore only be considered by those persons who are prepared to sustain a loss on their investment. A prospective investor should be aware of the risks of investing in AQSE Growth Market securities and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser authorised under FSMA who specialises in advising on the acquisition of shares and other securities.**

**All Things Considered Group Plc is required by AQSE to appoint an AQSE Corporate Adviser to apply on its behalf for admission to the AQSE Growth Market and must retain an AQSE Corporate Adviser at all times. The requirements for an AQSE Corporate Adviser are set out in the AQSE Corporate Adviser Handbook, and the AQSE Corporate Adviser is required to make a declaration to AQSE in the form prescribed by Appendix B to the AQSE Corporate Adviser Handbook.**

Canaccord Genuity Limited ("**Canaccord Genuity**"), which is authorised and regulated by the FCA, is the Company's AQSE Corporate Adviser for the purposes of Admission. Canaccord Genuity has not made its own enquires except as to matters which have come to its attention and on which it considered it necessary to satisfy itself and accepts no liability whatsoever for the accuracy of any information or opinions contained in this Document, of for the omission of any material information, for which the Directors and the Proposed Directors are solely responsible. Canaccord Genuity is acting for the Company and no one else in relation to the arrangements proposed in this Document and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice to any other person on the content of this Document.

**The whole text of this Document should be read. An investment in the Company involves a high degree of risk and may not be suitable for all recipients of this Document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.**

Copies of this Document will be available free of charge during normal business hours on any day (except Saturdays, Sundays and public holidays) at the offices of Canaccord Genuity at 88 Wood Street, London EC2V 7QR from the date of this Document and shall remain available for a period of one month from Admission.

This Document has been approved by the UK Financial Conduct Authority ("**FCA**") as competent UK authority under the Prospectus Regulation. The FCA only approves this Document as meeting the standards, completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or of the quality of the securities that are the subject of this Document. Investors should make their own assessment as to the suitability of investing in securities.

This Document has been drawn up as a UK Growth Prospectus in accordance with Article 15 of the UK version of Prospectus Regulation (EU) 2017/1129.

This Document is valid for 12 months after its approval for offers to the public, provided that it is completed by any supplement required pursuant to Article 23 of the Prospectus Regulation. Its validity will expire on 14 December 2022. The obligation to supplement this Document in the event of significant new factors, material mistakes or material inaccuracies pursuant to Article 23 of the Prospectus Regulation applies until the closing of the offer period or the time when trading on a regulated market begins, whichever occurs later. As the Company and the AQSE

Corporate Adviser will not apply for the admission of the New Ordinary Shares to trading on a regulated market, the end of the offer period will be the relevant point in time for the obligation to supplement this Document to expire.

**IMPORTANT INFORMATION**

The information below is for general guidance only and it is the responsibility of any person or persons in possession of this Document to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. No person has been authorised by the Company to issue any advertisement or to give any information or to make any representation in connection with the contents of this Document and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company. This document should not be forwarded or transmitted to or into the Prohibited Territories or to any resident, national, citizen or corporation, partnership or other entity created or organised under the laws thereof or in any other country outside the United Kingdom where such distribution may lead to a breach of any legal or regulatory requirement. The distribution of this Document may be restricted and accordingly persons into whose possession this Document comes are required to inform themselves about and to observe such restrictions.

Prospective investors should inform themselves as to: (a) the legal requirements of their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein. Statements made in this Document are based on the law and practice currently in force in the UK and are subject to change. This Document should be read in its entirety. All holders of Ordinary Shares are entitled to the benefit of, and are bound by and are deemed to have notice of, the provisions of the Articles.

The delivery of this Document or any subscriptions or purchases made hereunder and at any time subsequent to the date of this Document shall not, under any circumstances, create an impression that there has been no change in the affairs of the Company since the date of this Document or that the information in this Document is correct.

**PROSPECTIVE INVESTORS SHOULD READ THE WHOLE TEXT OF THIS DOCUMENT AND SHOULD BE AWARE THAT AN INVESTMENT IN THE COMPANY IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. PROSPECTIVE INVESTORS ARE ADVISED TO READ, IN PARTICULAR, THE INFORMATION ON THE COMPANY SET OUT IN PART 3 AND THE RISK FACTORS SET OUT IN PART 2 OF THIS DOCUMENT.**

The distribution of this Document outside the UK may be restricted by law. No action has been taken by the Company, the holders of the Ordinary Shares or Canaccord Genuity that would permit a public offer of Ordinary Shares or possession or distribution of this Document where action for those purposes is required. Persons outside the UK who come into possession of this Document should inform themselves about and observe any restrictions on the holding of Ordinary Shares and/or the distribution of this Document in their particular jurisdiction. Failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction.

This Document does not constitute an offer to sell or an invitation to subscribe for, or a solicitation of an offer to subscribe or buy, Ordinary Shares to any person in any jurisdiction to whom it is unlawful to make such an offer, invitation or solicitation. In particular, this Document is not for distribution (directly or indirectly) in or into the Prohibited Territories. Accordingly, the Ordinary Shares may not, subject to certain exceptions, be offered directly or indirectly in or into the Prohibited Territories. The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) or under the securities legislation of any state of the Prohibited Territories and they may not be offered or sold directly or indirectly within the Prohibited Territories or to or for the account or benefit of any national, citizen or resident of the Prohibited Territories.

This Document has not been approved by an authorised person within the meaning of FSMA. This document may only be communicated or caused to be communicated in the UK to persons falling within Articles 19 (investment professionals) and 49 (high net worth companies etc.) of the Financial Services and Markets Act 2000 (Financial Promotion Order) 2005 (SI. 2005/No. 1529) or other persons to whom it may otherwise lawfully be communicated or cause to be communicated ("**Relevant Persons**"). Consequently, this Document will not be available in the United Kingdom to anyone other than Relevant Persons and no one falling outside those categories is entitled to rely on, and they must not act on, any information in this Document. The communication of this Document to any person in the United Kingdom other than Relevant Persons is unauthorised and may contravene FSMA.

**OVERSEAS SHAREHOLDERS**

This Document does not constitute an offer to sell, or solicitation to buy Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this Document is not, subject to certain exceptions, for distribution in or into the United States, Canada, Australia, the Republic of South Africa or Japan. The Ordinary Shares have not been nor will be registered under the United States Securities Act of 1933, as amended, nor under the securities legislation of any state of the United States or any province or territory of Canada, Australia, the Republic of South Africa or Japan or in any country, territory or possession where to do so may contravene local securities laws or regulations. Accordingly, the Ordinary Shares may not, subject to certain exceptions, be offered or sold directly or indirectly in or into the United States, Canada, Australia, the Republic of South Africa or Japan or to any national, citizen or resident of the United States, Canada, Australia, the Republic of South Africa or Japan. The distribution of this Document in certain jurisdictions may be restricted by law. No action has been taken by the Company or Canaccord Genuity that would permit a public offer of Ordinary Shares or possession or distribution of this Document where action for that purpose is required. Persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Application for the Enlarged Issued Share Capital to be admitted to trading on the AQSE Growth market is not subject to the rules governing the registration of securities under the United States Securities Act of 1933, as amended, nor those of the US states. Neither the Securities and Exchange Commission nor any other US or state securities commission or regulatory authority has approved of or passed an opinion on the accuracy of adequacy of this Document. Any representation to the contrary is a criminal offence. Any financial information regarding the Company included in this Document has been prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Companies Act 2006 and may not be comparable to the financial statements of US companies. US generally accepted accounting principles differ in any respects from IFRS. None of the financial information included in this Document has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States). It may be difficult for Shareholders who are US persons to enforce any rights an claim that they may have arising under US federal or state securities laws in respect of this Document of their holding of any Ordinary Shares, as the Company is located in a country other than the United States and many of its officers and directors are residents of countries other than the United states. US holders of Ordinary Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement. Holders subject to tax in the United States, for example, are strongly urged to contact their tax advisers about the consequences of holding Ordinary Shares including the potential applicability of special rules concerning US shareholders of no-US corporations. Also, note, at this time, the Company does not intend to make special accommodations regarding its financial information to assist holders with their US tax obligations. This present intention may cause additional difficulty to US holders when attempting to assess the tax profile of the Ordinary Shares.

**UNDER NO CIRCUMSTANCES SHOULD THIS DOCUMENT BE COMMUNICATED, TRANSMITTED OR OTHERWISE SHARED WITH PERSONS DOMICILED, RESIDENT OR BASED IN THE UNITED STATES OF AMERICA ITS TERRITORIES OR POSSESSIONS OR WHO MAY OTHERWISE BE CONSIDERED AS UNITED STATES PERSONS, INCLUDING REPRESENTATIVES OF UNITED STATES COMPANIES OR NON-UNITED STATES SUBSIDIARIES OF UNITED STATES COMPANIES UNLESS THEY HAVE RECEIVED INDEPENDENT LEGAL ADVICE FROM THEIR OWN ADVISERS THAT THEY ARE ENTITLED TO RECEIVE THIS DOCUMENT.**

**FORWARD LOOKING STATEMENTS**

This Document includes "forward-looking statements" which include all statements other than statements of historical facts including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations and any statements preceded by, followed by or that include forward-looking terminology such as the words "targets", "plan", "project", "believes", "estimates", "aims", "intends", "can", "may", "expects", "forecasts", "anticipates", "would", "should", "could", or similar expressions of the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company and its Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Among the important factors that could cause the Group's actual results, performance or achievements to differ materially from those in forward-looking statements include factors in the section entitled "Risk Factors" and elsewhere in this Document. These forward-looking statements speak only as at the date of this Document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions thereto or any change in events, conditions or circumstances on which any such statements are based. As a result of these factors, the events described in the forward-looking statements in this Document may not occur. Prospective investors should be aware that these statements are estimates, reflecting only the judgement of the Company's management and prospective investors should not therefore rely on any forward-looking statements.

By accepting this Document, you agree to be bound by the above conditions and limitations.

# TABLE OF CONTENTS

# DEFINITIONS

The following definitions apply throughout this Document, unless the context requires otherwise:

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|---|---|
| **"Act"** or **"Companies Act"** | the UK Companies Act 2006 (as amended) |
| **"Admission"** | admission of the Enlarged Issued Share Capital of the Company to trading on the AQSE Growth Market becoming effective in accordance with the AQSE Rules |
| **"AQSE"** or **"Aquis Stock Exchange"** | the Aquis Stock Exchange Limited, a recognised investment exchange under section 290 of FSMA |
| **"AQSE Corporate Adviser"** | Canaccord Genuity |
| **"Aquis Stock Exchange Rules"** or **"AQSE Rules"** | the AQSE Growth Market Rules for Issuers, which set out the admission requirements and continuing obligations of companies seeking admission to, and whose shares are admitted to trading on, the AQSE Growth Market |
| **"Aquis Stock Exchange Growth Market"** or **"AQSE Growth Market"** | the market for unlisted securities operated by AQSE |
| **"Articles"** or **"Articles of Association"** | the articles of association of the Company from time to time |
| **"ATC Group"** | the Company and its subsidiary undertakings |
| **"ATC Live"** | ATC Live Agency Ltd and/or ATC Live LLP or, if the context requires, the busines of ATC Live Ltd and/or ATC Live LLP |
| **"ATC Management"** | ATC UK and/or ATC US or, if the context requires, the business of ATC UK and/or ATC US |
| **"ATC Media"** | ATC Media Inc, a Group Company registered in Delaware |
| **"ATC Services"** | Your Army and/or Familiar Music or, if the context requires, the business of Your Army and/or Familiar Music |
| **"ATC UK"** | All Things Considered Limited, a Group Company registered in England and Wales with company number 3164812 |
| **"ATC US"** | ATC Artist Management Inc, a Group Company registered in California |
| **"Audit Committee"** | the audit committee of the Company, being a duly appointed sub-committee of the Board |
| **"Beggars Group"** | Beggars Group Limited, a company registered in England and Wales with company number 1414045 |

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| **“Board”** or **“Directors”** | the directors of the Company, whose names are set out on page 13 of this Document, and which, if the context requires, includes the Proposed Directors |
| **“Business Day”** | a day other than Saturday or Sunday or a public holiday in England and Wales |
| **“Canaccord Genuity**” | Canaccord Genuity Limited, a company registered in England & Wales with company number 1774003 |
| **“City Code”** | the City Code on Takeovers and Mergers |
| **“Company”** or **“Issuer”** or “**ATC**” | All Things Considered Group Plc, a company registered in England and Wales with company number 13411674 |
| “**Concert Party**” | comprised of and has the meaning given in paragraph 16.2 of Part 11 of this Document |
| **“COVID-19”** | the respiratory virus Coronavirus 2019-nCoV |
| **“CREST”** | the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form which is administered by Euroclear |
| **“CREST Regulations”** | the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended by The Uncertificated Securities (Amendment and EU Exit) Regulations 2019 |
| **“Deezer”** | Deezer S.A., a company incorporated in France |
| **“Disclosure Guidance and Transparency Rules”** or “**DTR”** | the Disclosure Guidance and Transparency Rules issued by the FCA |
| **“Document”** or **“Prospectus”** | this document and its contents |
| **“Dreamstage”** | Dreamstage, Inc. a company incorporated in Delaware |
| **“Driift”** | Driift Holdings, Driift UK and/or Driift US or, if the context requires, the business of Driift Holdings, Driift UK and/or Driift US |
| **“Driift Holdings”** | Driift Holdings Ltd, a Group Company registered in England and Wales with company number 12995010 |
| **“Driift UK”** | Driift Live Ltd, a Group Company registered in England and Wales with company number 12673054 |
| **“Driift US”** | Driift Live Inc., a Group Company registered in Delaware |
| **“Enlarged Issued Share Capital”** | the issued ordinary share capital of the Company on Admission, as enlarged by the issue of the Placing Shares and Subscription Shares |
| **“Euroclear”** | Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales |

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| **"EUWA"** | the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal) Act 2020 |
| **"Existing Ordinary Shares"** | the 6,871,600 Ordinary Shares in issue immediately prior to the issue of the Placing Shares and Subscription Shares |
| **"Existing Shareholders"** | the holders of the Existing Ordinary Shares |
| **"Familiar Music"** | Familiar Music Group LLC, a Group Company incorporated in Delaware |
| **"FCA"** | the Financial Conduct Authority |
| **"Flymachine"** | Flymachine Inc., a company in which the Group holds an investment, incorporated in Delaware |
| **"Formless"** | Formless World LLC, a company in which the Group holds an investment, incorporated in Delaware |
| **"FSMA"** | the Financial Services and Markets Act 2000 (as amended) |
| **"Fundraise"** or **"Fundraising"** | the Placing and Subscription |
| **"Fundraising Price"** | 153 pence per Ordinary Share |
| **"Fundraising Shares"** | together, the Placing Shares and the Subscription Shares |
| **"Gross Fundraising Proceeds"** | the funds received in relation to the Placing and Subscription |
| **"Group"** | the Company and its subsidiary undertakings |
| **"Group Company"** | any member of the Group |
| **"Group Financial Information"** | The audited financial information of the Group, covering the two years ended 31 December 2019 and 31 December 2020, included in Part 7 and the unaudited financial information of the Group for the 6 month period ended 30 June 2021, included in Part 8 |
| **"Growth Prospectus"** | a UK Growth Prospectus prepared in accordance with Article 15 of the Prospectus Regulation |
| **"ISIN"** | International Securities Identification Number |
| **"LEI"** | Legal Entity Identifier |
| **"Lock-In and Orderly Market Agreements"** | means the respective lock-in and orderly market agreement relating to, in aggregate, 6,865,918 Ordinary Shares entered into between the Lock-In Shareholders, the Company and Canaccord Genuity, further details of which are set out in Part 5 of this Document |
| **"Lock-In Shareholders"** | each holder of the existing Ordinary Shares who have entered into the Lock-In and Orderly Market Agreements |

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| **“MAR”** or **“Market Abuse Regulation”** | the EU Market Abuse regulation as implemented in the UK by EUWA |
| **“namethemachine”** | namethemachine Holdings LLC, a company in which the Group holds an investment, incorporated in Delaware |
| **“Net Fundraising Proceeds”** | £3.46 million comprising the Gross Fundraise Proceeds of £4.15 million less expenses of £0.69 million. |
| **“New Ordinary Shares”** | together, the Placing Shares and Subscription Shares |
| **“Official List”** | the Official List of the FCA |
| **“Ordinary Shares”** | ordinary shares of £0.01 each in the capital of the Company |
| **“Persons Discharging Managerial Responsibility”** | as defined in MAR, as may be amended from time to time, and refers to any person fulfilling such function for the Company or any of its subsidiaries from time to time and as set out at the date of this Document |
| **“Placees”** | those persons who have signed up to the terms and conditions of the Placing as set out in Part 12 |
| **“Placing”** | the conditional placing by Canaccord Genuity on behalf of the Company of the Placing Shares at the Fundraising Price pursuant to the Placing Agreement |
| **“Placing Agreement”** | the conditional agreement dated 14 December 2021 between: (i) the Company; (ii) the Directors and the Proposed Directors, and (iii) Canaccord Genuity |
| **“Placing Shares”** | the 2,467,352 new Ordinary Shares in the capital of the Company to be allotted to the Placees |
| **“Polyphonic”** | Polyphonic Ltd, a Group Company incorporated in England and Wales with company number 1154063 |
| **“Proposed Directors”** | Andrew Glover and Shirin Foroutan, who are to be appointed as Non-Executive Directors with effect from Admission |
| **“Prospectus Regulation”** | Regulation (EU) No 2017/1129 of the European Parliament as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 |
| **“Prospectus Regulation Rules”** | the prospectus regulation rules made by the FCA pursuant to section 73A of FSMA, as amended on the 1 January 2021 to incorporate references to EU Regulation and Commission Delegated Regulation being to the versions which are part of UK domestic law by virtue of the EUWA, and as amended by relevant statutory instruments |
| **“PR Regulation”** | Regulation number 2019/980 of the European Commission, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 |
| **“QCA Code”** | the Corporate Governance Code 2018 produced by the Quoted Companies Alliance |

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| **"Qualified Investor"** | persons who are qualified investors as defined in the Prospectus Regulation and either (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (ii) who are high net worth entities falling within Article 49 of the Order; or (b) other persons to whom it may otherwise lawfully be communicated (all such persons under (a) and (b) together being referred to as "**Relevant Persons**") |
| **"Registrar"** | Computershare Investor Services PLC |
| **"Remuneration Committee"** | the remuneration committee of the Company, being a duly appointed sub-committee of the Board |
| **"RIS"** | a Regulated Information Service which is a Primary Information Provider (PIP) that is approved by the FCA to disseminate regulatory information to the market and is on the list of Regulated Information Services maintained by the FCA |
| **"SDRT"** | Stamp Duty Reserve Tax |
| **"Share Dealing Code"** | the code to be operated by the Company from Admission which governs the restrictions imposed on persons discharging managerial responsibility and the persons closely associated with them (as defined in MAR) in relation to dealings in the Company's securities |
| **"Shareholders"** | the persons who are registered as the holders of Ordinary Shares from time to time |
| **"Subscribers"** | those persons, including the Directors, who have agreed to subscribe for New Ordinary Shares pursuant to the Subscription Agreements |
| **"Subscription"** | the conditional subscription of the Subscription Shares at the Fundraise Price to the Subscribers |
| **"Subscription Agreements"** | the conditional subscription agreements entered into between the Subscribers and the Company on or prior to the date of this Document |
| **"Subscription Shares"** | 245,068 new Ordinary Shares which are to be made available for the subscription to Subscribers pursuant to the Subscription Agreements |
| **"subsidiary"** | to be construed in accordance with section 1159 of the Act |
| **"subsidiary undertaking"** | to be construed in accordance with section 1162 of the Act |
| **"UK"** or **"United Kingdom"** | the United Kingdom of Great Britain and Northern Ireland |
| **"UK IFRS"** | UK-adopted international financial reporting standards |
| **"uncertificated"** or **"in certificated form"** | recorded on the register of Ordinary Shares as being held in uncertificated form in CREST entitlement to |

| | |
|---|---|
| | which, by virtue of the CREST Regulations, may be transferred by means of CREST |
| **"US", "USA"** or **"United States"** | the United States of America |
| **"Your Army"** | Your Army America LLC, a Group Company incorporated in Delaware |
| **"180 Lock-In Agreements"** | means the respective lock-in agreement relating to, in aggregate 136,400 Ordinary Shares entered into between the 180 Lock-In Shareholders, the Company and Canaccord Genuity, further details of which are set out in Part 5 of this Document |
| **"180 Lock-In Shareholders"** | each holder of the existing Ordinary Shares who have entered into the 180 Lock-In Agreements |

## FUNDRAISE AND ADMISSION STATISTICS

| | |
|---|---|
| Number of Existing Ordinary Shares in issue at the date of this Document | 6,871,600 |
| Issue Price | 153p |
| Number of Placing Shares to be issued pursuant to the Placing | 2,467,352 |
| Number of Subscription Shares to be issued pursuant to the Subscription | 245,068 |
| Number of Ordinary Shares in issue on Admission | 9,584,020 |
| Placing Shares as a percentage of the Enlarged Issued Share Capital | 25.7% |
| Subscription Shares as a percentage of the Enlarged Share Capital | 2.6% |
| Gross Fundraising Proceeds | £4.15 million |
| Admission and Fundraising Costs | £0.69 million |
| Estimated net proceeds of the Fundraising | £3.46 million |
| Market capitalisation of the Company at the Issue Price on Admission | £14.66 million |

## DEALING CODES ON ADMISSION

| | |
|---|---|
| ISIN | GB00BM9CMX71 |
| SEDOL | BM9CMX7 |
| AQSE Growth Market Symbol (TIDM) | ATC |
| LEI | 213800LC7EIESF7IXT53 |

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

| | |
|---|---|
| Publication of this Document | 14 December 2021 |
| Admission to trading on the AQSE Growth Market becoming effective and commencement of dealings in the Ordinary Shares | 21 December 2021 |
| CREST members' accounts credited in respect of New Ordinary Shares | 21 December 2021 |
| Ordinary Shares certificates dispatched where applicable by | 5 January 2022 |

**Each of the times and dates set out above and mentioned elsewhere in this Document may be subject to change at the absolute discretion of the Group**

# DIRECTORS, PROPOSED DIRECTORS AND ADVISERS

| | |
|---|---|
| **Existing Directors** | Brian Message, Executive Co-Chair<br>Craig Newman, Executive Co-Chair<br>Adam Driscoll, Chief Executive Officer |
| **Proposed Directors** | Andrew Glover, Senior Independent Non-Executive Director<br>Shirin Foroutan, Independent Non-Executive Director |
| **Company Secretary** | Emma Stoker |
| **Registered Office** | The Hat Factory<br>166-168 Camden Street<br>London NW1 9PT<br>United Kingdom |
| **AQSE Corporate Adviser** | Canaccord Genuity Limited<br>88 Wood Street<br>London EC2V 7QR<br>United Kingdom |
| **Legal Advisers to the Company (UK)** | Harbottle & Lewis LLP<br>7 Savoy Court<br>London WC2R 0EX<br>United Kingdom |
| **Legal Adviser to the AQSE Corporate Adviser** | DAC Beachcroft LLP<br>25 Walbrook<br>London EC4N 8AF<br>United Kingdom |
| **Auditors and Reporting Accountants** | Adler Shine LLP<br>Aston House<br>Cornwall Avenue<br>London N3 1LF<br>United Kingdom |
| **Financial PR** | Alma PR<br>71-73 Carter Lane<br>London EC4V 5EQ<br>United Kingdom |
| **Registrar and Receiving Agent** | Computershare Investor Services PLC<br>The Pavilions<br>Bridgwater Road<br>Bristol BS13 8AE<br>United Kingdom |

# SUMMARY

| Section 1 – Introduction | | |
|---|---|---|
| 1.1 | *Name and international securities identification number ("ISIN") of the Shares* | This UK Growth Prospectus (the "**Document**") relates to 9,584,020 issued, and to be issued, ordinary shares of £0.01 each of All Things Considered Group Plc (the "**Issuer**" or the "**Company**" and together with its subsidiaries the "**Group**"), with ISIN GB00BM9CMX71. |
| 1.2 | *Identity and contact details of the Issuer, including its legal entity identifier ("LEI")* | The issuer is All Things Considered Group Plc. The registered office of the issuer is The Hat Factory 166-168 Camden Street, London NW1 9PT, United Kingdom; Tel: (0)207 7580 7773; website www.atcgroupplc.com. The Issuer's LEI is 213800LC7EIESF7IXT53. |
| 1.3 | *Identity and contact details of the competent authority that approved the Document* | This prospectus has been approved by the Financial Conduct Authority in the United Kingdom. The address of the Financial Conduct Authority is 12 Endeavour Square, London E20 1JN; Tel: +44 (0)20 7066 1000. Contact information relating to the Financial Conduct Authority can be found at http://fca.org.uk/contact. |
| 1.4 | *Date of approval of the Document* | This Document has been approved on 14 December 2021. |
| 1.5 | *Warnings* | a) This summary (the "**Summary**") should be read as an introduction to the Document and any decision to invest in the Ordinary Shares should be based on a consideration of the Document as a whole by the investor;<br>b) the investor could lose all or part of the invested capital; and<br>c) civil liability attaches only to those persons who have tabled the Summary including any translation thereof, but only where the Summary is misleading, inaccurate or inconsistent when read together with other parts of the Document, or where it does not provide, when read together with the other parts of the Document, key information in order to aid investors when considering whether to invest in the Ordinary Shares. |

| Section 2 – Key Information on the Issuer | | |
|---|---|---|
| 2.1 | *Information about the Issuer* | a) The legal and commercial name of the Issuer is All Things Considered Group Plc. The issuer is a public limited company incorporated and registered in England and Wales under the Companies Act 2006 with company number 13411674 whose registered office is at The Hat Factory, 166-168 Camden Street, London NW1 9PT, United Kingdom.<br>b) The purpose of the Issuer is to be an independent music company encompassing live rights, live agency, production, artist management and investment and a range of other music services.<br>c) The Issuer's shareholders (who hold more than 3 per cent. of the voting rights in the Company each) are: |

| | *As at the date of this Document* | | *Immediately following Admission* | |
|---|---|---|---|---|
| *Name of Shareholder* | *Number of Ordinary Shares* | *Percentage of Issued Share Capital* | *Number of Ordinary Shares* | *Percentage of Issued Share Capital* |
| Brian Message | 1,007,000 | 14.65% | 1,072,359 | 11.19% |
| Craig Newman | 1,007,000 | 14.65% | 1,072,359 | 11.19% |
| Adam Driscoll | 691,400 | 10.06% | 691,400 | 7.21% |
| Kipling House Holdings Limited | 682,000 | 9.92% | 682,000 | 7.12% |
| Matthew Benham | 377,200 | 5.49% | 377,200 | 3.94% |
| John Bryce Edge | 293,600 | 4.27% | 293,600 | 3.06% |
| Christopher Howard Hufford | 293,600 | 4.27% | 293,600 | 3.06% |

| | | | | |
|---|---|---|---|---|
| Schroder Investment Management | - | - | 958,300 | 9.99% |
| Pello Capital | - | - | 398,690 | 4.16% |

d) The Issuer's Board of Directors consists of:

Existing Directors

- Brian Message, *Executive Co-Chair*
- Craig Newman, *Executive Co-Chair*
- Adam Driscoll, *Chief Executive Officer*

Proposed Directors

- Andrew Glover, *Senior Independent Non-Executive Director*
- Shirin Foroutan, *Independent Non-Executive Director*

2.2 *What is the key financial information regarding the issuer?*

**Company Financial Information**

The Company was incorporated on 20 May 2021 and the following table sets out the summary audited financial information of the Company as derived from the audited financial information of the Company drawn up as at 30 June 2021 and is not extracted from any statutory financial statements. The Company has no operational track record and revenue generating operations. The only transaction undertaken by the Company in the period ended 30 June 2021 was the issue of one ordinary share of £0.01 at nominal value, which does not appear in the tables below due to rounding.

**Summary statement of comprehensive income of the Company**

| | *Period ending 30 June 2021* |
|---|---|
| | £ |
| Revenue | - |
| Result before income tax | - |
| Result for the period being total comprehensive income | - |

**Summary statement of financial position of the Company**

| | *Period ending 30 June 2021* |
|---|---|
| | £ |
| Total assets | - |
| Total equity | - |

**Summary statement of cash flows of the Company**

| | *Period ending 30 June 2021* |
|---|---|
| | £ |
| Cash from operating activities | - |
| Cash from investing activities | - |
| Cash from financing activities | - |
| Cash increase during the period | - |

**Group Financial Information**

The following tables set out the summary audited historical financial information of the Group as derived from the financial information of the Group drawn up as at 31 December 2020 and the summary unaudited financial information of the Group for the 6 month period ended on 30 June 2021. This financial information has been extracted from the audited historical financial information in Part 7 (B) and the unaudited interim financial information in Part 8 (A).

**Summary statement of comprehensive income of the Group**

| | *Audited Year ended 31 December 2020* | *Audited Year ended 31 December 2019* | *Unaudited Six months ended 30 June 2021* | *Unaudited Six months ended 30 June 2020* |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Revenue | 7,489,436 | 3,298,477 | 5,037,428 | 1,394,901 |
| Gross Profit | 1,088,284 | 1,055,373 | (928,432) | 360,787 |
| Operating Loss | (387,696) | (599,437) | (2,498,127) | (214,548) |
| Loss Before Tax | (412,739) | (525,219) | (2,548,932) | (60,960) |
| Loss for the Period | (413,705) | (528,866) | (2,550,084) | (61,314) |

**Summary statement of financial position of the Group**

| | *Audited As at 31 December 2020* | *Audited As at 31 December 2019* | *Unaudited As at 30 June 2021* | *Unaudited As at 30 June 2020* |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Total assets | 4,587,932 | 2,775,406 | 6,135,613 | 2,800,390 |
| Total equity | (1,186,244) | (1,542,087) | (3,322,729) | (1,615,292) |

**Summary statement of cash flows of the Group**

| | *Audited Year ended 31 December 2020* | *Audited Year ended 31 December 2019* | *Unaudited Six months ended 30 June 2021* | *Unaudited Six months ended 30 June 2020* |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash from operating activities | 1,753,262 | (800,021) | (1,738,110) | (40,612) |
| Cash from investing activities | 56,984 | 139,103 | 747,728 | 10,588 |
| Cash from financing activities | 39,198 | 845,636 | 650,941 | (125,902) |
| Cash increase during the period | 1,849,444 | 184,718 | (339,441) | (155,926) |

**Pro Forma Financial Information**

The following unaudited pro forma statement of financial position of the Company as at 30 June 2021 has been prepared to illustrate the effect of the consolidation of ATC Group, the issue of equity and conversion of debt by the subsidiary Driift Holdings Ltd, and the Fundraising on the financial position of the Company as if it had taken place on 30 June 2021.

**Summary statement of financial position of the Group**

| | *Company as at 30 June 2021 £* | *Adjustment ATC Group as at 30 June 2021 £* | *Adjustment Issue of equity/debt reduction £* | *Adjustment Fundraising £* | *Pro forma Total £* |
|---|---|---|---|---|---|
| | (Note 1) | (Note 2) | (Note 3) | (Note 4) | |
| Total assets | - | 4,608,947 | 1,840,000 | 3,459,000 | 9,907,947 |
| Total equity | - | (3,322,729) | 2,435,600 | 3,459,000 | 2,571,871 |

Notes:

| | | |
|---|---|---|
| | | (1) This information has been extracted from the audited Historical Financial Information of the Company as at 30 June 2021 as set out in Part 6 Section (B) of the Document.<br><br>(2) This information has been extracted from the unaudited Interim Financial Information of ATC Group as at 30 June 2021 as set out in Part 8 Section (A) of the Document.<br><br>(3) An adjustment has been made to reflect the issue of equity on 31 August 2021 by Driift Holdings Ltd, a subsidiary of ATC Group, which raised £1,840,000 (net of costs). In addition, on the same date, certain borrowings were converted into equity. At 30 June 2021, the value of borrowings owed to third parties which were subsequently converted to equity totalled £145,600 with the balance of the borrowings of £450,000 to be repaid from the proceeds of the Fundraising.<br><br>(4) An adjustment has been made to reflect the proceeds of a placing and subscription of 2,712,420 Ordinary Shares of the Company at an issue price of £1.53 per Ordinary Share to raise gross proceeds of £4.15 million, less admission costs estimated at approximately £0.69 million.<br><br>(5) No adjustment has been made to reflect the trading performance of the Company or ATC Group since 30 June 2021 or, save as set out above, any other transaction. |
| 2.3 | *What are the key risks that are specific to the Issuer?* | • ATC relies on a small number of more established artists to generate the majority of artist management and live performance revenue.<br><br>• The loss of any Directors, key managers or agents or inability to attract talented Directors, managers and agents (in sufficient time or at all and/or at appropriate expenditure) could materially adversely impact upon the business of the Group.<br><br>• Driift has a limited operating history and whilst the Directors are optimistic about Driift's prospects, there is no certainty that anticipated objectives will be achieved.<br><br>• Any disruption to a third party's systems used by Driift as part of an event will have an adverse effect on each event and the consumers' experience, which could harm the Driift's business.<br><br>• Any failure by third parties, in which the Group relies upon for certain events, to fulfil their respective obligations on a timely basis could delay or possibly lead to the cancellation of an event and/or damage the Group's reputation.<br><br>• The Group has, and may in the future enter into, arrangements or other strategic relationships with third parties to conduct business ventures and/or other commercial arrangements alongside each other. No assurances can be made that such relationships, arrangements or ventures will continue or will be profitable, and there remains the customary risk of disputes between the parties and/or that the action of the other parties could harm the Group's business.<br><br>• There can be no guarantee that the Group's competitors will not develop similar or superior services or products to the Group's services or products which may render the Group Company uncompetitive.<br><br>• The Company's intention is to selectively acquire interests in target businesses to complement its organic growth model, however, there can be no guarantee that the Company will successfully identify any companies or businesses meeting its acquisition criteria nor that it will be able to complete an acquisition where an opportunity has been identified.<br><br>• The Group cannot exclude the possibility of being the subject of any claim or investigation nor the outcome of any legal proceedings.<br><br>• Social distancing measures to prevent the spread of COVID-19 may have a material adverse effect on the Group's business. |

| Section 3 – Key Information on the Securities | | |
|---|---|---|
| 3.1 | *What are the main features of the securities?* | a) **Description of the type and class of the securities**<br>The type and class of the securities are ordinary shares of £0.01 each.<br>b) **Currency of the securities issue**<br>The Ordinary Shares are denominated in pounds sterling with a nominal value of £0.01 each. On Admission, the Company will have 9,584,020 Ordinary Shares in issue.<br>c) **Description of the rights attaching to the securities**<br>The New Ordinary Shares will, when issued and fully paid, rank equally in all respects with the Existing Ordinary Shares and have the following rights attaching to them:<br>• every shareholder has the right to receive notice of and to attend, speak and vote at any meetings of shareholders of the Company. The number of votes each shareholder has at a general meeting will be determined by the number of Ordinary Shares held by such shareholder. Each Ordinary Share carries the right to one vote at a meeting of the shareholders of the Company.<br>• the right to receive dividends on a pari passu basis; and<br>• if the Company is wound up, the surplus assets remaining after payment of all creditors are to be divided amongst the shareholders in the proportion to the capital which is paid up on the Ordinary Shares held by them respectively.<br>d) **Relative seniority of the securities in the issuer's capital structure in the event of insolvency**<br>Not applicable. The Company does not have any other securities in issue or liens over its assets. Therefore, the Ordinary Shares are not subordinated in the Company's capital structure at the date of the prospectus, and will not be immediately following Admission.<br>e) **Description of dividend policy**<br>The Company does not currently intend to pay any dividends as the Group grows. However, the Company intends to revisit its dividend policy in future and may revise its dividend policy from time to time. |
| 3.2 | *Where will the securities be traded?* | Application has been made for the issued, and to be issued, ordinary share capital of the Company to be traded on the AQSE Growth Market. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence on the AQSE Growth Market on 21 December 2021. |
| 3.3 | *Is there a guarantee attached to the securities?* | Not applicable. |
| 3.4 | *What are the key risks that are specific to the securities?* | • Investments in shares traded on the AQSE Growth Market is perceived to involve a higher degree of risk and be less liquid than investment in companies whose shares are listed on the Official List or AIM.<br>• Future sales or issuances of Ordinary Shares or the perception that such sales or issuances could occur may depress the price of the Ordinary Shares.<br>• The issuance of additional Ordinary Shares in connection with future acquisitions, any share incentive or share option plan or otherwise may dilute all other shareholdings.<br>• An investment in the Ordinary Shares may not be suitable for all recipients of this Document. Investors are accordingly advised to consult an appropriate person authorised under FSMA, or its equivalent in another jurisdiction, before making their decision.<br>• The share price of quoted emerging companies can be highly volatile and shareholdings illiquid. The price at which the Ordinary Shares are quoted and the price which investors may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Group and its |

| | | |
|---|---|---|
| | | operations and some which may affect quoted companies generally. These factors could include the performance of the Group, large purchases or sales of the Ordinary Shares, legislative changes and general economic, political or regulatory conditions. |

| **Section 4 – Key information on the Offer of Securities to the Public** | | |
|---|---|---|
| 4.1 | *Under which condition and timetable can I invest in this security?* | The Issuer will, conditional on Admission, raise £4.15 million (before costs and expenses of approximately £0.69 million) by the issue of 2,712,420 New Ordinary Shares through the Fundraising. The Company has conditionally raised gross proceeds of £3.78 million through the proceeds of the Placing and £0.37 million through the Subscription. The aggregate gross proceeds of £4.15 million will accordingly remain the same on completion of the Fundraising.<br>As part of the Subscription, the Directors have subscribed for (in aggregate) 130,718 new Ordinary Shares at the Fundraising Price.<br>This Document does not constitute an offer or an invitation to any person to subscribe for any Ordinary Shares. The Ordinary Shares are not being offered to the public. |
| 4.2 | *Why is this UK Growth Prospectus being produced?* | a) The Issuer believes that through the Fundraising it will receive the net proceeds from the sale of the new Ordinary Shares (after deduction of fees and commissions), which it can use to enhance its profile and standing within its market place and assist the growth of its business. The net proceeds from the Fundraising will amount to approximately £3.46 million.<br>b) The Fundraising is not subject to an underwriting agreement.<br>c) Canaccord Genuity will receive a commission for its activities upon successful completion of the Fundraising. Canaccord Genuity therefore has an interest that as many new Ordinary Shares as possible are placed. Following Admission, Canaccord Genuity will be appointed as AQSE Corporate Adviser to the Issuer. Canaccord Genuity or its affiliates have, and may from time to time in the future continue to have, business relations with the Issuer or its shareholders or may perform services for the Issuer or its shareholders in the ordinary course of business. |
| 4.3 | *Who is the offerer and/or the person asking for admission to trading?* | The new Ordinary Shares will be offered by the Issuer as well as Canaccord Genuity. The Issuer, together with Canaccord Genuity, expects to apply for admission of its Ordinary Shares to trading on the AQSE Growth Market. |

# PART 1
# PERSONS RESPONSIBLE, THIRD PARTY INFORMATION AND COMPETENT AUTHORITY APPROVAL

**Persons Responsible**

The Company, All Things Considered Group Plc with its registered offices at The Hat Factory, 166-168 Camden Street, London NW1 9PT, United Kingdom, the Directors and the Proposed Directors, whose names appear in the section entitled "Directors, Proposed Directors and Advisers", accept responsibility for the information contained in this UK Growth Prospectus (hereinafter "**Document**"). To the best of the knowledge of the Company, the Directors and the Proposed Directors, the information contained in this Document is in accordance with the facts, and this Document makes no omission likely to affect its import.

In the event that an investor asserts claims before a court on the basis of the information contained in the Document, the investor acting as plaintiff may be obliged under the national laws of the countries of the European Economic Area (EEA) to bear the costs of translating the Document prior to the commencement of legal proceedings.

The information contained in this Document will not be updated subsequent to the date hereof except for any significant new factor, material mistake or material inaccuracy relating to the information included in this Document which may affect the assessment of the securities and which arises or is noted between the time when this Document is approved. These updates must be disclosed in a prospectus supplement in accordance with Article 23 of the Prospectus Regulation.

There are no guarantees attached to any of the Company's securities.

**Subject Matter of the Document**

This Document relates to the admission of 9,584,020 Ordinary Shares of the Company (consisting of the 2,467,352 Placing Shares, 245,068 Subscription Shares and 6,871,600 Existing Ordinary Shares), each such share with a nominal value of £0.01 in the share capital of the Company and with full dividend rights as of 21 December 2021, to the AQSE Growth Market.

**Note on Financial and Numerical Data**

Individual figures (including percentages) in this Document may be commercially rounded. In tables such commercially rounded figures may not add up exactly to the totals also included in the table. For the calculation of percentages used in the text, however, it was not assumed that the figures were commercially rounded, but that the actual values were used. Therefore, it can come in some cases to the fact that the percentages in the text deviate from percentages, which result on the basis of rounded values.

This Document contains currency information in British pounds sterling and USD. Currency denominations in British pounds sterling have been identified and abbreviated as "£" and currency denominations in USD as "USD" or US$ before the amount. Where figures are given in another currency, this is expressly indicated in the relevant number by the designation of the corresponding currency or currency symbol.

**Third party information**

The Company confirms that all third-party information contained in this Document has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where third party information has been used in this Document, the source of such information has also been identified.

# PART 2
# RISK FACTORS

**An investment in the Ordinary Shares is subject to a number of risks. Accordingly, prospective investors should consider carefully all of the information set out in this Document and the risks attaching to such an investment, including in particular the risks described below (which are not set out in any order or priority), before making any investment decision in relation to any Ordinary Shares.**

**The information below does not purport to be an exhaustive list of relevant risks, since the Group's performance might be affected by other factors including, in particular, changes in market and/or economic conditions or in legal, regulatory or tax requirements. Prospective investors should consider carefully whether an investment in Ordinary Shares is suitable for them in the light of information in this Document and their individual circumstances. An investment in Ordinary Shares should only be made by those with the necessary expertise to fully evaluate that investment.**

**This Document contains forward-looking statements, which have been made after due and careful enquiry and are based on the Directors' current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. These forward-looking statements are subject to, inter alia, the risk factors described in this Part 2. The Directors believe that the expectations reflected in these statements are reasonable, but they may be affected by a number of variables which could cause actual results or trends to differ materially. Each forward-looking statement speaks only as of the date of the particular statement. Factors that might cause a difference include, but are not limited to, those discussed in this Part 2. Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. The Group disclaims any obligation to update any such forward-looking statements in the Document to reflect future events or developments.**

**Prospective investors are advised to consult an independent adviser authorised under FSMA. If any of the following risks relating to the Group were to materialise, the Group's business, financial conditions and results of future operations could be materially and adversely affected. In such cases, the market price of the Ordinary Shares could decline, and an investor may lose part or all of their investment. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect upon the Group.**

**In addition to the usual risks associated with an investment in a company, the Directors consider the following risk factors to be significant to potential investors.**

## Risks relating to the Group and the Group's business

***Key artists***

The Group relies on a small number of more established artists to generate the majority of artist management and live performance revenue. Outside of any contractual arrangements, written or otherwise, there can be no assurance that the Group's business relationships with its key artists will be successfully maintained and neither can it guarantee that new relationships with new profitable artists will be formed. Similarly, there can be no assurance that currently profitable artists will remain as such in respect of the Group as a whole and/or the artist themselves. Whilst the Directors believe that it has good relationships with its well established and up and coming artists, and that the Group's breadth of roster diversifies risk around the profitability of any one artist, any change in the key terms with an artist, a failure of such relationships and/or the profitability of an artist (any of which could occur with immediate effect) could adversely affect the future business, operating results and/or profitability of the Group.

***Attracting and retaining key personnel, including Directors, artist managers and agents***

The Group has a small management team and the Group's activities require the recruitment and retention of suitably qualified personnel in multiple areas, especially artist managers and agents who bring with them their own artists or clients. Such artist managers and agents are sometimes not directly employed by the Group but operate as independent persons in partnership with ATC UK through contractual arrangements, written or otherwise. The loss of, failure of relationships with and/or any change in the key terms with, any Directors, key managers or agents or inability to attract talented Directors, managers and/or agents (in sufficient time or at all and/or at appropriate expenditure) could materially adversely impact the business, prospects and financial condition of the Group, especially because the loss of a key manager or agent could result in the loss by the Group of the artist(s) that such manager or agent acts for. The success of the Group depends on the ability of its Directors and other key personnel to manage its business effectively and ensure that the artists are profitable and sales are made in accordance with its business plan. The Directors and other key personnel will also have to interpret and respond appropriately to technological, economic, market, regulatory and other conditions. The Group cannot guarantee that it will, or how long it will take to, recruit new managers and agents (or retain key personnel) and neither can it guarantee that its managers and agents will bring with them artists who are profitable within the anticipated time horizon or at all.

***Limited operating history of Driift***

Driift has a limited operating history and, accordingly, potential investors in the Company will have a limited basis on which to evaluate Driift's ability to achieve its business objectives. The future success of Driift is dependent on its ability to implement its strategy, including any evolution of that strategy within a rapidly developing market place, and in collaboration with Driift's board and stakeholders. Whilst the Directors are optimistic about Driift's prospects, which has also recently been validated through the Deezer investment (further details of which are set out at paragraph 11.1 of Part 11), there is no certainty that anticipated outcomes will be achieved.

Driift faces risks frequently encountered by early-stage companies, including its ability to expand its operation and gain additional revenue streams whilst at the same time maintaining effective cost controls. In addition, live concert streaming is not new but the combination of a complex and evolving rights landscape (such as licence fee levels charged by various global performance rights organisations, which are still to be determined) and dependency on consumers' continued willingness to pay for livestreams could impact Driift's future growth and prospects.

***Disruption from failure of Driift UK's livestreams***

Driift's operations depend on the efficiency and ''ease of use'' of third party platforms to facilitate ticket sales and the streaming of the event. For example, the recently delivered Glastonbury's 'Live at Worthy Farm' livestream event in May 2021 was disrupted by some initial technical issues caused by a third-party supplier. Refunds were also offered to purchasers of tickets for that particular stream. Driift UK is pursuing a claim against the third party supplier in connection with this event, as set out at paragraph 13 of Part 11 and has since entered into a 5-year exclusive arrangement with Dreamstage to host (subject to certain exceptions in specific circumstances) Driift's livestream productions.

Any disruption to Driift's livestreams, whether originated by the company or by third parties, will have an adverse effect on each event and the consumers' experience, which could harm Driift's reputation, business, financial condition and/or prospects.

***Actions of third parties and contractors***

The Group currently uses third parties, including ticket vendors and contractors used in staging live events. Any failure by these third parties to fulfil their respective obligations on a timely basis could delay or possibly lead to the cancellation of an event and/or damage the Group's reputation for delivering online ticketed events, which could be detrimental to the future business, operating results and/or profitability of the Group.

***Business ventures with third parties including in relation to Driift Holdings, Polyphonic and future joint ventures***

The Group, through ATC UK, has a 52 per cent. interest in Driift Holdings and three other shareholders hold the remaining 48 per cent. interest. Even though ATC UK has majority share ownership and the ability to control board decision-making, pursuant to a shareholders' agreement, certain key strategic, legal and operational decisions require the consent of other shareholders. This contractual arrangement may expose ATC to customary risks that are associated with joint ventures and owning a company with multiple decision-makers. For example, if disputes develop between ATC UK and any of the other shareholders, any litigation or arbitration resulting from any such disputes may be costly for ATC UK, protracted and may distract management resources, which in turn may have an adverse effect on the Group's business, financial condition, operating results and prospects.

There are certain other risks associated with any joint ventures or business ventures involving non-wholly owned subsidiaries that the Group is currently engaged in, or may in the future engage in, including the risk that joint venture partners or minority shareholders may: (i) have economic or business interests or goals that are inconsistent with those of the Group; (ii) be unable or unwilling to fulfil their obligations under any shareholders' agreement or other agreements; (iii) seek to accelerate capital contributions on the venture, which may be inconsistent with the Board's prevailing strategy or the ability or willingness of the Group to fund its share of such capital contribution to allow it to maintain its shareholding percentage; and/or (iv) experience financial or other difficulties and/or fail to fund their share of any capital contribution which might be required, which may then fall to the Group to fund.

Should the Board consider it commercially advantageous for the Group, the Company or any of its subsidiaries may decide to enter into future agreements with one of more of its existing or new joint/business ventures to the effect that the Group's shareholding and/or board rights in such venture falls below the threshold of control. Should any such circumstance occur, it would be anticipated that: (i) the Company would not or no longer fully consolidate the financial accounts of that entity in the financial statements of the Group and instead use equity accounting methodology; (ii) the Group would have less control over the operations and/or strategy of the entity and/or (iii) may increase the likelihood of future divergence of strategy and/or disputes between the other shareholders as described above in this risk factor.

The Group also has, and may in the future enter into, additional arrangements or other strategic relationships with third parties to conduct business ventures and/or commercial activities alongside each other. No assurances can be made that such relationships arrangements or ventures will continue or will be profitable, and there remains the customary risk of disputes between the parties and/or that the action of the other parties could harm the Group's reputation, business, financial condition and/or outlook. In particular, Polyphonic's business model involves it partnering with an artist over, typically, a 5 year period and guaranteed advances against the artist's total share of venture profit (for their personal expenditure) as well as providing other capital expenditure that Polyphonic cannot guarantee will be recouped (although it does carefully select the artists it partners with based on historic profitability).

Any of the foregoing may have a material adverse effect on the results of operations or the financial condition of the Group.

***Competition***

In the Directors' opinion, the markets in which each Group Company operates is competitive and fast-moving and may become even more competitive. There can be no guarantee that a Group Company's competitors will not develop similar or superior services or products to a Group Company's services or products which may render the Group Company uncompetitive, especially if the larger operators in the industry choose to invest significant resources into competing ventures. Equally, the Group's size and structure means it may be able to move more quickly into growing areas of the industry compared to its competitors. The Company's size could mean that its commercial negotiating position is not as strong as its counterparty's.

***The Group may not be able to acquire target companies or businesses***

The Group's intention is to selectively acquire interests in complementary target businesses where such acquisition may result in enhancing Shareholder value. However, there can be no guarantee that the Group will successfully identify any companies or businesses meeting its acquisition criteria nor that it will be able to complete an acquisition where an opportunity has been identified and, as a result, resources may be expended on investigative work and due diligence which does not result in the completion of the acquisition.

In the event that the Group acquires less than a 100 per cent. interest in a particular asset or entity, the remaining ownership interest will be held by third parties and the subsequent management and control of such an asset or entity may entail risks associated with multiple owners and decision-makers. Any such investment also involves the risk that third party owners might become insolvent or fail to fund their share of any capital contribution which might be required, which may then fall to the Group to fund. In addition, such third parties may have economic or other interests which are inconsistent with the Group's interests, or they may obstruct the Group's plans, or they may propose alternative plans. If such third parties are able to take or influence actions contrary to the Group's interests and plans, this may affect the ability of the Group to implement its strategies.

***The Group may be subject to general legal risks, litigation, regulatory disputes and government inquiries***

The Group may in the future increasingly face the risk of claims, lawsuits, government investigations and other proceedings involving competition and antitrust, intellectual property, data protection, privacy, consumer protection, accessibility claims, securities, tax, employment, agency regulations, commercial disputes, and other matters. The Group cannot exclude the possibility of being subject to any claim or investigation, nor the outcome of any legal proceedings. Regardless of the outcome, litigation may require expenditure of significant funds and resources, and harm the relevant Group Company's reputation. It could also affect a Group Company's credit record. The Group may also be faced with no choice but to bring a claim itself to recover any loss it may suffer, which has been caused by a third party. Bringing a claim may require expenditure, which may not be recoverable, may be a prolonged process and may distract management. Any insurance coverage that the Group maintains may not cover its legal fees or losses fully, or at all.

***The COVID-19 pandemic, or other epidemics or pandemics, could have a material adverse effect on the Group's revenue and operations***

The spread of any contagious disease that may result in an epidemic or pandemic on a regional or global scale may have a negative impact on the operations and results of the Group. If one or more of the geographical areas in which the Group operates are affected by contagious diseases that cause an epidemic or pandemic on a regional or global scale, the ability of the company to generate revenue from its artists' live performances can be significantly affected. Since December 2019, there has been a rapid global spread of the new respiratory virus COVID-19, which continues to have a significant impact worldwide. Restrictive measures, including, *inter alia*, restrictions on the movement of people, the closure or temporary interruption of most performance venues and commercial activities and various social distancing provisions, have been and continue to be implemented by many countries, including the UK. Such measures have had a material adverse effect on the Group's business, results of operations and financial condition (with a disproportionate impact on ATC Live and Polyphonic). Whilst certain of the Group's business, in particular Driift, is likely to be able to continue operating efficiently in such circumstances, on a Group basis, any further regional or global epidemics or pandemics or the further spread of COVID-19 may have the same materially adverse effect on the Group's business, results of operations and financial condition.

***Breaches of Security and Data Protection***

The Group's information technology systems are subject to events which are beyond the Group's control including unauthorised physical or electronic access, cyber-attacks by computer hackers or viruses or other types of security breaches. Any system security breaches could lead to liability under data protection laws. The Group collects and processes personal data as part of its business. The General Data Protection Regulation ("**GDPR**") came into force on 25 May 2018. Failure to comply with the GDPR could result in the Group being liable under the GDPR, with the potential to receive fines. The maximum level of fines under the GDPR is significant and is set at the greater of EUR20 million and 4 per cent. of worldwide annual turnover for the preceding financial year.

***Force Majeure***

Risks outside the control of the Group including, but not limited to, labour unrest, war, civil disorder, subversive activities or sabotage, fires, floods, explosions, or other catastrophes, epidemics or quarantine restrictions that disrupt the staging of live events, productions and/or the travel of artists could adversely affect the operations and results of the Group.

***Brexit risk***

On 31 December 2020, the United Kingdom exited the European Union. Although certain terms were agreed in connection with the United Kingdom's exit, there remains significant uncertainties as to what the impact will be on the fiscal, monetary and regulatory and legal landscape in the UK, including, amongst other things, the UK's regulatory and tax system and the conduct of cross-border business. The key impact this is having on the Group is the ease and cost of putting an artist on tour in Europe. The Group is currently in the process of adapting to the new regulatory and legal landscape. It is not possible to fully predict the effects of the UK's exit from the European Union but any of these risks, taken singularly or in the aggregate, could have a material adverse effect on companies and therefore could affect the Group's business, revenue, financial condition, profitability, results, prospects and/or future operations.

***Currency and foreign exchange risks***

The principal currencies within which the Group transacts are Pound Sterling and US Dollars. The Group's financial position will be reported in Pound Sterling. To the extent that there are fluctuations in exchange rates, this may have an impact on the figures consolidated in the Company's accounts. The Board cannot predict the effect of exchange rate fluctuations upon future operating results and there can be no assurance that exchange rate fluctuations will not have a material adverse effect on the business, operating results or financial condition of the Group. The Group does not currently undertake foreign currency hedging transactions to mitigate potential foreign currency exposure.

***Tax risks***

Each Group Company's effective tax rate in any given financial year reflects a variety of factors that may not be present in succeeding financial years and may be affected by changes in the tax laws of the jurisdictions in which the Group Company operates, or the interpretation of such laws. Changes in the tax rates, tax relief, tax laws or practice by a relevant tax authority, or changes in interpretation of the law or a relevant tax authority's practice, increasing challenges by relevant tax authorities or any failure to manage tax risks adequately could result in increased charges, penalties, financial condition and results of operations.

## Risks relating to the Ordinary Shares and trading on the AQSE Growth Market

*The purpose of this section is to describe the main risks which are specific to the securities of the issuer.*

***Investment in Unlisted Securities***

Investment in shares traded on the AQSE Growth Market is perceived to involve a higher degree of risk and be less liquid than investment in companies whose shares are listed on the Official List or AIM. An Investment in Ordinary Shares may be difficult to realise. Prospective investors should be aware that the value of the Ordinary Shares may go down as well as up and that the market price of Ordinary Shares may not reflect the underlying value of the Group. Investors may therefore realise less than, or lose all of, their investment.

***Future sales or issuances of Ordinary Shares or the perception that such sales or issuances could occur may depress the price of the Ordinary Shares***

It is possible that the Company may decide to offer additional Ordinary Shares in the future. Future offering of new Ordinary Shares could, if shareholders do not take up any offer or are not eligible to participate, dilute the holdings of existing shareholders. Future issuances of Ordinary Shares or the perception that such issuances could occur or significant sales of Ordinary Shares by major shareholders, adversely affect the prevailing market price of the Ordinary Shares and impair the Company's ability to raise capital through further sales of equity securities.

***The issuance of additional Ordinary Shares in connection with future acquisitions, any share incentive or share option plan or otherwise may dilute all other shareholdings***

The Company may seek to raise financing to fund future acquisitions and other growth opportunities, invest in its business or for general corporate purposes. The Company may, for these and other purposes, such as in connection with share incentive and share option plans, issue additional Ordinary Shares or securities convertible into Ordinary Shares. If the Company issues additional Ordinary Shares, the company's existing shareholders may suffer dilution in their percentage ownership and the price of the Ordinary Shares may be adversely affected.

***Suitability***

An investment in the Ordinary Shares may not be suitable for all recipients of this Document. Investors are accordingly advised to consult an appropriate person authorised under FSMA, or its equivalent in another jurisdiction, before making their decision.

***Share price volatility and liquidity***

The share price of quoted emerging companies can be highly volatile and shareholdings illiquid. The price at which the Ordinary Shares are quoted and the price which investors may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Group and its operations and some which may affect quoted companies generally. These factors could include the performance of the Group, large purchases or sales of the Ordinary Shares, legislative changes and general economic, political or regulatory conditions.

***Market risks***

Continued admission to the AQSE Growth Market is entirely at the discretion of AQSE.

Any changes to the regulatory environment, in particular the AQSE Exchange Rules could, for example, affect the ability of the Group to maintain a trading facility on the AQSE Exchange Growth Market.

***Compliance with corporate governance and accounting requirements***

In becoming a publicly quoted company, the Group will be subject to enhanced requirements in relation to disclosure controls and procedures and internal control over financial reporting. The Group may incur significant costs associated with its public company reporting requirements, including costs associated with applicable AQSE corporate governance requirements. If the Group does not comply with all applicable legal and regulatory requirements, this could result in regulatory investigations which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

***There is no guarantee that the Company will maintain its quotation on AQSE***

The Company cannot assure investors that the Company will always retain a quotation on AQSE. or indeed on the Apex segment (it could be moved down to the Access segment if it fails to meet the Apex criteria at each review date). If it fails to retain such a quotation, investors may find it very difficult to sell their shares. Additionally, if in the future the Company decides to obtain a quotation on another exchange in place of AQSE, the level of liquidity of the Ordinary Shares could decline.

***Dividends***

There can be no assurance that the Company will declare dividends or as to the level of any dividends. The approval of the declaration and amount of any dividends of the Company is subject to the discretion of the Directors (and, in the case of any final dividend, the discretion of Shareholders) at the relevant time and will depend upon, among other things, the Group's earnings, financial position, cash requirements and availability of distributable profits, as well as the provisions of relevant laws, contractual arrangements that apply to Driift and/or generally accepted accounting principles from time to time.

The investment opportunity offered in this Document may not be suitable for all recipients of this Document. Investors are therefore strongly recommended to consult a professional adviser authorised under FSMA, who specialises in investments of this nature, before making their decision to invest.

# PART 3
# INFORMATION ON THE COMPANY

## 1. Introduction

*1.1 Business Overview*

The Company is a prominent independent UK music company with strong business focus in the key commercial areas of the music industry: encompassing live rights, live agency, production, artist management and investment and a range of other music artist services.

The Directors believe the Company is the only independently owned company in the industry housing talent management, live booking and talent services within the same group. Unlike the traditional 'silo' approach used in the music industry, which is characterised by many small providers often singularly focused on the delivery of one service, the Directors believe that the Company's holistic model enables the Group to be more invested in and integrated with an artist's overall business. This provides the opportunity to generate greater commercial opportunities and potential new business developments across a range of consumer sectors.

The global music market has experienced significant disruption as a consequence of the COVID-19 pandemic providing, in the Directors' opinion, opportunity for growth in new service offerings. The Company, through its wider music industry interest and innovative approach, grew its top line revenue in 2020. For instance, the Group established the music streaming business Driift as a response to the COVID-19 pandemic, producing and promoting 10 shows in its first six months of operation and becoming a well-known player in the rapidly evolving sector. Driift received the 2020 Artist and Manager Award for Innovation. In August 2021, Driift raised £2 million of new investment from Deezer S.A. at a pre-money valuation of £10 million and entered into a 5 year exclusive collaboration arrangement with Dreamstage to fully leverage the technical and commercial potential of each streaming event.

This new income opportunity in streaming live music will, in the Directors' opinion, be a permanent feature of the music industry in the post-pandemic period and will continue to see sustained growth. According to a Midia Research report published in December 2020, the total addressable market for global gross revenues for singular 'Ticketed Live Stream Events' had risen from close to zero at the start of 2020 to US$0.6 billion by the end of 2020. Midia have forecast that the segment will grow to $6.4bn by 2027.

ATC UK has an established, long-standing client base with over 50 artists on its management roster and over 400 acts on the live roster. ATC UK and ATC Management clients received 10 Grammy nominations in 2020 (and totalling 20 nominations for the wider Group clients). Notable artists managed by the Group include Nick Cave and the Bad Seeds, PJ Harvey, Frank Carter and The Rattlesnakes and Faithless. A recent addition to the management roster is The Smile, a band comprised of two of the members of Radiohead (Thom Yorke and Jonny Greenwood, together with Tom Skinner). ATC Live (the Group's live agency business) represents acts including The Lumineers, Mac DeMarco, Passenger, Big Thief, Fontaines D.C., Black Pumas and Metronomy, becoming one of the largest independent agencies in the industry. Notable live and livestream events delivered to date (including the Group's innovative Driift offering) also include Kylie, Niall Horan, Andrea Bocelli, Madness, Sheryl Crow, Rag 'n' Bone Man and, as their inaugural livestreaming concert in May 2021, Glastonbury's 'Live at Worthy Farm' Festival which generated very positive industry reaction and event reviews despite some initial technical issues caused by a third-party supplier. Driift has also delivered five shows for Spotify during 2021 as part of an exclusive livestreaming agreement. Recent and upcoming events with Driift include Andrea Bocelli, War on Drugs, Cigarettes After Sex and The Smile.

In the Group's electronic music promotions company in the USA, called Your Army, they work directly for a number of commercially successful electronic music artists, such as Disclosure, Major Lazer, Wretch 32, Duke Dumont and Roni Size, alongside delivering campaigns for major labels including Warner Music and Universal.

The Group's established, longstanding client base, combined with innovative new offerings, give the Directors confidence that the Group is well positioned to capitalise on the opportunities emerging from a disrupted music industry. The Directors believe that the Group's range of service offerings and strategy of developing ever deeper business relationships with artists through integrated investment, high-level service provision and long-term career planning will be a driver for substantial growth for the Group over the coming years.

The Group is headquartered in London, with offices in Los Angeles and Copenhagen and is led by an experienced management team who have operated across multiple music industry sectors.

*1.2 Management Strategy*

Despite the wider economic downturn in 2020 due to the COVID-19 pandemic, the music industry remains a multi-billion dollar growth market and is forecast to see a sustained period of rapid growth, according to a Goldman Sachs' 'Music in the Air' report dated 14 May 2020. This will be driven by technology, changing consumption patterns of music fans and significant growth in music streaming. The Directors believe that the Group is well placed to capitalise on developments in the music market, both despite and because of the pandemic. In the Directors' opinion, artists will seek to redefine their relationships with business partners, moving away from legacy operators to take greater direct control over their endeavours. Similarly, the Directors believe that their integrated and collaborative agency model will prove increasingly attractive to music agents seeking to offer a new style of "artist-focussed" representation with their clients and build deeper relationships with them, delivering strategic value and generating enhanced long-term growth. Further, in the Directors' opinion, the music industry remains fragmented in the mid-market, offering the opportunity to build a significant business through growth and acquisition.

All industry income is ultimately derived from the artist and the move to being in business across all revenue categories with 'empowered creators' is, in the view of the Directors, likely to be a growth area in the post-COVID-19 landscape. The Group's business units have been developed with the strategic goal of ensuring that the Group has the opportunity to be at the forefront of this evolution. The Group's Driift offering is a good example of this. Driift was developed in response to the COVID-19 pandemic, and has since grown significantly with artists employing livestreaming as a complementary part of their overall promotional plan as well as reaching incremental audiences outside of a typical touring itinerary. The Driift business model has been validated by industry through the respective investments of Beggars Group and, most recently, Deezer. Unlike other 'single discipline' music businesses, the Directors are developing the Group's model to provide a fully integrated service empowering creators and artists to build optimum commercial structures to generate increased revenues and profits.

The Fundraising and Admission will provide additional funds and presence to enable the Directors to seek to take greater advantage of the aforementioned market dynamics across each of the Group's divisions.

*1.3 Overview of Principal Activities*

The Directors believe that having now established a business capable of offering a wide spectrum of commercial interaction with performing artists, the Group is well placed to drive growth across all business areas and to fully exploit the opportunities presented in an industry emerging from the disruption of the COVID-19 pandemic.

The Group's five key divisions are:

- ATC Management - artist management (currently ranked 7$^{th}$ globally by Rostr);
- ATC Live – live event booking agency for artists (currently ranked 9$^{th}$ overall globally by Rostr);
- Livestreaming – through Driift, a global livestreaming business and Flymachine, a livestreaming platform;
- ATC Services; and
- Polyphonic; an artist partnerships venture.

*ATC Management* represents a broad roster of 57 artists including critically acclaimed career artists such as Nick Cave and the Bad Seeds, The Smile, PJ Harvey, Damien Rice, Faithless, Johnny Marr, through to successes like Sleaford Mods, and Santigold and younger developing artists Alma, Biig Piig and Gabriel Garzon-Montano. ATC Management also represents a number of film and TV soundtrack composers including Isobel Waller-Bridge, Ben Frost and Brendan Angelides. A number have won accolades that include Oscar nominations, Ivors, Brits and Mercury Music Prizes.

ATC Management is run out of both the Group's UK and USA offices and provides a full range of management services and the know-how to help grow artist business and activities and consciously seeks to develop an entrepreneurial, collaborative and artist-centric culture.

*ATC Live*, the Directors believe, has built its reputation on finding and breaking the very best artists performing today, as demonstrated by the Group's three nominations for 2019's coveted Mercury Music Prize with Fontaines D.C., Black Midi and Seed Ensemble.

ATC Live aims to guide the careers of its artists with a strong level of creative and strategic thinking. Examples of roster successes include taking The Lumineers from 200 capacity venues to the 17,000 capacity O2 Arena, Fontaines D.C. from The Shacklewell Arms (150 capacity) to Alexandra Palace (10,000 capacity) or Big Thief from Islington Assembly Hall (800 capacity) to Hammersmith Apollo (5,000 capacity).

*Livestreaming*. In the nascent and fast-growing pay-per-view livestreaming market, Driift presents artists with an end-to-end solution for their livestream requirements by offering funding, production, marketing, promotion, in-house advertisement buying, ticketing, tax handling, hosting and merchandising solutions for each event. Driift was established in June 2020, in response to the COVID-19 pandemic and was initially trialled as a music pay-per-view business model with ATC Management clients Laura Marling and Nick Cave, before moving on to produce and promote high class ticketed livestream events for a number of other artists.

Driift has now delivered shows with Niall Horan, Andrea Bocelli, Kylie, Dermot Kennedy, James Bay, Sheryl Crow, Rag 'n' Bone Man, Madness, Johnny Marr and many others. Driift's reputation as one of the leading providers of premium content in the music streaming market was further entrenched by being the chosen livestreaming partner for Glastonbury's 'Live at Worthy Farm' Festival in 2021. Industry reaction and reviews to the event were positive, notwithstanding some technical issues caused by a third party supplier. Further agreements, including a livestreaming partnership with Spotify and the recent investment from music streaming service Deezer and collaboration with Dreamstage, further support Driift's position in the market.

Since it began trading in June 2020, Driift has sold over 500,000 tickets in 171 countries around the world across 29 shows and generated gross ticket revenues approaching $10 million. The Directors consider that Driift has a strong pipeline of confirmed and potential livestream events recently and going forwards, including Andrea Bocelli, War on Drugs, Cigarettes After Sex and The Smile.

Creatively, Driift is part of a new format, merging streaming and live ticketed events for the first time. The Directors believe that this new format will have a long-term effect on music consumption whereby artists are able to complement their traditional touring strategy and income streams by accessing fans who might not be within reach of their live touring activities (typically being major global cities) as well as incremental purchases of 'end of tour' events by fans who had attended one of the artists' live shows. Following the recent Deezer investment, the Group has a 52 per cent. equity ownership of Driift, with an ability to increase that to 55.5 per cent. by 31 December 2021 through the exercise of an option to acquire a number of shares from one of the existing shareholders.

The Company also holds investment stakes in namethemachine, a software and media development company with a focus on emerging technology and transmedia solutions and in Flymachine, a VC-backed livestreaming platform with a focus on communal and social interaction, with a beta version demonstrated in May 2021 followed by a first public streamed event hosted on the platform in June 2021. Flymachine recently raised an additional $11 million in new equity funding at a post-money valuation of $46m. ATC currently holds a 5.4 per cent. equity stake in Flymachine.

*ATC Services.* In recent years the Group's business based in the USA has expanded its range of offerings in the market to enable it to provide services to both its own management clients and to third parties. These operations include Your Army, which delivers DJ servicing, radio promotions and digital marketing to both ATC Management's own management roster and third-party clients, and Familiar Music which delivers synchronization services.

*Polyphonic* is where the Group seeks to bring together all the strands of its business services to offer appropriate artists the option of a full business partnership.

Through a contractual structure, Polyphonic enters into a 5-year agreement with an artist which guarantees advances against the artist's total share of venture profit. The contractual partnership is made across all the artist's revenue streams with Polyphonic underwriting recording, marketing and touring costs. Artists signed with Polyphonic have access to the full range of the Group's services. This holistic view aims to maximise total artist revenues (recorded, live, merchandising, brand, all other artist revenues) and removes the friction and duplication of multiple service providers.

*1.4 Financial Performance Summary*

The Group generated a 127 per cent. increase in consolidated revenues in 2020. The dramatic impact on touring revenues from the COVID-19 pandemic and associated global lockdowns was notably offset through the establishment of ATC's Driift livestreaming offering. The Group's revenues for the year ended 31 December 2020 totalled £7.5 million, 63 per cent of it being generated by Driift (2019: £3.3 million, Driift not trading), its gross profit was £1.09 million (2019: £1.06 million) and its EBITDA loss was £0.22 million (2019: £0.33 million loss). The loss before tax for the period was £0.41 million (2019: £0.53 million loss). The loss after tax for the period was £0.41 million (2019: £0.53 million loss) of which £0.05 million loss (2019: £nil) was attributable to non-controlling interests, with the remainder attributable to the shareholder of the Group.

The Group's consolidated revenues for the six month period ending 30 June 2021 totalled £5.04 million (equating to a c.3.6x fold increase on the prior period), 66 per cent of it being generated by Driift. The Group's gross loss was £0.93 million and its EBITDA loss was £2.44 million following a substantial investment into Driift, principally to deliver the Glastonbury 'Live at Worthy Farm' event where the substantial costs of production fell into the first half of the year while additional revenues and associated credits are expected to come in later periods. The loss before tax for the period was £2.55 million (2019: £0.61 million loss). The loss after tax for the period was £2.55 million of which £0.90 million loss was attributable to non-controlling interests, with the remainder attributable to the shareholder of the Group (all figures unaudited).

Since the beginning of the year, Driift has produced and promoted 14 shows including the multi-artist Glastonbury event and the Group has continued the growth of its other businesses, including the signing of new artists to its management and live rosters. Driift has already secured several shows recently and for the coming months, including Andrea Bocelli, War on Drugs, Cigarettes After Sex and The Smile and the Directors anticipate that a number of ongoing discussions will see further shows added to the calendar over the coming period.

**2. Key Strengths**

***Strong and experienced Board and management team, aligned with shareholders***

The Board and executive management of the Group comprises a team of individuals most of whom have worked together within the Group for a number of years. Members of the team have a strong track record of launching and growing businesses.

Adam Driscoll has recently been appointed as Chief Executive Officer and brings with him significant previous experience in having built a multi-faceted music company in both private and public markets, including as founder of channelfly.com plc, Co-CEO of MAMA Group plc, Co-CEO of Vision Nine Entertainment Group and as MD of Punchdrunk Global Limited.

The Executive Co-Chairs, Brian Message and Craig Newman, have each been part of the Group for over 20 years and have extensive music industry experience both as managers of globally renowned artists and as developers of the wider array of the Group's businesses. Brian has previously been Chair of the Music Managers Forum, was a founder of the Featured Artists Coalition and has been a long-term co-manager of globally renowned band, Radiohead. Craig has a proven track-record of founding and growing companies, established the Group's USA business and was also co-manager of several ATC Management artists and a partner in Radiohead's management business.

The Board is supplemented with two independent Non-Executive Directors with a wealth of relevant industry and corporate experience. Andrew Glover was most recently an audit partner with Ernst & Young LLP for nearly 22 years with an extensive portfolio of mid-market clients, including music industry companies. Shirin Foroutan is the Vice President, Creative, Europe at BMI, a global leader in music rights management. In this role, Shirin leads BMI's creative efforts throughout Europe, which includes supporting their affiliated songwriters, composers and music publishers as well as cultivating key industry relationships.

The executive management of the Group comprises a long-standing team of divisional heads, each of whom has a wide range of experience in the music industry, encompassing senior roles at various major and independent record labels, founding and running their own businesses and being recognised within the industry with numerous nominations and awards from industry awarding bodies.

The Group has a significant shareholder base amongst both the Board and senior staff, with employees holding 43.3 per cent. of the Enlarged Issued Share Capital of the Group (and 13.7 per cent. excluding the Board). The Directors believe that employee stakeholders are important to the success of the Group and that this further incentivises and aligns the employee base with all Shareholders.

***Longstanding industry connections and networks, recognised by leading brands***

The longstanding involvement of all the senior management team in the music industry means that collectively the Group has significant access to wide networks of key industry operators, influencers and leaders. Several of the Group's managers have strong involvement with professional industry bodies with Sumit Bothra, Ric Salmon and Brian Message all having been board members and advisors to the Music Managers Forum, the world's largest organisation of professional music managers. The ability to deal at a high level with multiple other operators is a valuable resource when seeking to grow Group businesses and develop new products.

Having successfully established itself as a front runner in providing end-to-end music livestreaming services, the Group has attracted the attention of high-calibre brands such as Glastonbury Festival and Spotify who have sought Driift's expertise to livestream their events. Glastonbury's 'Live at Worthy Farm' Festival in May 2021 generated very positive industry reaction and event reviews despite some initial technical issues caused by a third-party supplier. Further, the production has recently received two nominations for the prestigious Royal Television Society Craft and Design Awards 2021. The Group's longstanding industry connections, coupled with brand endorsement and the recent Deezer investment and Dreamstage collaboration, means the Directors consider that the Group is at the forefront of the emerging streaming space and is well placed to increase its market share in the live events industry.

***Broad portfolio of clients and longevity of relationships***

The Group currently has a wide portfolio of clients with over 400 represented by ATC Live and over 50 by ATC Management. A number of those clients are especially well-regarded in the wider artist community and act as talent beacons for the Group. By way of examples, Nick Cave, Thom Yorke, PJ Harvey and Jonny Marr are considered to have all attained a degree of 'role model' status in the music community because of the way they have approached their careers and the delivery of their art. In addition, ATC clients across the Group received 20 Grammy nominations in 2020. Representing such talent is a positive indicator for ATC Management for other artists when considering their future business requirements. Further, the fact that many of the Group's artists have been managed by ATC Management for the majority of their careers is testament to the quality of Group's management services and what it has to offer artists. By way of examples, Faithless has been with ATC Management for almost two decades and Nick Cave has been with ATC Management for approximately eight years.

***Attractive mix of products, solutions and ethos***

The Group is believed to be unique in that it combines a number of music industry verticals under one roof, allowing teams to leverage the skillset of other divisions and industry experience across the Group to serve the best interests of artists. There are limited examples of companies that include both artist management and live agency representation and the Directors are not aware of any businesses holding both elements to any significant degree. With the opportunity to also utilise the Group's synchronisation business (Familiar Music), its digital, radio and club marketing solutions (Your Army) in the USA, the livestreaming proposition at Driift and the investment options at Polyphonic, the Directors believe that the Group has built a mix of products and solutions for music artists that will enable them to develop and deliver their career ambitions, driving long term growth for the Group. The Directors believe it is this ethos of providing artists with more control over their commercial endeavours and becoming a trusted partner is what attracts and retains artists to the Group, as well as provides a route for growing each relationship into other of the Group's existing business and/or into new service lines.

With the Group's capabilities and products encompassing a number of music industry verticals, the Group benefits from some diversification of revenues. This diversification, notably arising from the innovative Driift offering, resulted in the Group growing top line revenues in 2020 despite the dramatic impact on touring income as a result of the COVID-19 pandemic and associated global lockdowns for the global music market as a whole.

***Commitment to innovation instilled through leadership team***

Executive management has shown a strong record in innovating within the music business. Driift was born out of the COVID-19 pandemic live music shutdown and is a clear example of management pivoting quickly to produce new solutions and revenue streams by delivering an exciting alternative format with global reach. Driift received the 2020 Artist and Manager Award for Innovation. Polyphonic is an innovation in the financing of artist businesses and employs a differentiated investment model as against the more standard industry models. Management has been involved with ground-breaking music releases such as Radiohead's 'In Rainbows' which was held up as a new model for bands wishing to operate outside of traditional music industry structures.

***Attractive position in fragmented and disrupted market***

The music market is in a period of significant change and growth with new technologies enabling greater direct-to-consumer access for artists together with new prospects for holding and monetising artist assets. The Group has demonstrated a track record in leveraging its relationships and expertise to expand into new revenue streams, including the establishment of Driift. Looking forward, the Group has relationships with innovators in the technology sector regarding livestreaming, music distribution, blockchain and NFTs. In the Directors' opinion, the combination of the Group's roster of well-regarded artists, experienced management and engagement with new technologies will give the Group the opportunity to expand into new verticals and to build a leading business with global reach. By way of example, the Group recently brought together namethemachine (a management client in which the Group has an equity stake), highly renowned artists Radiohead and leading software developer and publisher Epic Games in a venture to launch an online Radiohead exhibition in November 2021. This exhibition is the first non-game application launched on the Epic game store. The Group will generate income both from the revenues attributed to its management client and as a participant in the income generated by the exhibition. Further, in the Directors' opinion, the music industry remains fragmented in the mid-market sector and, combined with the disruption caused by the COVID-19 pandemic, is resulting in a significant opportunity for companies such as ATC with integrated and resilient business models to capitalise on a number of structural growth areas by way of organic and acquisitional expansion.

## 3. Business Overview

### *3.1 History of the Group*

Founded in 1996, ATC UK was incorporated originally as A Ticket Company Limited before changing its name to All Things Considered Limited in 2016. Initially formed as a boutique ticketing and marketing business the company expanded beyond those areas to become focused on the management of music artists from 2001 with ATC UK's first management client being Gemma Hayes, who released her first album in 2002 and was nominated for the Mercury Prize in 2003. Other early clients included The 22-20's, The Nine Black Alps, P*Nut, Rollo and Faithless. The Group continued to build its artist management roster before expanding into other complementary music industry areas over the last few years.

The Group's growth has accelerated in recent years with a substantial growth in revenue from artists under management by ATC Management and represented by ATC Live. In addition, the business in the USA has expanded and new offerings including Driift have been delivered. The first Polyphonic investment has been made in an artist now showing clear signs of commercial development and Your Army has been built in the USA. The Group has had to operate predominantly out of operating cashflow and the lack of substantial capital funding has been a brake on the more aggressive growth which the Directors believe can now be delivered.

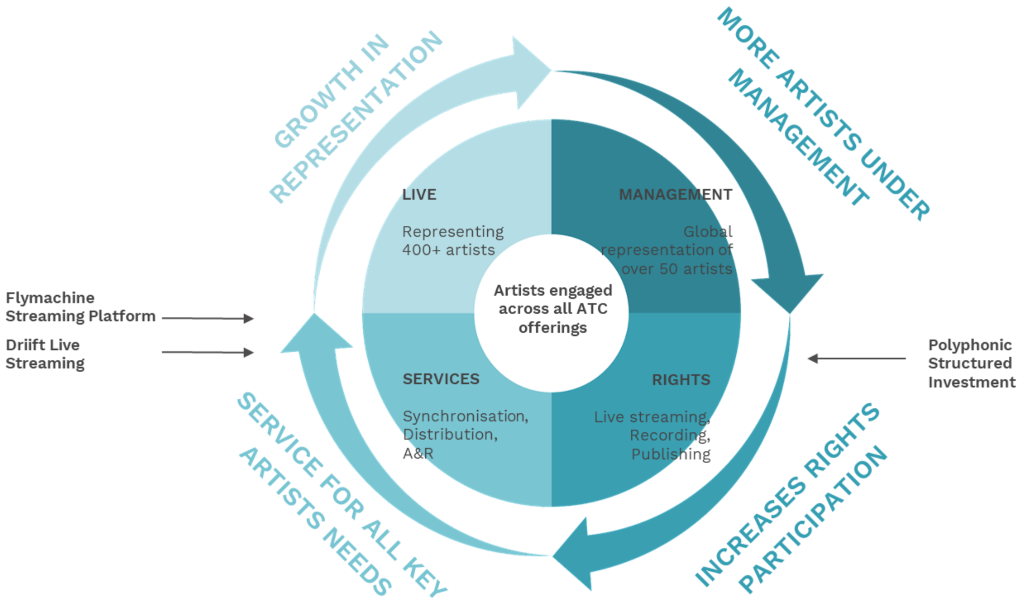
### *3.2 Business Objectives*

**To provide a holistic service to artists, connecting them to fans through multiple channels**

The Goldman Sachs' 'Music in the Air' report dated 14 May 2020 noted that the continuing disruptions, including but not limited to the COVID-19 pandemic, and evolutions in the music industry would "close the gap between artist and fans". The Directors subscribe to this view and believe that the Group's range of service offerings and strategy of developing ever deeper business relationships with artists through integrated investment, high-level service provision across all verticals and long-term career planning will be a driver for substantial growth for the Group over the coming years. Being the business conduit between the artist and the fan for substantial elements of an artist's career is a key strategic objective for the Group.

The Group's various business interests have been constructed to enable music artists to engage via specific services or to take a more integrated approach. The ATC Flywheel reproduced below is a pictorial representation of the Group's approach to developing business with artists. An artist may initially be contracted to a single group service such a live representation or artist management services. However, once engaged, the artist is made aware of the wider group business units and has the opportunity, but not the obligation, to engage in other service offers. Ultimately the relationship between Group and artist can evolve such that the artist is engaged across all the Group's offerings and a genuine 'creative/business partnership' arrangement is delivered. This is represented by the Flywheel 'bullseye' below.

*ATC Flywheel – Integrated Model*




**To develop each business unit to position the Group as a unique offering within the wider market**

The Group proposes to invest in and build out each of its underlying segments (including artist management, live agency representation, livestreaming, synchronisation opportunities, digital, radio and club marketing solutions and artist partnerships) to ensure it is well positioned to act for artists in multiple capacities, ensuring the ability to provide its full service offering where required. The Group's aim is to be the leader in offering this distinctive mix of products and solutions for music artists that will enable them to best develop and deliver their career ambitions, driving long term growth for the Group.

The Group will seek to build the scale of the business to increase market presence and attract greater client numbers, through both investment in people, particularly recruiting additional agents and managers who bring with them commercially viable rosters of artists and, where relevant, via acquisition.

**To drive the growth of Driift and capitalise on emerging market trends to leverage its position as a prominent player in the music livestreaming arena**

To date, Driift has sold tickets in 171 countries around the world. The Directors believe that this global distribution gives an additional commercial advantage for artists – who are able to generate income from fans who might not be within reach of their live touring activities. Additionally, in the Directors' opinion, the presentation of an 'end of tour' livestreamed event will potentially become an incremental purchase to those fans buying tickets for attendance at the live show.

Driift will continue to focus on delivering ever greater numbers of livestreamed events which are forecast to be a growing feature of the music industry space. In August 2021 Driift Holdings entered into an exclusive arrangement with Dreamstage, a leading livestreaming platform which also counts Deezer as a minority shareholder. The Directors believe that this agreement is beneficial to Driift for a number of reasons, not least because it gives Driift greater control over service level provisions, but also because Dreamstage's technology will enable Driift to deliver a wider range of services to artists during the livestream process such as enhanced merchandising offerings. The Directors believe that there is very significant growth potential for the business over the coming years both in ticketed livestream income and in ancillary revenues.

*3.3 Principal Activities*

The Company's subsidiaries comprise five key business units, which deliver a broad range of music services.

**ATC Management**

ATC Management guides the careers of a broad roster of over 50 artists, from internationally known artists with substantial revenues alongside new development artists with, currently, limited income and small fan bases. The company represents critically acclaimed career artists such as Nick Cave and the Bad Seeds, Thom Yorke, PJ Harvey, Damien Rice, Faithless, Johnny Marr, through to successes like Sleaford Mods and younger developing artists such as Alma, Biig Piig and Gabriel Garzon-Montano. ATC Management also represents film and TV soundtrack composers, including Isobel Waller-Bridge, Ben Frost and Brendan Angelides.

In the USA the artist management business has grown from one client to 10 who are now represented by four artist managers. The roster includes successful artists Santigold, Twin Shadow, Cuco, Mayer Hawthorne and Lido. The intention is to continue to grow the management client roster and the Group has plans to open an office in New York in the next 12 months to further assist in the development of the US business.

ATC Management has built its business over a number of years by aiming to create sustainable artist brands and businesses with strong domestic roots and global ambitions. It has been focused on representing artists seeking long-term growth and development, led by entrepreneurial and strategic artist managers. Each manager will typically look after three or four clients. The 'network effect' of housing a number of artist managers within one company, alongside the other of the Group's businesses, enables a sharing and collation of industry information that helps each manager to stay on top of the rapidly evolving entertainment landscape.

An artist manager has a challenging role in the music industry as the manager is tasked with setting the business strategy across the whole of the artist's business. To that end, a good manager has to have deep knowledge of each of the industry silos that are crucial to build an artist's career. In particular, the manager must understand the economics of the recording, publishing, live and merchandising businesses. Having a collection of artist managers at the heart of the Group ensures that the wider Group can share in the benefit of knowledge of industry wide developments.

There are 12 artist managers based out of the London office, two in Copenhagen and five in the USA. Revenue is typically generated by commissioning 20 per cent. of the net income of each management client. This is regarded as an industry standard arrangement although slight variations may exist between clients. The artists generate their income from a variety of sources, but key areas include recording agreements and music sales, publishing income, live touring income and sponsorship and merchandising arrangements.

Arrangements with managers typically fall under two types of structure – one in which the manager has a participation in the commission payable to the company (sometimes structured by way of a partnership arrangement between the manager and the Group) and one in which a manager may have a base salary which is augmented by a participation in the commission earned but where that participation is at a lower rate than that offered to an unsalaried manager.

The artist development process for new artists has evolved significantly in the last decade, shaped by technological developments that have been wrought by the changes driven by social media platforms that can now enable global content marketing and distribution at a scale not previously possible. In the Directors' opinion, it remains challenging to generate artist recognition and fan bases in a world where there is so much access to content. This has necessitated an adaption of new business strategies for artist management companies.

In this current era ATC Management's managers are required to deal with all of the following elements in order to build and guide their clients' careers:

- Creative input across recording, live, photography, music videos, songs and written communications;
- Diary management, travel and logistics;
- Business management – copyright protection, deal oversight, income tracking, rights management and royalty collection;
- Touring – logistics, insurances, taxes, immigration, performing rights collections and eco-and profit-conscious planning;
- Data analysis – understanding and integration;
- Merchandising – webstore, direct-to-consumer;
- Digital presence – website, social media, fan clubs, subscription services and optimisation;
- Being alive to wider industry innovations – livestreaming, NFTs, blockchain-based merchandising and rights management, AI, virtual reality, augmented reality and digital personas;
- Synchronisation – the placement of music in films, TV shows, videogames, digital media and commercials;
- Branded entertainment – sponsored appearances, brand collaborations and paid promotions;
- Catalogue management;
- Royalty statement analysis and auditing; and
- Legal – deal sourcing, negotiation, awareness of current market practice and ability to handle a vast variety of licensing agreements.

ATC Management has focused on building a company culture that the Directors believe will attract new managers and new artist clients over the coming years. Six new artists were added to the roster in H1 2021.

The company holds a weekly talent-scouting meeting, which involves every manager in the organisation both in Europe and the US and which offers a forum for a valuable exchange of information on artist prospecting. This is augmented with regular creative meetings that involve managers from across the Group to share ideas on enhancing artist campaigns.

Several of the Group's managers have strong involvement with professional industry bodies. Sumit Bothra, Ric Salmon and Brian Message have all served as Music Managers Forum board members/advisors. The Music Managers Forum is the world's largest organisation of professional music managers and represents the interests of managers and their artists to affect industry and legislative policies and behaviours.

The company also has a focus on community outreach and is currently working with two schools to mentor the next generation of creators and executives. In March 2021, ATC Management announced an exclusive A&R student talent school programme with the BIMM Institute, Europe's largest and most connected music institute. As part of the partnership, 11 A&R roles have been created across BIMM colleges in England, Ireland and Germany, allowing participating students to liaise directly with ATC Management's core A&R teams and managers.

Over the coming years, a focus for ATC Management will be to further develop key areas of the business. These will include new pop and 'influencer' signings (which currently include Biig Piig, Oh Em, Tom King, TWST and Cuco) together with the expansion of our composer and producer/writer rosters.

In addition, the Directors believe that ATC Management has an opportunity to expand its management capacity by attracting new high-level managers who have strong artist rosters and who will see ATC Management as a strong and stable business environment that will enable progression for them and their artists.

**ATC LIVE**

ATC Live was officially launched in March 2011 with just five acts on the roster. It was launched as a partnership with Alex Bruford who continues to lead the company and who has a 10 per cent. profit participation in ATC Live LLP which is the principal trading operation for the live agency business. In April 2021 ATC Live Agency Limited was incorporated as a wholly owned subsidiary to enable the Group to make future investments in new agents, with Alex Bruford also having commercial oversight of that business.

ATC Live now represents over 400 artists including Nick Cave & The Bad Seeds, The Lumineers, Mac DeMarco, Passenger, Big Thief, Fontaines D.C., Black Pumas, Metronomy, Sleaford Mods, Black Midi and Julia Jacklin and is one of the world's leading independent live agencies, being currently ranked 9$^{th}$ overall globally by Rostr.

It currently comprises a team of 15 agents plus support staff working across offices in London, Glasgow and Paris, and has recently entered into global partnership arrangements with a new US agency, Arrival Artists, set up by veteran Paradigm agents Ali Hedrick, Erik Selz, John Bongiorno, Karl Morse and Ethan Berlin. This arrangement creates an independent agency structure facilitating dynamic global representation for shared clients.

The company typically generates income by commissioning 10 per cent. of the artist's gross profits from all live activities. This income is broadly derived from advising on and booking live touring and festival appearances but can also include sponsored events and brand funded live activities. The Group has good visibility on future earnings as, before the impact of the pandemic, touring for the high-income generating clients is often booked 12-18 months ahead of the activity actually taking place.

Agents who work at ATC Live will typically be paid a base salary which is augmented by a share in the commission generated by their artists. Each ATC Live agent will typically look after about 30 artist clients, thereby permitting each agent to develop a higher quality of artist, longer and deeper client relationships and add to the strategic value to artists' music campaigns and long term growth.

Acts may often be taken on early in their careers with the agent guiding the growth and development of their live business, working in tandem with the artist's manager to determine the aims and ambitions for the client. The agent is responsible for scheduling tours to ensure the artist plays venues of appropriate capacities and appears in front of relevant audiences in festival environments.

ATC Live was created to provide artists with a new style of representation, based on seeking to deliver the artists' goals with a high level of creative and strategic thinking and the Directors consider that the continued growth of the roster is demonstration of the success of this approach. 71 new clients have been signed in 2021.

ATC Live endeavours to have a strong presence at key industry gatherings such as SXSW in Austin, Texas, where the company presents an annual show at the British Music Embassy in association with the BMI. ATC Live also programmes stages at The Great Escape in Brighton, International Festival Forum and Liverpool Sound City.

The growth of the company is derived from both the training and development of new agents and by attracting established agents to join the business. The global live music market has been significantly impacted by the COVID-19 pandemic with a 63.7 per cent. reduction of live music ticket sales in 2020 compared to 2019, according to Statista. 2021 continues to be significantly affected although the directors believe that a return to some festivals and indoor live events in USA and UK in H2 2021 has pointed to the restart of trading in the sector with continuing growth back to pre-pandemic levels anticipated by the Directors during 2022, in which over 6,000 ATC Live booked shows are expected in 2022 compared to 5,383 shows in 2019. International markets will mandate live events at different dates depending upon their progress in tackling the pandemic and the lifting of travel restrictions will also make international touring an easier proposition in due course.

The Directors believe that the disruption occasioned in the live music industry by the COVID-19 pandemic will present an opportunity for ATC Live and will be a catalyst for future growth. A number of large agencies whose principal business is in live representation have seen material adverse consequences for their businesses and have either laid off agents or have seen agents depart to look for more stable environments. Whilst ATC Live has also been affected by the live music shutdown, it has benefitted from being part of the Group which has, through its wider music industry interest, been able to grow top line revenue in 2020. As a result, in the Directors' opinion, its agents have been protected from the downturn and the agency will emerge from the pandemic with a solid financial structure, and furthermore so from the Fundraising and Admission, and will be an attractive proposition for agents who are 'on the market'.

ATC Live was accounted for as a joint venture in 2019 and 2020, with its results reported as a single line in the income statement within the Group's share of results of associates and joint ventures. From 1 January 2021, ATC Live came under the control of the Group and became a subsidiary undertaking, with its results consolidated in full from that date

**Livestreaming**

The Group's principal activity in the livestreaming sector is delivered by Driift. Co-founded in June 2020 by the Group and Ric Salmon, Driift was established in response to the almost total shut down of the live music industry occasioned by the COVID-19 pandemic. With early investment support from Beggars Group Limited, one of the world's largest independent record companies, Driift quickly established itself in the area of pay-per-view livestreamed concerts and has now delivered a number of commercially successful livestream events with internationally recognised artists and brands. Today ATC UK owns 52 per cent. with the remaining 48 per cent. owned by Ric Salmon (14.5 per cent.), Beggars Group (16.1 per cent.) and, following a £2 million investment in August 2021, Deezer who currently hold 17.4 per cent.

In March 2020 a number of ATC Management clients saw substantial future touring activity postponed and festival events cancelled due to the impact of the COVID-19 pandemic. Amongst these artists were Laura Marling and Nick Cave, respectively managed by Ric Salmon and Brian Message, who decided to seek an alternative way to present their artists to their global fanbases and, with the artists' input and agreement, set up two pay-per-view livestream events. This marked a shift in the commercialisation of livestreamed concert in that it presented the artist performing without any audience in the venue but with a paid ticketed audience 'at home'.

Laura Marling's show from The Union Chapel was a critical and commercial success, selling 7,000 tickets. Nick Cave's show from Alexandra Palace was similarly well received and sold 35,000 tickets. Having demonstrated the possibilities of the business model, Driift was incorporated to deploy the livestreaming business to both ATC Management and ATC Live clients and other artists not affiliated with the Group.

In the first six months of trading Driift delivered 14 livestream pay-per-view events featuring artists including Niall Horan, Dermot Kennedy, Kylie Minogue and Andrea Bocelli. Since it began trading in June 2020, Driift has sold over 500,000 tickets in 171 countries around the world across 29 shows and generated gross ticket revenues approaching $10 million.

Driift presents artists with an end-to-end solution for their livestream requirements by offering funding, production, marketing, promotion, in-house advertisement buying, ticketing, tax handling, hosting and merchandising solutions for each event.

Driift's focus is on curating some of the best regarded international artists in order to globalise live music online. In doing so, the Directors believe that the company will help to re-establish value in the audio-visual artform for musical artists. The ticket sales to date have demonstrated that fans are willing to pay for online experiences that bring high production values and creative vision to the screen.

Whilst each Driift production will have a bespoke approach to development and delivery, there are some broad parameters that govern each event. The production will typically be broadcast to a global audience. The start time of the delivery of the event will be timed to suit different markets, so often there will be four separate livestreams starting at 8pm in each global 'region'. The show will only be available for a limited period, normally 24 hours. In this way, Driift has been able to 'eventise' the livestreaming concert experience.

Driift has received significant positive media coverage and industry plaudits and has a strong pipeline of events. In March 2021, Driift announced that it would be the exclusive livestreaming and production partner for Glastonbury 2021 and presented a global livestream event 'Live at Worthy Farm' on 22 May 2021. Glastonbury is considered one of the most famous music festival brands in the world, and the Directors saw their decision to partner with Driift as recognition of the Group's position as a pre-eminent producer of music content. The Glastonbury livestream generated very positive industry reaction and event reviews despite some initial technical issues caused by a third-party supplier. Further, the production has recently received two nominations for the prestigious Royal Television Society Craft and Design Awards 2021. The company also signed an exclusive agreement with Spotify to produce five livestream events in 2021. On St Patrick's Day 2021, Driift delivered a livestream event for Jameson, part of Diageo, demonstrating the opportunity to bring brand financing into the livestream arena.

Tickets for the Driift pay-per-view events have ranged in price from £15 to £25. Driift is the producer and promoter of the events and initially used a range of platform delivery options including Vimeo, YouTube and Maestro amongst others. The company's determination to deliver a longer term partnership arrangement with a single platform provider to give it greater control over service level provisions culminated in an agreement in August 2021 with Dreamstage. Under this agreement, Driift has agreed a 5 year exclusive arrangement with Dreamstage to host Driift's livestream productions (further details of the agreement can be found at paragraph 11.2 of Part 11). The Directors determined that Dreamstage (in which Deezer holds a minority shareholding) will provide Driift with a scalable platform with an elegant user interface and a range of functionalities and features such as integrated ticketing and in-stream merchandise purchasing that will enable Driift to fully leverage the commercial potential of each streaming event.

Although tickets are sold via Dreamstage (or other third party ticketing providers) Driift is the owner of the ticket and so collects the face value of the ticket (less any ticket agency commission) as revenue and pays for the costs of production of the event. Profits from the event are split with the artist, with Driift usually taking a 20 per cent. share of net receipts after all costs have been met.

According to a Midia Research report published in December 2020, the total addressable market for global gross revenues for singular 'Ticketed Live Stream Events' had risen from close to zero at the start of the year to US$0.6 billion by the end of 2020. Midia have forecast that the 'Ticketed Live Music Streaming' segment will grow to $6.4bn by 2027.

This new income opportunity in live music will, in the Directors' opinion, be a permanent feature of the music industry in the post-pandemic period and will continue to see sustained growth. Artists have recognized the opportunity to deliver alternative creative visions for their work on a filmed basis that cannot necessarily be delivered in the live audience environment. The format will continue to resonate as a deeply engaging and creative medium. Driift tickets are sold at a price point per household that makes this livestreamed music experience widely accessible.

To date, Driift has sold tickets in 171 countries around the world. This global distribution points to an additional commercial advantage for artists – they can generate income from fans who might not be within reach of their live touring activities. Additionally, the presentation of an ‘end of tour’ livestreamed event will potentially become an incremental purchase to those fans buying tickets for attendance at the live show.

The success of Driift in establishing itself as a key player in the market was recognised in August 2021 when Driift Holdings raised £2 million of new investment at a pre-money valuation of £10 million. Following that investment, the Group holds a 52 per cent. equity ownership of Driift, with an ability to increase that to 55.5 per cent. prior to 31 December 2021 through the exercise of an option to acquire a number of Driift shares from Ric Salmon, the co-founder and CEO, for a total consideration of £242,000. Driift also has an unapproved option scheme in place for the benefit of its employees and services providers over a total of 165 ordinary shares (representing 8.76 per cent. of its current share capital).

The £2 million investment was made by Deezer S.A. Deezer is a global streaming service headquartered in France with 16 million monthly active users. Its majority owner is Access Industries with the Kingdom Holding Company of Saudi Arabia and Orange also holding substantial minority positions. The Directors believe that the investment by Deezer brings substantial strategic advantages, including the opportunity to market Driift livestream events to Deezer’s growing user base.

Driift will continue to focus on delivering ever greater numbers of livestreamed events and expects its new relationships with Dreamstage and Deezer to further accelerate growth. The Directors believe that there is a very significant potential for growth for the business over the coming years as it seeks to establish a substantial market share in this growing sector.

The Group also has other interests in the livestreaming market. The Group manages Matt Davis, the founder of namethemachine. Matt is a polymath; a classically trained pianist and tech entrepreneur. He plays for the LA philharmonic whilst also having served as chief technologist for Drake, one of the world’s biggest music artists with over 170 million global record sales.

In June 2020, Matt Davis and ATC UK, amongst others, co-founded Flymachine, a new virtual events platform designed for the world’s top artists and events. Flymachine is building a streaming platform that includes a number of features including social video, enabling fans to watch streamed events with friends, interacting as they do so. The beta version was launched in May 2021. Flymachine is run by a US based team with deep domain expertise and managed out of ATC’s Los Angeles office and it aims to build a global subscription service for live events. The latest fundraising included a $11 million investment round led by SIGNAL FIRE and valued Flymachine at a post money valuation of $46 million with ATC currently holding a 5.4 per cent. equity investment, which is held through the Company’s subsidiary, Live X LLC. This is a further example of ATC’s philosophy of being in partnership with the creative talent that drives the economics and revenues of the music entertainment sector.

namethemachine also provides complex technical solutions for leading technology companies including Disney Imagineering, Intel and Amazon. The company has built a fully immersive game-engine designed environment for globally recognized artists Radiohead. Developed in association with leading software developer and publisher Epic Games, using their Unreal Engine platform, namethemachine delivered a first for the platform with the launch of a non-game application on the Epic Game Store. The application delivered access to a digital Radiohead exhibition which launched in November 2021. ATC will generate income both from the revenues attributed to its management client and as a participant in the income generated by the exhibition.

**ATC Services**

The Group established a presence in the US market in 2013, opening an office in Los Angeles. Initially intended as a base from which to develop an artist management division in the territory, the US holding company (ATC North America Inc.) now also has interests in a range of service businesses that assist in artist career development and which augment the wider offering and cross promotion potential to all Group clients, as well as generating revenues from third party arrangements.

On 12 February 2021, the Group acquired an additional 51 per cent. in Your Army for it to become a wholly-owned subsidiary within the Group. Your Army is headquartered in Los Angeles and is one of the leading electronic music promotions companies in the USA. Your Army works directly for a number of commercially successful artists, such as Disclosure, Major Lazer, Wretch 32, Duke Dumont and Roni Size, alongside delivering campaigns for major labels including Warner Music and Universal.

Your Army comprises three divisions encompassing Radio, Club and Digital marketing. The radio division promotes tracks to stations across the US and is expanding its offering from beyond the electronic space into a wider range of genres. The club division has a substantial database of 5000 DJs across the country and continually promotes music to these DJs. The digital team drives visibility of artist campaigns across YouTube, Facebook and all digital music platforms. Each division generates revenue by charging clients for its marketing services.

With social media strategies becoming an ever-increasing element of artist marketing, the ownership of Your Army enables the Group to offer in-house resources to its clients to further enhance their careers.

The Group also owns a 55 per cent. equity interest in Familiar Music, a synchronisation agency which puts its clients' music in front of key music buyers including producers, directors, game designers, advertising agencies and more.  Recently the company has placed clients' work with Apple, Google and Netflix across shows including Dickinson and Gossip Girl. This is another key Group service offered to its management clients as well as to third parties. The Group also owns a 33 per cent. interest in Formless, an early-stage record label for niche music genres, such as white noise, to aid sleeping, tranquillity or concentration.

**Polyphonic**

Incorporated in August 2018, Polyphonic is a wholly-owned subsidiary of the Group. Polyphonic was formed to deliver integrated investment and development opportunities for artists – a full realisation of an 'artist venturing and partnership' approach that is a key driver of the Group's philosophy.

A performing music artist will usually enter into a number of third-party contractual relationships to deliver their overall business. These will include a recording agreement, a publishing agreement, live agency rights, merchandising agreements and management contracts. Whilst there are some advantages to having a wide collection of third parties involved in the singular process of an artist business, there are also disadvantages in trying to accommodate the competing interests of multiple partners. The silo approach of the music business can, in the Directors' opinion, be better delivered with a more integrated approach.

The Polyphonic model underwrites the development of the business and creative processes and shares the benefits accruing across the entire artist business between the artist as the creator and performer and Polyphonic as the funder (on a sole or joint basis) and business operative. It has been designed to give talent opportunities to accelerate success.

Polyphonic can now offer appropriate artists, identified by the Group, the option of a full business partnership – it is essentially a joint venture arrangement with the artist. The company will typically enter into a five-year contract where the artist receives guaranteed advances and investment which is set against their total share of venture profit.

The partnership exists across all revenue streams with Polyphonic underwriting recording, marketing and touring costs. Artists signed with Polyphonic have access to the full range of the Group's services and so the 'flywheel effect' as described in section 3.2 above is most keenly delivered under a Polyphonic arrangement with the Group's management, live agency and other services all contributing to the delivery of the business plan.

This holistic view is designed to maximise total artist revenues (recordings, live performance, merchandising, brand and sponsorship and all other revenues) whilst removing the friction and duplication of multiple service providers.

Frank Carter and The Rattlesnakes is the first, and currently sole, artist to sign a Polyphonic deal, which was undertaken alongside a returnable advance and label services agreement with their record company, AWAL Recordings. The artist was originally a client of ATC Management. The band's first two pre-Polyphonic albums achieved top 20 and top 10 status in the UK charts. The third album, End of Suffering, released under the Polyphonic arrangement in 2019, went into the UK Top 5. The band's live audience base has also grown in the Polyphonic period. In 2017 their London audience was at a level to perform at the 5,000 capacity Brixton Academy. In January 2020 the band sold over 9,500 tickets for Alexandra Palace, selling more on the first day of sales than had been achieved in eight months prior to the Brixton show.

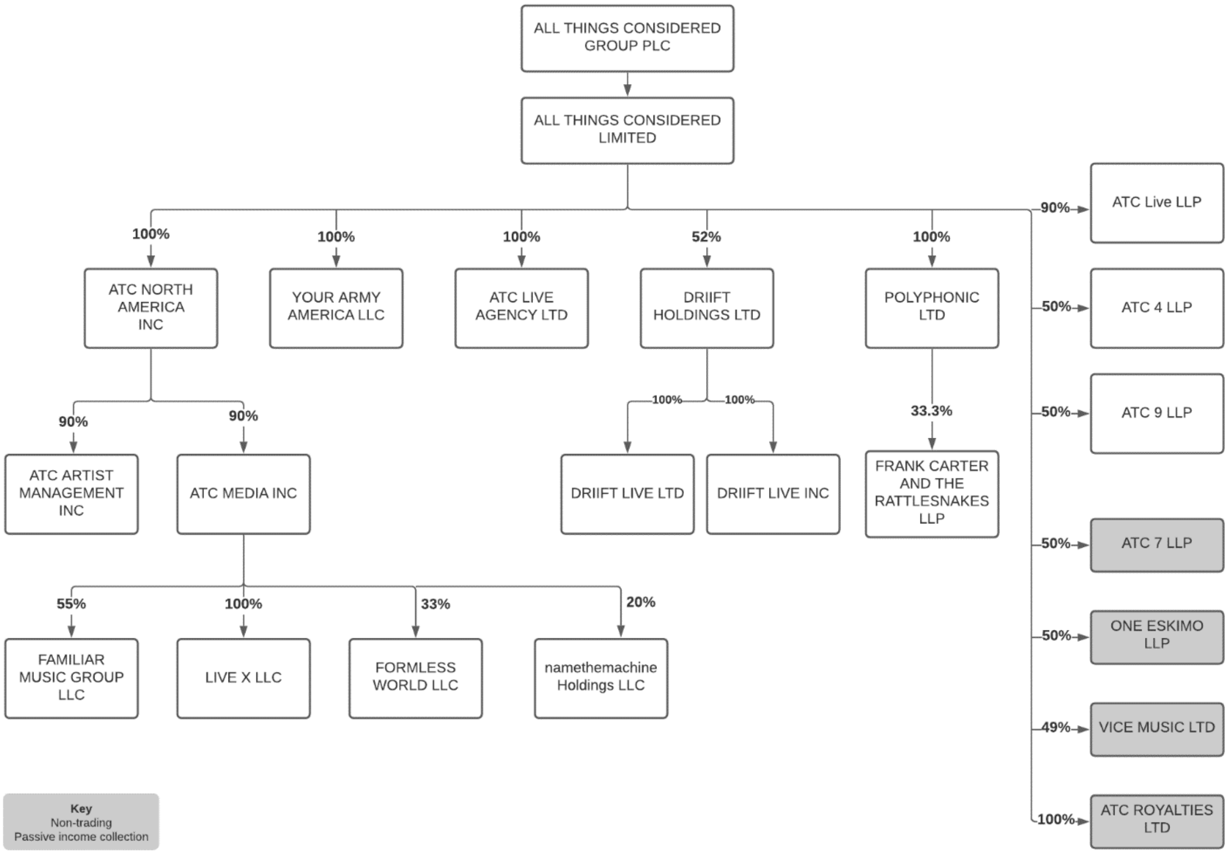
The COVID-19 pandemic has interrupted the continued development of the business venture with the band. However, the fourth album, entitled Sticky, was released in October 2021 to good rankings and reviews and the Directors expect to see significant future touring income from late 2021 to 2023, with a UK and European tour already underway. This first iteration of a Polyphonic arrangement has given the Directors confidence in the long-term viability of the model.

Each artist arrangement will be bespoke, but Polyphonic aims to sign future partnerships on a similar commercial basis to the Frank Carter and The Rattlesnakes arrangement, which sees Polyphonic receive 15 per cent. gross revenue and 20 per cent. net profit from the artist. This equates to approximately a 50:50 split of net profit between Polyphonic and the artist over the term of the venture. The Directors believe that this approach of uniting an artist's different strands of development and income under one roof will become a more widely adopted approach in the future. The Directors are of the opinion that the Group's range of business activities will give it an early advantage in any such transition to new artist investment arrangements. The Directors aim to have a further four to six partnerships in the next three to four years.

*3.4 Organisational Structure*

The Company is the holding company for the Group's existing operations and is the Group's ultimate parent company.

The diagram below illustrates the Group's current structure:




In addition to the subsidiaries of the Group as described more fully in paragraph 3.3 above, the Group includes the seven entities detailed on the right hand side of the diagram above, of which three are currently trading (ATC Live LLP, ATC 4 LLP and ATC 9 LLP). The purpose of ATC 4 LLP and ATC 9 LLP is to structure commission payments between ATC Management and two of its key artists managers as is customary in the industry. Whilst the majority of the Group's activities are within the trading companies, it has been historical practice to conduct certain business within limited liability partnerships, as is common place in the music industry. A limited number of LLPs will continue and the Group will receive a share of profits from them in accordance with the partnership agreement. Details of the principal activities of the non-trading entities are set out in the table at paragraph 4 of Part 11.

*3.5 ESG Considerations*

ATC Management has launched an internship program and an internal career-progression program to promote success. ATC Management's senior managers regularly appear at conferences, on panels, within forums and in the media to seek to inspire, guide, and support others in the industry. The Group seeks to continually educate, both internally and externally, through a variety of programs and community outreach initiatives.

In September 2020, ATC Live (alongside ATC Management) announced a new partnership with Soundskool, the London-based music industry college, to provide opportunities and support in the music industry for young people from London, following its public commitments to making a series of changes as part of the company's "Blackout Tuesday" manifesto. Additionally, ATC Live was proud to be announced as one of the first agencies to sign the "Key Change Pledge" working towards equality across the company, its artists' stages and the festivals they perform at.

**4. Market Overview**

4.1 *Market size*

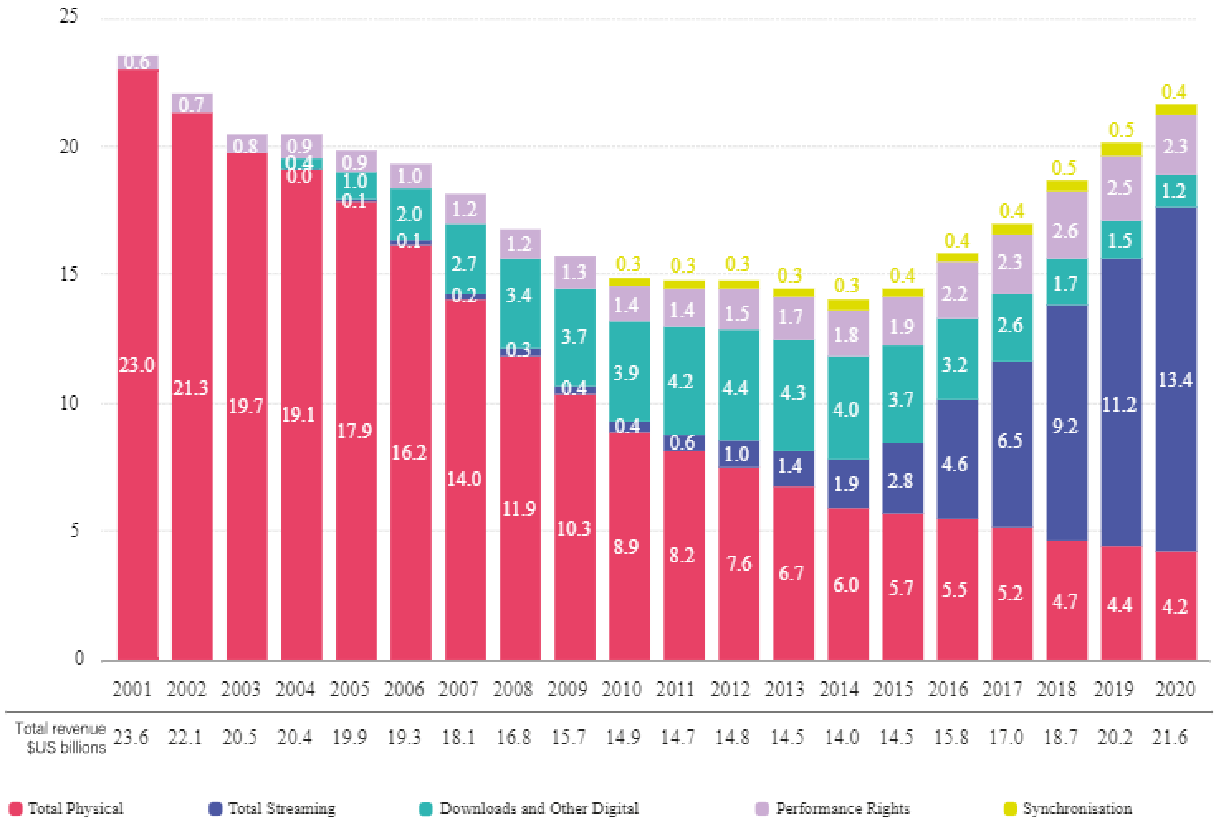
Despite the impact of the COVID-19 pandemic, the global music industry remains a multi-billion dollar growth market. According to IFPI, the organisation that represents the recorded music industry worldwide, the global recorded music market grew by 7.4 per cent. in 2020, the sixth consecutive year of growth.

Growth in the industry was driven by streaming, especially by paid subscription streaming revenues, which increased by 18.5 per cent. Total streaming (including both paid subscription and advertising-supported) grew 19.9 per cent. and reached US$13.4 billion, or 62.1 per cent. of total global recorded music revenues. In the prior year 2019, streaming revenue for the first time accounted for more than half of global recorded music revenue. Streaming represented more than half of revenues in 48 markets worldwide, an increase of 12 markets from 2019.

The continued growth in streaming revenues in 2020 more than offset the decline in other formats' revenues, including physical revenues which declined 4.7 per cent. and revenues from performance rights which declined 10.1 per cent. as the COVID-19 pandemic impacted public performance revenues, interrupting more than a decade of continuous growth in this sector.

The USA, Japan and UK were the top music markets in 2020. The US market grew 7.3 per cent. in 2020, a slower rate than in 2019. Streaming revenues were up by 12.9 per cent., driven by an increase in subscription revenues of 13.4 per cent. The US again provided a greater contribution to global revenue growth than any other market. The UK had a sixth year of consecutive growth and maintained its position as the third biggest market by revenue worldwide. A 2.2 per cent. increase in revenue was driven by growth of 15.4 per cent. in streaming revenues. Revenues for all other consumption formats declined. (Sources: IPFI Global Music Reports 2021 and 2020.)

Global recorded music industry revenues 2001-2020 (US$ billions)




Source: IFPI Global Music Report 2021

In the live sector, Statista showed worldwide revenue of US$28.87 billion in 2019 with annual growth from their 2014 figure of US$24.15 billion (comprising both live music sponsorship and live music tickets sales). In 2020, this dropped to US$10.42 billion. Statista has forecast a return to growth in 2022 with a forecast market size of US$29.31 billion after falls in 2020 and 2021 associated with the curtailing of live performance during the pandemic.

Goldman Sachs' 'Music in the Air' report dated 14 May 2020 forecast a short-lived COVID-19 pandemic slump and forecast global music revenues being propelled to new highs in the near future. The report forecast overall industry sales growing from their total figure of US$77 billion in 2019 to US$143 billion in 2030. The report pointed out that 82 per cent. of 16-34 year olds in the US said that they used music streaming services while 74 per cent. of concert fans said they would continue to watch livestreaming events even after physical streaming resumed.

*4.2 Competition*

The Group operates across a number of music industry 'verticals' and whilst the Directors consider that there are a very limited number of competitors offering the combined service offering of the Group, there are a number of competitors in each vertical.

ATC Live is a large independent live agency, currently ranked 9th overall internationally by Rostr but with many of the top 10 agencies being international conglomerates including CAA, WME, Wasserman Music and UTA which are all headquartered in Los Angeles. In the UK/EU independent sector, ATC Live would consider its direct competitors to be Free Trade, 13 Artists, ITB and Earth Agency.

The global artist management business is similarly made up of many individual businesses. Some are small independents perhaps only looking after the management of a single artist client, some are international business with multiple clients. A 2020 survey by Rostr suggested that 85 per cent. of the management companies they were tracking had less than five clients while fewer than 50 companies worldwide had more than 20 artists on their roster. Red Light was identified as the largest management company in the survey, ATC Management is currently ranked 7th globally. Competitors of ATC Management of a similar size would include Maverick, eOne Management, YM&U Group and C3 Management.

Driift's position in the livestreaming market has a small number of competitors, including Moment House and LiveNow Music, who are delivering the high production value/creatively led offering that Driift specialises in. Veeps, which was recently acquired by Live Nation, has a different content offering but is also a competitor.

The Directors recognise that the Group's broad range of activities mean that there are multiple competitors of varying sizes for all its offerings, including its marketing and synchronisation services. However, they believe that the opportunity to offer multiple services to artists within the same Group structure means that the Group has a competitive advantage in being able to offer a relationship with artists that streamlines their third-party arrangements and can provide a number of business benefits not readily available from alternative single sources.

**5. Strategy**

The Group has been constructed in opposition to the traditional 'silo' approach used in the music industry. Historically, the revenue streams delivered by a creative music artist or live performer have been treated as largely separate commercial items which have generated multiple partnerships for their delivery. As a result, income from recordings, live performance, merchandising, publishing, livestreaming and sponsorships have each been handled by companies specialising in one area of activity, one of the 'silos'.

The Group has developed a broader model to enable artists to take an integrated approach to rights creation and financial remuneration by combining many of the 'silos' within the Group and offering artists the ability to engage across some or all of the services offered.

The Directors believe that this integrated model will be attractive to artists and will enable the Group to attract creative talent. Crucially, being more invested in and integrated with an artist's overall business will, in the Directors' opinion, enable the Group to be a venturing partner with creative artists, generating greater commercial opportunities and potentially new business developments across a range of consumer sectors. Driift has been a recent example of such potential developments with the early pilot shows by respected artists managed by the Group providing the launch pad for a business that is now establishing globally with a number of renowned partners, such as Glastonbury, Spotify and Deezer.

The Group will continue to develop its key business units in order to continue delivering these opportunities. The COVID-19 pandemic has been a significant disruptor of the music industry globally and the Directors believe that this disruption will present opportunities for growth. At ATC Live and ATC Management there are likely to be opportunities to bring in new agents and managers either by offering a secure and stable company environment to those who are in COVID-19 affected businesses, alongside acquisition opportunities. The Group has both incorporated and acquired a number of businesses in recent months and years. Admission will provide the Group with greater flexibility and capacity for further organic and acquired growth.

The digital market continues to bring new opportunities to creative artists and the Group will aim to be at the forefront of these developments. Driift has already established a significant position in the pay-per-view livestreaming space and the Directors will seek global partnerships to establish further reach for Driift's content. The recent agreement with Dreamstage will enhance the offering and will move Driift further into the direct-to-consumer space.

Elsewhere in the digital market, the Directors believe the growth of distributed ledger technology (or blockchain) is beginning to impact the music market. Initially this is being demonstrated via the commercial opportunities offered by non-fungible tokens (NFTs) which give creators a new route to commercialise their work in the digital world and the Group has been experimenting in the space with some of its artist clients. The Directors believe that while it is early days in this arena, it is likely that blockchain/NFTs will have an impact on the holding and distribution of copyrights in the medium and long-term and the Group's integrated business model with artist clients will see benefit from the 'everything under one roof' approach as this technology becomes more prevalent.

Geographically, the Group is headquartered in the UK with a presence in Los Angeles. The Group will look to open an office in New York to further develop its US presence. The Los Angeles office is now affording a stronger push into the growing Latino market whilst the ownership of Your Army is giving the Group a developing position in the electronic music market across the USA and building further into these broad genres will be a continuing aim of the Group.

Additionally, the live music market has been badly disrupted by the COVID-19 pandemic. In the Directors' opinion, the cancellation of live festival events for two consecutive years in some cases will likely lead to new opportunities to develop new festivals in future years. The Group's strong live agency business and the management's previous experience in the live sector will lead to a new strategic focus on artist-led events where the Group could seek to take ownership stakes and build value.

## 6. Historical Trading Review

6.1 The following information should be read in conjunction with the Group Financial Information included in Part 7 "*Historical Financial Information of the Group*".

| | Unaudited six months ended 30 June 2021 £ | Unaudited six months ended 30 June 2020 £ | Audited year ended 31 December 2020 £ | Audited year ended 31 December 2019 £ |
|---|---|---|---|---|
| Revenue | 5,037,428 | 1,394,901 | 7,489,436 | 3,298,477 |
| Gross profit / (loss) | (928,432) | 360,787 | 1,088,284 | 1,055,373 |
| EBITDA profit / (loss) | (2,437,054) | 39,399 | (220,135) | (328,418) |
| (Loss) before tax | (2,548,932) | (60,960) | (412,739) | (525,219) |
| (Loss) after tax attributable to the owners of the parent company | (1,645,234) | (56,126) | (363,700) | (528,866) |

The Group has achieved substantial revenue growth during the period covered by the Historical Financial Information of the Group whilst having access to relatively little funding. Nevertheless, the Group's business was materially impacted during 2020 by the implementation of international lockdown strategies as a response to the COVID-19 pandemic. In 2019 the Group and its associated operating businesses relied on revenue derived largely from the sale of concert and festival tickets. This revenue was delivered either via ATC Live LLP or via the management income generated from artists who were actively touring. From March 2020 almost all income generated from live touring ceased and, consequently, resulted in reduced revenues and profits in those areas.

The increase in Group revenue in 2020 was driven by the incorporation of Driift UK which was established as a subsidiary of ATC UK in the summer of 2020 with the Group having first trialled the concept of ticketed live-streamed shows with two ATC managed artists. Driift tapped into the consumer desire to remain connected with artists and live performances by delivering shows in-home via a streaming mechanism. Driift generated £4.7 million of revenue in the seven months from incorporation to the year end in 2020 which drove overall Group revenue growth. However, the necessary investment in Driift's new operations resulted in lower gross profit margins for the Group.

In the year ended 31 December 2019, and prior to the COVID-19 pandemic, the Group delivered total revenues of £3.3 million, with cost of sales of £2.24 million and a Gross Profit margin of 32 per cent. delivering £1.06 million. Revenue was principally derived from UK artist management activity at ATC UK which made up £2.6 million of revenue, with management activities in the USA generating a further £0.4 million of revenue. It is important to note again that the other key Group business, ATC Live LLP, was an associated undertaking so its results are reported as a single line in the income statement as share of joint venture and associates profits and losses in the 2019 and 2020 numbers. ATC Live LLP generated revenue of £1.32 million – its highest turnover since formation, a consequence of the expansion of the business. The continued strategy of investing in new agents to grow the business resulted in a small operating profit of approximately £29,000 in 2019.

2019 was the first full year of trading for Polyphonic Limited, having signed its first artist investment with Frank Carter and The Rattlesnakes in 2018. The band's third album was recorded and released during 2019 as part of a plan to accelerate awareness of the band and their music. Recording, promotion, marketing, touring and operating costs were partially offset by tour and recorded music revenue of £0.35 million to leave a loss for the year of £588k for this division, as expected in the early investment stages of the five-year contract.

In 2020, total Group revenue more than doubled to £7.5 million. As previously noted, this growth was largely due to new subsidiary Driift's £4.7 million contribution. Nevertheless, in challenging economic times, ATC UK managed to largely maintain its revenue at £2.4 million (2019: £2.6 million). The absence of management commission from live touring and the change in revenue mix led to a decreased gross profit margins but the Group was able to post an improved operating loss of £388k compared to a loss of £599k in 2019.

That change in revenue mix was driven in part by artists and ATC endeavouring to find alternative sources of revenue in the absence of live touring income. A number of artists represented by ATC management agreed to re-license their publishing catalogues to generate one-off lump sums. This included PJ Harvey who signed her new publishing deal in 2020 generating around £200k in commission revenue. The Group also received government grants totalling £470k during 2020.

The decrease in management income in 2020 due to cancellations in live touring was further mitigated by a number of insurance pay outs. For example, Nick Cave generated over £500k in management commission revenue for ATC UK from his 'In Conversation' global tour of 2019. In October 2019 the Group announced a UK and European arena tour for Nick Cave and his band 'The Bad Seeds' that would have taken place during the spring and early summer of 2020. This tour was postponed to 2021 and then ultimately cancelled. Whilst the Group lost projected commission revenue of over

£600k, the Group received proceeds from an insurance distribution of approximately 60 per cent. of the 2020 forecast commission revenue.

At ATC Live, the cessation of touring during 2020 saw revenue fall to £320k for the year (2019: £1.3 million). The consequential reduction in agent earnings and commissions and a reduction in salaried staff together with the receipt of furlough grants, reduced cost of sales and operating expenses from £1.29 million in 2019 to £643k in 2020 leaving a loss for the year of £323k. ATC Live continued to be treated as an associated undertaking in 2020, with its results reported as a single line in the income statement as share of joint venture and associates profits and losses.

At Polyphonic, 2020 was intended to be a year of recouping the 2019 investment through profitable touring. Lockdown prevented this from happening so revenue comprised pay-through on the band's album and a direct-to-consumer merchandise campaign. Revenue reduced to £261k but a reduction in marketing, promotion and operating costs enabled the company to post a profit of £72k.

Activities in the USA generated revenue of £0.4 million in 2020, much in line with 2019 with US management clients less reliant on touring income than those based in the UK. An overall operating loss of £70k was due in part to investment in developing Your Army USA and establishing Familiar Music and Flymachine in which the Group holds equity positions.
Excluding Driift's contribution, overall performance in 2020 was not materially different to that delivered in 2019, which was a considerable achievement given the economic difficulties of the live entertainment sector. Revenue (of the Group excluding Driift) at £2.77 million was down approximately 16 per cent. with cost of sales decreasing to £2.05 million and a gross profit margin falling to 26 per cent. from 32 per cent. the year before.

Driift's substantial contribution of £4.7 million of revenue in the second half of 2020 came as it delivered shows by Andrea Bocceli, Dermot Kennedy, Kylie Minogue and Niall Horan, amongst others. £4.3 million was paid out in costs to produce the shows and pay artists their contracted profit share. Start-up operating expenses of £242k resulted in a profit before tax for this inaugural period of £129k and took the overall Group gross profit margin to 15 per cent. and a total comprehensive Group loss of £405k (of which £364k is attributable to the owners of the parent company) for 2020 compared to £522k in 2019 (all of which is attributable to the owners of the parent company).

The Group's consolidated revenues for the six month period ending 30 June 2021 totalled £5.04 million (equating to a c.3.6x fold increase on the prior period), 66 per cent. of it being generated by Driift. Revenues for all non-livestreamed event businesses grew from £1.39 million in 2020 to £1.73 million in 2021 as the post-COVID-19 shutdown began to enable forward bookings for events. This still represented only a small improvement as the lifting of restrictions for live events in the UK fell after the period end and the return to a more usual touring schedule will only gradually happen as other international markets open up. Whilst gross profits in this area improved to £663k from £360k, increased administrative expenses and a decrease in government related support pushed the operating loss to £435k from £202k in the prior year. The Group's gross loss was £0.93 million and its EBITDA loss was £2.44 million following a substantial investment into Driift, principally to deliver the Glastonbury 'Live at Worthy Farm' event where the substantial costs of production fell into the first half of the year while additional revenues and associated credits are expected to come over the next twelve months. The loss before tax for the period was £2.55 million (2019: £0.61 million loss), with an adjusted pre-tax loss for the period to exclude the Glastonbury project and listing/corporate costs would be approximately £0.7 million. The loss after tax for the period was £2.55 million of which £0.90 million loss was attributable to non-controlling interests, with the remainder attributable to the shareholder of the Group (all figures unaudited).

*6.2.Current trading and outlook*

Trading in H2 2021 continues to show signs of improvement as the live music industry begins to take advantage of the easing of restrictions associated with the COVID-19 pandemic. ATC's Management and Live divisions have continued to be impacted by the gradual return to live touring and the slow return of international travel. However, in recent months there has been a substantial increase in projected touring activity due to the lifting of many COVID-19 restrictions. Consequently, the Directors anticipate that FY2021 will see continuing uplift in revenue ahead of growth opportunities in a much less constrained environment for music in 2022.

*ATC Live*: While international touring remains challenging, there have been clear improvements in recent weeks with multi-territory tours taking place for key ATC Live artists like Nick Cave (October 2021), Black Pumas (November 2021) and Black Country New Road (November 2021). Nick Cave's tour sold over 40,000 tickets across the UK and EU, including sold out performances at the Royal Albert Hall and the Salle Pleyel hall in Paris, giving a clear indication of the resurgent appetite amongst ticket buyers.

The re-establishment of in-person conferences including the International Festival Forum in London (September 2021), Reeperbahn Festival in Hamburg (September 2021) and Eurosonic in Groningen (January 2022), which are key drivers for future live business, is also positive news and ATC Live will be meeting with approximately 50 international festival bookers for the first time in two years and use the events to introduce their new clients to the market.

Taken together, these improvements in live activity have given festivals across UK and EU the confidence to book at pace for their 2022 editions, with many promoters close to finalising their line ups. This is expected to generate a substantial improvement in revenues for ATC Live from Q4 2021 onwards.

*ATC Management*: 2021 has been the most successful year to date for the division in terms of artist signings in US. ATC Management added five artists, three of which joined after highly competitive pitch processes and is engaged in a number of additional pitching processes for several artists. Two of the newly signed artists, Cuco and Hayley Kiyoko have a combined monthly listener base of 7.5 million on Spotify alone. ATC Management has increased its team with the addition of a new manager based out of New York.

In Europe, ATC Management is seeing growth across its artist, writer, producer and composer rosters. The division recently started managing hotly-tipped West African pop star Amaarae. It also took on the management of The Smile in April 2021, formed of Radiohead's Thom Yorke and Jonny Greenwood, with drummer Tom Skinner. Another client, 22-year old Billie Marten, released her third album, Flaura Fauna, in May 2021 which received widespread critical acclaim. Multiple album releases are planned for 2022 across both the US and Europe sides of the business.

The ATC Management writer roster continues to grow, with its clients involved in chart-topping albums (such as Kabba's songwriting on UK rapper KSI's UK No.1 album) and singles such as John Newman's collaboration with global superstar David Guetta which secured Spotify playlisting around the world.

The division has recently commenced a collaboration with Spitfire Audio, considered by the Directors to be the world leaders in virtual instrument libraries, which will benefit its composer roster. A number of its composer clients are currently working on major film and TV titles for Netflix, HBO and the BBC amongst others.

*Livestreaming*: Driift's recently announced partnership with Dreamstage is already starting to generate new revenue opportunities and an increase in requests for potential productions.

Despite a natural and expected slow-down of focus on livestreaming in the management and live agent communities during the summer months as businesses inevitably refocussed on getting artists back on tour, demand for this exciting new format remains high.

The Directors believe this new model sits well alongside other strategies around album campaigns and domestic and international touring. Consequently, Driift is already being approached by artists who are planning livestream events in 2022.

Driift will continue to produce and promote livestream specific events (such as the Dita Von Teese show on 1 October, Johnny Marr on 10 November and recent and forthcoming shows with Andrea Bocelli, The War On Drugs, Cigarettes After Sex, The Smile and others), devise and deliver hybrid events specifically designed to cater for audiences both at home and on-line (as with The Smile from Magazine in London in January 2022). Additional income from tax credits and IP sales in respect of the Glastonbury event are expected to be received over the next 12 months to reduce total project loss.

Flymachine continues to grow its network of partner venues in the USA while namethemachine's recent project with Radiohead and Epic Games which launched in November 2021 is leading to a number of new enquiries about the delivery of similar projects for other artists.

*ATC Services*: Your Army USA is delivering its expected revenue targets and continues to be regarded as a market leading promotions business in dance music in the US with ongoing retained clients, including all three major labels. Familiar Music has won several large synchronization contracts including a Zillow composition piece by Radiohead's Jonny Greenwood. Familiar Music has multiple retained clients including Sony ATV imprint Work Of Art. The Group's ambient record label Formless, and management client Superposition gained a nomination in the 2021 Grammys for the record Form/less.

*Polyphonic*: Frank Carter and the Rattlesnakes released their fourth album, Sticky, on 15 October 2021, to good rankings and reviews and in November commenced a significant tour across the UK and Europe through to February 2022. The Group is in advanced discussions with a possible new Polyphonic client.

### 7. Reasons for Admission and Use of Proceeds

The Directors believe that Admission will be beneficial to the Group as it:

- is an important step in the Group's development as it will enhance its profile and standing within its marketplace and could assist the growth of its business;
- will strengthen the Group's position in negotiating and executing commercialisation agreements with potential partners, suppliers and clients as a listed business;
- will provide opportunities for the Group to attract, retain and incentivise high calibre employees; and
- will provide the Group with greater flexibility and capacity for further organic and acquired growth, specifically by providing access to capital from institutional investors. The Group will also be able to issue new Ordinary Shares as consideration in connection with any acquisition opportunities.

The Group is seeking Admission to the AQSE Growth Market and intends to use the net proceeds from the Fundraising to invest into each of ATC's five business segments and support the Directors' growth strategy for the Group. A significant proportion of the use of proceeds is discretionary and, accordingly, the Directors intend to allocate such investment according to prevailing market dynamics and opportunities for the Group, which currently is detailed below. Prior to deployment, the net proceeds will be held on the Group's balance sheet.

Use of proceeds:

- to further grow ATC Live by increasing the number of agents and therefore adding to the business' live artist roster to grow revenue and profits. Additional financial capability will enable ATC Live to co-promote tours with its bigger artists, increasing margin, and to move into other events where the company can seek to take ownership stakes;

- to expand ATC Management by attracting a number of new managers into the company;
- to invest in and provide working capital to Driift to enable the company to scale the number of events that it delivers and seek to drive revenue growth, increase margin and build a valuable customer database of livestreaming purchasers;
- to invest in namethemachine projects of a kind similar to the one recently undertaken with Radiohead and Epic Games;
- to establish additional Polyphonic artist ventures to drive greater margin from artist representation through joint venture vehicles; and
- for further working capital, corporate and acquisition finance repayment purposes.

Please refer to Part 5 for additional information on the Fundraising and Admission.

**8. The Concert Party**

Certain of the Existing Shareholders are considered to be acting in concert with each other in relation to the Company for the purposes of the Takeover Code (the ''**Concert Party**''). Immediately following Admission and assuming the placing and subscription of all of the New Ordinary Shares, members of the Concert Party will hold, in aggregate, 4,423,318 Ordinary Shares, representing approximately 46.2 per cent. of the Enlarged Share Capital. This would mean that if the aggregate shareholding of the Concert Party increases, unless a waiver is sought, the Concert Party would, from Admission, in accordance with Rule 9 of the City Code, be required to make an offer for the entire issued share capital of the Company not then held by them. The Concert Party members and their respective shareholdings on Admission are detailed in full in paragraph 16.2 of Part 11 of this Document.

# PART 4
# DIRECTORS, SENIOR MANAGERS AND CORPORATE GOVERNANCE

**Directors**

| Director | Age | Role |
|---|---|---|
| Brian Message | 56 | Executive Co-Chairman |
| Craig Newman | 54 | Executive Co-Chairman |
| Adam Driscoll | 53 | Chief Executive Officer |
| Andrew Glover | 61 | Senior Independent Non-Executive Director |
| Shirin Foroutan | 45 | Independent Non-Executive Director |

*Brian Message, Executive Co-Chair and Co-Founder*

Brian is an Executive Co-Chairman and Co-Founder of the Group. He has worked in the music industry for over 25 years having originally trained and qualified as a chartered accountant. Brian worked at EMI, and then Courtyard management which manages Radiohead. He set up the Group's artist management business in 2001 with Craig Newman and remains co-manager on several of ATC Management's artists including Nick Cave, Johnny Marr and PJ Harvey. In addition, he oversees the Group's Polyphonic business and established Driift with Ric Salmon in 2020. Outside of the Group, he is Chairman of fashion house, the 'Vampires Wife', and Chairman of the ACES multi-academy trust.

*Craig Newman, Executive Co-Chair and Co-Founder*

Craig is the Co-Chairman / Co-Founder of the Group. Craig has over 30 years of experience in the music industry and initially set up A Ticketing Company in 1996, which later became ATC UK. He was co-manager of several ATC Management artists and also a partner in Courtyard management alongside Brian Message. Craig established the Group's North American business in 2013 and continues to play an active role in the Group's US operations. Beyond ATC, Craig was a founding partner of Youth Zones, the largest public/private partnership of youth provision for 11-18 year-olds.

*Adam Driscoll, Chief Executive Officer*

Adam is CEO of the Group and has a wealth of experience running and managing music and entertainment related businesses, both public and private. Adam acquired his first business in 1994 through a management buy-out and floated it as A4 Holdings plc on OFEX in 1996. He founded and floated channelfly.com plc on AIM in 1999. Following a management buy-out in 2003 the company returned to AIM in 2005 as MAMA Group with Adam as Co-CEO. MAMA Group grew to become a leading music business before being sold to HMV Group in 2010. Adam has served on the boards of Chrysalis PLC and Pulse Films Limited and more recently has led a number of other businesses including Vision Nine and Punchdrunk. Adam was christened Adam Charles O'Driscoll.

*Andrew Glover, Senior Independent Non-Executive Director*

Andy qualified as a chartered accountant and spent 12 years at PwC in Birmingham before joining Wagon plc as group chief accountant for two years. He was as an audit partner with Ernst & Young LLP ('**EY'**) from 1996 to 2018, the last 11 years being in the London office. He handled an extensive portfolio of middle market clients, including some in the music industry, all undergoing significant change and was EY's most experienced mid-market audit partner in London. His client work has resulted in Andy being closely involved in a wide range of business situations and their risks.

From 2007 to 2015, Andy chaired EY's mid-market non-executive director program, which involved hosting monthly meetings and presenting and discussing topical issues for NEDs. He also presented on the Financial Times NED program during this time and has extensive experience of working with audit committees and Boards. Andy is a fellow of the Institute of Chartered Accountants in England and Wales.

*Shirin Foroutan, Independent Non-Executive Director*

Shirin Foroutan is the Vice President, Creative, Europe at BMI (Broadcast Music, Inc., a global leader in music rights management). In this role, Shirin leads BMI's Creative efforts throughout Europe, which includes supporting the company's affiliated songwriters, composers and music publishers as well as cultivating key industry relationships.

Before joining BMI, Shirin was Chief Operating Officer for MPC Film, a division of Technicolor. In that role she was responsible for overseeing more than 2000 visual effects artists out of London, Bangalore, Vancouver and Montreal. Prior to this, Shirin was Managing Director at Mute Group of Companies where she led teams in the recording, music publishing and artist management divisions out of London, New York and Berlin. Prior to joining Mute, Shirin held various positions including Senior Legal Consultant for the Ceremonies of the London 2012 Olympic and Paralympic Games, Director and Legal Counsel of Ceremonies for the Vancouver 2010 Winter Olympic and Paralympic Games, and Director of Legal Affairs at Live Nation Global Touring.

**Senior Managers**

*Ric Salmon, CEO Driift,*

Ric co-founded Driift in 2020 with Brian Message and is charged with driving its future growth. Ric has worked in the music industry for nearly 25 years. Initially, he held senior roles at various major and independent record labels including Sony Music, Ministry of Sound, and Warner Music. In 2007, Ric founded Harvest Entrainment, an artist management company that went on to represent globally established artists such as Seal, Morrissey and Joss Stone. Ric joined the Group in 2013 and for the last 5 years has been a member of the Group's senior management team. Ric's birth name was Richard Salmon.

*Harprit Johal, Finance Director*

Harprit Johal has been the Finance Director for the Group for over 20 years and is responsible for the management of the Group's finance, preparation of annual budgets, monthly management accounts and the review of quarterly & annual results. He is a Fellow Member of Association of Chartered Certified Accountants (FCCA) and holds an ACCA qualification.

*Alex Bruford, Head of ATC Live*

Alex heads up ATC Live, having established the business in 2011. As well as being in charge of strategy and overseeing the Live business across three offices in London, Glasgow and Paris, Alex continues to act for 36 of the Group's artists. He is well renowned within the live agency market and was voted agent of the year by the European Festival Association in 2018 and was nominated agent of the year by the European Festival Association in 2016 and 2019. Alex started his career in the music industry as a touring and recording artist signed to Wall of Sound / Sony, releasing 3 albums and playing to large audiences across the globe. He later become the band's tour manger before becoming a live agent at Reprise.

*Jonny Dawson, Chief Executive Officer, ATC North America*

From 2007 to 2010, Jonny was a national radio presenter in the UK before co-founding and directing an award-winning marketing and events agency, Full Fat Events, where he worked on a range of projects from 2011 to 2016. Between 2010 and 2019, Jonny served as a consultant for the Music Managers Forum and for 2 years he provided consulting services for Spotify via his Music Managers Forum engagement. Separately, he taught Music Business master degree modules at Berklee in Valencia and also consulted for Intel, SoundExchange and Kobalt from 2016 to 2018. These activities were run alongside his activities as an artist manager at ATC from 2010 to 2018.

In 2018, Jonny relocated to Los Angeles to serve as COO for the Group's US activities. In 2021, he was appointed CEO of ATC US and ATC Media, the principal subsidiaries of ATC North America Inc, the Group's US holding company. Jonny manages the Group's interests across its current US operations, including Your Army, Familiar Music, Formless and namethemachine.

*Sumit Bothra, Managing Director, ATC Management, London*

Sumit is MD of ATC Management and oversees the businesses of the Group's partner managers in London and Copenhagen. He co-manages a number of the Group's artists including Katie Melua, PJ Harvey, Fink, The Boxer Rebellion, and Nathan Nicholson. Prior to joining the Group in 2010, Sumit worked for Sony Music (Europe) in Artist Development and Promotions where he created and ran the UK's first College Marketing Department within a major label. He also created Blue Elephant Music, a joint-venture label between Sony Music UK and Sony Music India. Aged 25, Sumit created Embargo Management to manage recording artists Fink, Nitin Sawhney, and The Boxer Rebellion. Sumit's birth name was Sumeet Bothra.

*Emma Stoker, Company Secretary and Head of Business Affairs*

Emma qualified as a solicitor in 2004 after training at a leading media and entertainment law practice. She worked in private practice as a litigator for 10 years principally in the music industry and her clients included major record labels, publishers, executives, songwriters, performers and managers. Emma is responsible for overseeing the legal and business affairs of the Group.

**Corporate Governance**

The Board, which will meet formally at least 10 times a year, is responsible for the management of the business of the Group, establishing the policies and setting the strategic direction of the Group. The Company will also hold additional Board meetings as and when required. It is the Directors' responsibility to oversee the financial position of the Group and monitor the business and affairs of the Group on behalf of the Shareholders, to whom they are accountable. The primary duty of the Directors is to act in the best interests of the Company at all times. The Board also addresses issues relating to internal control and the company's approach to risk management and has adopted an anti-corruption and bribery policy.

The Group has elected to adopt the QCA Code of Corporate Governance from Admission.

## The Board

On Admission, the board will comprise five members, consisting of the Chief Executive Officer, Adam Driscoll, the Co-Executive Chairs, Brian Message and Craig Newman, and two non-executive directors, being Shirin Foroutan and Andrew Glover (the "**Non-Executive Directors**"). The Directors regard Shirin Foroutan and Andrew Glover as being independent.

## Committees of the Board

The Board, upon Admission, will establish a Remuneration Committee and an Audit Committee, each with formally delegated duties and responsibilities with written terms of references. From time to time, separate committees may be set up by the Board to consider specific issues when the need arises.

*Remuneration Committee*

The Remuneration Committee assists the Board in determining its responsibilities in relation to remuneration, including, amongst other matters, making recommendations to the Board on the Group's policy on executive remuneration, determining the individual remuneration and benefits package of each of the executive directors.

The membership of the Remuneration Committee comprises Shirin Foroutan (as its Chairperson) and Andrew Glover.

The Remuneration Committee will meet formally twice a year and otherwise as required.

*Audit Committee*

The Audit Committee assists the Board in, amongst other matters, discharging its responsibilities with regard to financial reporting, external and internal controls and risk management, including reviewing the Group's annual financial statements, reviewing and monitoring the extent of non-audit work undertaken by external auditors, advising on the appointment, reappointment, removal and independence of external auditors, and reviewing the effectiveness of the Group's internal controls and risk management systems. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board.

The Audit Committee is also responsible for (i) advising the Board on the Group's risk strategy, risk policies and current risk exposures, (ii) overseeing the implementation and maintenance of the overall risk management framework and systems, and (iii) reviewing the Group's risk assessment processes and capability to identify and manage new risks.

The membership of the Audit Committee comprises Andrew Glover (as its Chairperson) and Shirin Foroutan.

The Audit Committee will meet formally twice a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required.

## Share Dealing Code

With effect from Admission, the Company will operate a code of securities dealings in relation to the Ordinary Shares in compliance with Article 19 of the Market Abuse Regulation. The code will apply to any person discharging management responsibility, including the Directors, the senior management and any closely associated persons and applicable employees.

The purpose of the Share Dealing Code is to ensure that persons discharging managerial responsibility and persons connected with them do not abuse, and do not place themselves under suspicion of abusing, price-sensitive information that they may have or be thought to have, especially in periods leading up to an announcement of financial results. The Share Dealing Code sets out a notification procedure which is required to be followed prior to any dealing in the Company's securities.

# PART 5
# DETAILS ON THE FUNDRAISING AND ADMISSION TO TRADING

The Company has conditional on Admission issued 2,712,420 Ordinary Shares by way of the Placing and Subscription, conditionally raising Gross Fundraise Proceeds of approximately £4.15 million. The Fundraising has been completed by way of a conditional placing of 2,467,352 Placing Shares and a conditional subscription of 245,068 Subscription Shares. Further details of the Placing and Subscription are set out below. No expenses relating to Admission or the Fundraising are being charged to participants in the Fundraising, liability for stamp duty and stamp duty reserve tax is as described in Part 10 (*Taxation*).

The Net Fundraising Proceeds to the Company amount to approximately £3.46 million, after deduction of fees and expenses payable by the Company which are related to the Fundraise and Admission. The Fundraising is conditional on Admission as set out in this Part 5 (*Details of the Fundraising and Admission to Trading*).

The Fundraising Shares will represent approximately 28.3 per cent. of the Enlarged Issued Share Capital immediately following Admission.

The New Ordinary Shares will be registered with ISIN number GB00BM9CMX71 and trade under the symbol "ATC". The rights attaching to the New Ordinary Shares will be uniform in all respects.

Immediately following Admission, it is expected that 27.3 per cent. of the issued Ordinary Shares of the Company will be held in public hands.

The terms of the Fundraising are subject to change, and any terms to be varied shall be agreed between the Company and Canaccord Genuity.

**The Placing**

Canaccord Genuity has undertaken the Placing. Conditional on Admission, the Placing has raised approximately £3.78 million (gross) for the Company through the issue of 2,467,352 Placing Shares to certain institutional investors.

The Placing Shares will represent approximately 25.7 per cent. of the Enlarged Issued Share Capital.

The Placing Shares will be issued credited as fully paid and will, on issue, rank *pari passu* in all respects with the Subscription Shares and the Existing Ordinary Shares, including the right to receive all dividends and other distributions thereafter declared, made or paid on the Enlarged Issued Share Capital.

The Placing is conditional, *inter alia*, on Admission becoming effective and the Placing Agreement becoming unconditional in all other respects by no later than 8.00 a.m. on 21 December 2021 or such later date (being no later than 21 January 2022) as the Company and Canaccord Genuity may determine.

The Placing has not been underwritten.

The terms and conditions of the Placing are set out in Part 12 of this document.

**The Subscription**

Conditional on Admission, the Company has raised approximately £0.37 million (gross) through the issue of 245,068 Subscription Shares to persons who are qualified investors as defined in the Prospectus Regulation ("Qualified Investors") by way of the Subscription at the Fundraising Price.

As part of the Subscription, the Directors have subscribed (in aggregate) for 130,718 new Ordinary Shares at the Fundraising Price. The Subscription Shares will represent approximately 2.56 per cent. of the Enlarged Issued Share Capital.

The Subscription Shares will be issued credited as fully paid and will, on issue, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions thereafter declared, made or paid on the Enlarged Issued Share Capital.

The Subscription is conditional, *inter alia*, on Admission becoming effective by no later than 8.00 a.m. on 21 December 2021 or such later date (being no later than 21 January 2022) as the Company and Canaccord Genuity Capital may determine.

**Use of Proceeds**

The Group is seeking Admission to the AQSE Growth Market and intends to use the net proceeds from the Fundraising to invest into each of ATC's five business segments and support the Directors' growth strategy for the Group. A significant proportion of the use of proceeds is discretionary and, accordingly, the Directors intend to allocate such investment according to prevailing market dynamics and opportunities for the Group, which currently is detailed below. Prior to deployment, the net proceeds will be held on the Group's balance sheet.

Approximately £2.6 million in aggregate to:

- further grow ATC Live by increasing the number of agents and therefore adding to its live artist roster to grow revenue and profits. ATC is in ongoing discussions with a number of such prospective agents. The Group will fund the cash flow requirements that need to be met between the date of arrival of a new agent and the revenue generated by their clients. Additional financial capability will enable ATC Live to co-promote tours with its bigger artists, increasing margin, and to move into other events where the company can take ownership stakes;

- expand ATC Management by attracting a number of new managers into the company. ATC is in ongoing discussions with a number of prospective managers. The Group will fund the cash flow gap between the manager's arrival and the revenue generated by their clients;

- invest in and provide working capital (including pursuant to paragraph 11.1 of Part 11, as applicable) to Driift to enable the company to scale the number of events that it delivers and drive revenue growth. The Group will cashflow production advances, add ancillary income streams through product development and will build a valuable customer database of livestreaming purchasers;

- establish additional Polyphonic artist ventures to drive greater margin from artist representation through joint venture vehicles. These partnerships will be forward funded by the Group (on a sole or joint basis) with such investment being recoverable from the business revenues;

- invest in namethemachine projects of a kind similar to the one recently undertaken with Radiohead and Epic Games; and

- for additional working capital and corporate purposes.

Approximately £0.9 million:

- for acquisition finance repayment purposes comprising the payment of £450,000 plus interest to Beggars Group in accordance with the loan assignment agreement between ATC UK and Beggars Group in respect of the investment into Driift by Deezer, further details of which are set out at paragraph 11.4 of Part 11; and repayment of the $640,000 loan plus interest to Craig Newman in respect to the acquisition of the remaining 51 per cent. interest in Your Army US, further details of which are set out at paragraph 11.12 of Part 11. The Group's remaining financial indebtedness will be serviced in accordance with existing terms.

**Admission to trading and dealing arrangements**

Application will be made to the AQSE Growth Market for Admission. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence on AQSE at 8.00 a.m. (London time) on 21 December 2021.

If Admission does not proceed, the Fundraise will not proceed and all monies paid will be refunded to the applicants.

**CREST**

CREST is a paperless settlement system allowing securities to be transferred from one person's CREST account to another's without the need to use share certificates or written instruments of transfer. The Articles of Association of the Company permit the holding of the New Ordinary Shares in the CREST system. Application has been made for the New Ordinary Shares to be admitted to CREST with effect from Admission.

Accordingly, settlement of transactions in the New Ordinary Shares following Admission may take place within the CREST system if any shareholder so wishes. As noted above, it is expected that settlement of the New Ordinary Shares in the Fundraising will take place through CREST. CREST is a voluntary system, and holders of New Ordinary Shares who wish to receive and retain share certificates following Admission will be able to do so.

Where applicable, definitive share certificates in respect of the New Ordinary Shares are expected to be despatched, by post at the risk of the recipients, to the relevant holders, by no later than 05 January 2021 (or such later date as applicable).

**Lock-In and Orderly Market Arrangements**

The Lock-In Shareholders, who will hold a total of 6,865,918 Ordinary Shares (presenting approximately 71.6 per cent. of the Enlarged Issued Share Capital on Admission have entered into the Lock-In and Orderly Market Agreements pursuant to which they have each agreed with the Company and Canaccord Genuity that they will not, without the prior written consent of the Company and the Canaccord Genuity:

- for the period of 12 months following Admission (the "**First Restricted Period**"), transfer or otherwise dispose of any interest in all or any Ordinary Shares or agree to transfer or dispose of any interest in all or any Ordinary Shares; and

  for a further 12 months commencing immediately after the expiry of **the First Restricted Period** (the "**Second Restricted Period**"), transfer or otherwise dispose of any interest in all or any Ordinary Shares otherwise than through, and following consultation, with the Canaccord Genuity (so long as the Canaccord Genuity is corporate nominated adviser and/or broker to the Company) and the Company and such transfer or disposal will be made in accordance with the reasonable requirements of the Canaccord Genuity with a view to maintaining an orderly market for the issued share capital of the Company, subject to the terms relating to price and execution offered by the Canaccord Genuity being no less favorable than other brokers at that time (the First Restricted Period and Second Restricted Period, together, shall be referred to as the "**Restricted Period**")**.**

The 180 Lock-in Shareholders, who will hold a total of 136,400.00 Ordinary Shares (representing approximately 1.4 per cent. of the Enlarged Issued Share Capital on Admission have entered into the 180 Lock-In Agreements pursuant to which they have each agreed with the Company and Canaccord Genuity that they will not, without the prior written consent of the Company and the Canaccord Genuity: for the period of 180 days following Admission (the "**180 Restricted Period**"), transfer or otherwise dispose of any interest in all or any Ordinary Shares or agree to transfer or dispose of any interest in all or any Ordinary Shares.

The restrictions which apply during the Restricted Period and the 180 Restricted Period (the Restriction Period and 180 Restricted Period, together, shall be referred to as the "**Shareholder Restricted Period**"), shall not apply to a disposal by the Lock-In Shareholders or 180 Lock-in Shareholders to any of their Associates (as defined in the Lock-In and Orderly Market Agreements and 180 Lock-In Agreements) provided that the relevant Lock-In Shareholder and 180 Lock-In Shareholder agrees that in the event that any such transferee ceases to be an Associate, any such interest in any Ordinary Shares will, prior to such cessation, be transferred to either (i) the relevant transferor; or (ii) another Associate of the transferor, and provided further that any such other Associate undertakes to be bound by certain restrictions contained in the Lock-In and Orderly Market Agreements and 180 Lock-In Agreements.

The restrictions which apply during the Shareholder Restricted Period shall not apply in the case of any of the following release events should they occur during Shareholder Restricted Period:

- an acceptance of a take-over offer for the whole of the issued equity share capital of the Company (or by the giving of an irrevocable undertaking to accept such an offer), pursuant to an intervening court order or by personal representatives after the death of the Lock-In Shareholder or a 180 Lock-in Shareholder;
- in the event of a scheme under either Part 26 of the Act or section 110 of the Insolvency Act 1986;
- following consultation with Canaccord Genuity (so long as Canaccord Genuity is nominated adviser and/or broker to the Company) and the Company and such transfer or disposal will be made in accordance with the reasonable requirements of Canaccord Genuity with a view to maintaining an orderly market for the issued share capital of the Company, to generate cash to meet a liability under the placing agreement dated 14 December 2021;
- the making of an order of a court of competent jurisdiction requiring any Ordinary Shares to be sold or transferred or a consent order which has the same effect (in each case save in respect of any order the relevant Lock-In Shareholder(s), 180 Lock-In Shareholder(s) or his Associate(s) have applied for); or
- any disposal of Restricted Shares (as defined in the Lock-In and Orderly Market Agreements and 180 Lock-In Agreements) pursuant to a compromise or arrangement between the Company and its members under section 896 of the Companies Act 2006 (as amended) providing for the acquisition of the whole of the issued equity share capital of the Company and which compromise or arrangement has been sanctioned by the courts.

**PART 6**

# HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

## (A) Accountant's Report on the Historical Financial Information of the Company

Adler Shine LLP
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The Directors and Proposed Directors
All Things Considered Group Plc
The Hat Factory
166-168 Camden Street
London NW1 9PT

The Directors
Canaccord Genuity Limited
88 Wood Street
London EC2V 7QR

14 December 2021

Dear Sirs,

We report on the audited historical financial information of All Things Considered Group Plc ("the Company") for the period ended 30 June 2021 (the "Company Financial Information").

**Opinion on financial information**

In our opinion, the Company Financial Information gives, for the purpose of the Company's prospectus dated 14 December 2021 (the "Document"), a true and fair view of the state of affairs of the Company as at 30 June 2021 and of its profits, cash flows, statement of comprehensive income and changes in equity for the periods then ended in accordance with UK adopted International Accounting Standards ("IFRS")

**Responsibilities**

The directors of the Company (the "Directors") are responsible for preparing the Company Financial Information in accordance with IFRS.

It is our responsibility to form an opinion on the Company Financial Information, and to report our opinion to you.

**Basis of preparation**

The Company Financial Information has been prepared for inclusion in Section (B) of Part 6 "Historical Financial Information of the Company" of the Document, on the basis of the accounting policies set out in note 3 to the Company Financial Information. This report is required by item 5.3.1 of Annex 24 to the UK version of Regulation number 2019/980 of the European Commission, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (together, the "PR Regulation"), and is given for the purpose of complying with that requirement and for no other purpose.

**Basis of opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company in accordance with the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Company Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the Company Financial Information and whether the accounting policies are appropriate to the Company's circumstances consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Company Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

**Declaration**

For the purposes of Prospectus Regulation Rule PRR 5.3.2R(2)(f), we are responsible for this report as part of this Document and we declare that, to the best of our knowledge, the information contained in this report, for which we are responsible, is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Document in compliance with item 1.2 of Annex 24 to the PR Regulation.

Yours faithfully

**Adler Shine LLP**
Chartered Accountants

## (B) Historical Financial Information of the Company

### Statement of Comprehensive Income

***For the period from 20 May 2021 to 30 June 2021***

| | Period ended 30 June 2021 |
|---|---|
| | £ |
| **Revenue** | - |
| Administrative expenses | - |
| **Result before income tax** | - |
| Income tax expense | - |
| **Result for the period being total comprehensive income** | - |
| **Earnings per share attributable to equity owners** | |
| Basic and diluted earnings per share | - |

### Statement of Financial Position

***As at 30 June 2021***

| | Note | As at 30 June 2021 £ |
|---|---|---|
| **ASSETS** | | |
| **Current assets** | | |
| Other receivables | | - |
| Cash and cash equivalents | | - |
| Total assets | | - |
| **EQUITY AND LIABILITIES** | | |
| Equity attributable to owners | | - |
| Share capital | 5 | - |
| Share premium | 5 | - |
| Retained earnings | | - |
| | | - |

## Statement of Cash Flows

### *For the period from 20 May 2021 to 30 June 2021*

| | | Period ended 30 June 2021 £ |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit before income tax expense | | - |
| *Movement in working capital* | | - |
| **Net cash flow from operating activities** | | - |
| **Cash flows from financing activities** | | |
| Issue of ordinary shares | 5 | - |
| **Net cash flows from financing activities** | | - |
| **Net increase in cash and cash equivalents** | | - |
| Cash and cash equivalents at beginning of period | | - |
| **Cash and cash equivalents at end of period** | | - |

## Statements of Changes in Equity

### *As at 30 June 2021*

| | Share capital **£** | Share premium **£** | Retained earnings **£** | **Total** **£** |
|---|---|---|---|---|
| At incorporation | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - |
| **At 30 June 2021** | - | - | - | - |

## Notes to the financial information

### 1. General information

The Company was incorporated on 20 May 2021 in England and Wales, with registered number 13411674 under the Companies Act 2006.

The registered office of the company is The Hat Factory, 166-168 Camden Street, London NW1 9PT.

The Company did not trade during the period under review.

### 2. Basis of preparation

The principal accounting policies applied in the preparation of the Company Financial Information are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

The Company Financial Information has been prepared in accordance with UK adopted International Accounting Standards ("IFRS"). The Company Financial Information has been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense.

The Company Financial Information presented above does not constitute statutory accounts for the period under review.

#### Comparative figures

No comparative figures have been presented as the Company Financial Information covers the period from incorporation on 20 May 2021.

#### Going concern

The Company Financial Information has been prepared on a going concern basis. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Furthermore, the Directors have a reasonable expectation that the investments acquired by the Company after the balance sheet date will generate future inflows which will cover the future costs the Company incurs. As a result, the Directors continue to adopt the going concern basis of accounting in preparing the Company Financial Information.

#### Standards and interpretations issued and not yet effective:

At the date of the Company Financial Information, the Directors have reviewed the standards in issue by the International Accounting Standards Board and IFRIC, which are effective for periods beginning on or after the stated effective date but have not yet been applied. In their view, these standards would not have a material impact on the financial reporting of the Company.

### 3. Significant accounting policies

The Company Financial Information is based on the following policies which have been consistently applied:

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and short-term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form an integral part of cash management are included as components of cash and cash equivalents for the purposes of the cash flow statement.

#### Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs, or at fair value where no proceeds are received.

### 4. Critical accounting estimates and judgments

In preparing the Company Financial Information, the Directors have to make judgments on how to apply the Company's accounting policies and make estimates about the future. The Directors do not consider there to be any critical judgments that have been made in arriving at the amounts recognised in the Company Financial Information.

### 5. Share capital and share premium

On incorporation, the Company issued one ordinary share of £0.01 at nominal value.

**6. Capital management policy**

The Directors' objectives when managing the Company's capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Company consists of equity attributable to equity holders of the Company, comprised of issued share capital.

**7. Financial instruments**

The Company's accounting policies and method adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial asset and equity instrument are set out in Note 3 "Accounting policies" to the Company Financial Information. The Company does not use financial instruments for speculative purposes.

**8. Related party transactions**

There were no related party transactions in the period from incorporation to 30 June 2021.

**9. Ultimate controlling party**

As at 30 June 2021, there was no ultimate controlling party of the Company.

**10. Events after the reporting date**

On 11 November 2021, the Company entered into a share for share exchange agreement with the shareholders of All Things Considered Limited.

On 24 November 2021, the Company was re-registered as a public limited company.

## PART 7
## HISTORICAL FINANCIAL INFORMATION OF THE GROUP

### (A) Accountant's Report on the Historical Financial Information of the Group

Adler Shine LLP
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The Directors and Proposed Directors
All Things Considered Group Plc
The Hat Factory
166-168 Camden Street
London NW1 9PT

The Directors
Canaccord Genuity Limited
88 Wood Street
London EC2V 7QR

14 December 2021

Dear Sirs,

We report on the audited historical financial information of All Things Considered Limited and its subsidiary undertakings ("ATC Group") for the years ended 31 December 2019 and 31 December 2020 (together, the "ATC Group Financial Information").

**Opinion on financial information**

In our opinion, the ATC Group Financial Information gives, for the purpose of All Things Considered Group Plc (the "Company") prospectus dated 14 December 2021 (the "Document"), a true and fair view of the state of affairs of the ATC Group as at 31 December 2019 and 31 December 2020 and of its profits, cash flows, statement of comprehensive income and changes in equity for the periods then ended in accordance with the basis of preparation set out in Note 2 to the consolidated historical financial information and otherwise in accordance with international financial reporting standards in conformity with the requirements of the Companies Act 2006 ("IFRS").

**Responsibilities**

The directors of the Company (the "Directors") are responsible for preparing the ATC Group Financial Information in accordance with IFRS in conformity with the requirements of the Companies Act 2006 except that, as described under the basis of preparation at Note 2 to the consolidated historical financial information, certain accounting conventions, commonly used for the preparation of consolidated historical financial information for inclusion in investment circulars, as described in the Annexure to the Standards for Investment Reporting 2000 issued by the Financial Reporting Council in the United Kingdom, have been applied.

It is our responsibility to form an opinion on the ATC Group Financial Information, and to report our opinion to you.

**Basis of preparation**

The ATC Group Financial Information has been prepared for inclusion in Section (B) of Part 7 "Historical Financial Information of ATC Group" of the Document, on the basis of the accounting policies set out in note 2 to the ATC Group Financial Information. This report is required by item 5.3.1 of Annex 24 to the UK version of Regulation number 2019/980 of the European Commission, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (together, the "PR Regulation"), and is given for the purpose of complying with that requirement and for no other purpose.

**Basis of opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of ATC Group in accordance with the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the ATC Group Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the ATC Group Financial Information and whether the accounting policies are appropriate to the ATC Group's circumstances consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the ATC Group Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

**Declaration**

For the purposes of Prospectus Regulation Rule PRR 5.3.2R(2)(f), we are responsible for this report as part of this Document and we declare that, to the best of our knowledge, the information contained in this report, for which we are responsible, is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Document in compliance with item 1.2 of Annex 24 to the PR Regulation.

Yours faithfully

**Adler Shine LLP**
Chartered Accountants

## (B) Historical Financial Information of ATC Group

***Consolidated statement of comprehensive income***

The audited consolidated statement of comprehensive income of the Group for each of the two years ended 31 December 2020 and 31 December 2019 are set out below:

| | Notes | 2020<br>£ | 2019<br>£ |
|---|---|---|---|
| Revenue | 6 | 7,489,436 | 3,298,477 |
| Cost of sales | 6 | (6,401,152) | (2,243,104) |
| **Gross profit** | | 1,088,284 | 1,055,373 |
| Other operating income | 7 | 537,438 | 89,108 |
| Administrative expenses | 8 | (1,778,168) | (1,748,998) |
| Provision for amounts owed by associates and joint ventures | | (235,250) | 5,080 |
| **Operating loss** | 8 | (387,696) | (599,437) |
| Share of results of associates and joint ventures | 11 | 40,012 | 131,891 |
| Finance income | 12 | 34,655 | 75,844 |
| Finance costs | 13 | (99,710) | (133,517) |
| **Loss before taxation** | | (412,739) | (525,219) |
| Income tax expense | 14 | (966) | (3,647) |
| **Loss for the year** | | (413,705) | (528,866) |
| **Other comprehensive income:** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Currency translation differences | | 8,896 | 6,372 |
| **Total items that will not be reclassified to profit or loss** | | 8,896 | 6,372 |
| **Total other comprehensive income for the year** | | 8,896 | 6,372 |
| **Total comprehensive income for the year** | | (404,809) | (522,494) |
| Loss for the financial year is attributable to: | | | |
| - Owners of the parent company | | (363,700) | (528,866) |
| - Non-controlling interests | | (50,005) | - |
| | | (413,705) | (528,866) |
| Total comprehensive income for the year is attributable to: | | | |
| - Owners of the parent company | | (354,804) | (522,494) |
| - Non-controlling interests | | (50,005) | - |
| | | (404,809) | (522,494) |

***Consolidated statement of financial position***

The audited consolidated statement of financial position of the Group as at 31 December 2020 and 31 December 2019 are set out below:

| | Notes | 2020 £ | 2019 £ |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | **15** | 501,637 | 626,748 |
| Investments | **16** | 726,008 | 948,232 |
| | | 1,227,645 | 1,574,980 |
| **Current assets** | | | |
| Trade and other receivables | **18** | 1,159,466 | 862,989 |
| Cash and cash equivalents | | 2,200,821 | 337,437 |
| | | 3,360,287 | 1,200,426 |
| **Total assets** | | 4,587,932 | 2,775,406 |
| **EQUITY** | | | |
| Called up share capital | **29** | 32,649 | 19,556 |
| Share premium account | | 2,449,703 | 1,852,394 |
| Currency translation reserve | | 8,767 | (129) |
| Retained earnings | | (3,687,758) | (3,413,908) |
| **Equity attributable to the shareholders of the parent company** | | (1,196,639) | (1,542,087) |
| Non-controlling interests | | 10,395 | - |
| **Total equity** | | (1,186,244) | (1,542,087) |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Borrowings | **19** | 1,725,548 | 2,507,015 |
| Lease liabilities | **27** | 388,525 | 525,390 |
| | | 2,114,073 | 3,032,405 |
| **Current liabilities** | | | |
| Trade and other payables | **20** | 2,941,008 | 761,342 |
| Current tax liabilities | | - | 1,529 |
| Borrowings | **19** | 582,230 | 394,787 |
| Lease liabilities | **27** | 136,865 | 127,430 |
| | | 3,660,103 | 1,285,088 |
| **Total liabilities** | | 5,774,176 | 4,317,493 |
| **Total equity and liabilities** | | 4,587,932 | 2,775,406 |

***Consolidated statement of changes in shareholders' equity***

The audited consolidated statement of changes in shareholders' equity of the Group for each of the two years ended 31 December 2020 and 31 December 2019 are set out below:

| | Notes | Share capital | Share premium account | Currency translation reserve | Retained earnings | Total | Non-controlling interest | Total |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Balance at 1 January 2019** | | 19,556 | 1,852,394 | (6,501) | (2,885,042) | (1,019,593) | - | (1,019,593) |
| **Year ended 31 December 2019:** | | | | | | | | |
| Loss for the year | | - | - | - | (528,866) | (528,866) | - | (528,866) |
| Other comprehensive income: | | | | | | | | |
| Currency translation differences on overseas subsidiaries | | - | - | 6,372 | - | 6,372 | - | 6,372 |
| Total comprehensive income for the year | | - | - | 6,372 | (528,866) | (522,494) | - | (522,494) |
| **Balance at 31 December 2019** | | 19,556 | 1,852,394 | (129) | (3,413,908) | (1,542,087) | - | (1,542,087) |
| **Year ended 31 December 2020:** | | | | | | | | |
| Loss for the year | | - | - | - | (363,700) | (363,700) | (50,005) | (413,705) |
| Other comprehensive income: | | | | | | | | |
| Currency translation differences on overseas subsidiaries | | - | - | 8,896 | - | 8,896 | - | 8,896 |
| Total comprehensive income for the year | | - | - | 8,896 | (363,700) | (354,804) | (50,005) | (404,809) |
| Issue of share capital | **29** | 13,093 | 597,309 | - | - | 610,402 | - | 610,402 |
| Acquisition of non-controlling interests | | - | - | - | 89,850 | 89,850 | 60,400 | 150,250 |
| **Balance at 31 December 2020** | | 32,649 | 2,449,703 | 8,767 | (3,687,758) | (1,196,639) | 10,395 | (1,186,244) |

*Consolidated statement of cash flows*

The audited consolidated statement of cash flows of the Group for each of the two years ended 31 December 2020 and 31 December 2019 are set out below:

| | Notes | 2020 | | 2019 | |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Cash flows from operating activities** | | | | | |
| Loss for the year after tax | | (413,705) | | (528,866) | |
| **Adjustments for:** | | | | | |
| Taxation charged | | 966 | | 3,647 | |
| Finance costs | | 99,710 | | 133,517 | |
| Finance income | | (34,655) | | (75,844) | |
| Loss on disposal of property, plant and equipment | | 6,143 | | - | |
| Depreciation and impairment of property, plant and equipment | | 127,549 | | 139,128 | |
| Share of results of associates and joint ventures | | (40,012) | | (145,232) | |
| Provision against investment in associates and joint ventures | | 226,282 | | - | |
| **Movements in working capital:** | | | | | |
| Increase in trade and other receivables | | (296,477) | | (336,722) | |
| Increase in trade and other payables | | 2,179,666 | | 155,957 | |
| **Cash generated from/(absorbed by) operations** | | | 1,855,467 | | (654,415) |
| Interest paid | | | (99,710) | | (133,517) |
| Tax paid | | | (2,495) | | (12,089) |
| **Net cash inflow/(outflow) from operating activities** | | | 1,753,262 | | (800,021) |
| **Investing activities** | | | | | |
| Purchase of property, plant and equipment | | (8,642) | | (16,246) | |
| Net amount withdrawn/(invested) in associates and joint ventures | | 30,971 | | 79,505 | |
| Interest received | | 34,655 | | 75,844 | |
| **Net cash generated from investing activities** | | | 56,984 | | 139,103 |
| **Financing activities** | | | | | |
| Proceeds from issue of shares in subsidiary subscribed by non-controlling interest | | 150,250 | | - | |
| Proceeds from issue of shares | | 610,402 | | - | |
| Proceeds from borrowings | | 275,000 | | 2,029,500 | |
| Repayment of borrowings | | (839,729) | | (1,127,201) | |
| Proceeds of new bank loans | | - | | 5,463 | |
| Repayment of bank loans | | (29,295) | | - | |
| Payment of lease liabilities | | (127,430) | | (62,126) | |
| **Net cash generated from financing activities** | | | 39,198 | | 845,636 |
| **Net increase in cash and cash equivalents** | | | 1,849,444 | | 184,718 |
| Cash and cash equivalents at beginning of year | | | 337,437 | | 142,316 |
| Effect of foreign exchange rates | | | 13,940 | | 10,403 |
| Cash and cash equivalents at end of year | | | 2,200,821 | | 337,437 |

*Notes to the Consolidated Group Financial Information*

## 1 General information

All Things Considered Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Hat Factory, 168 Camden Street, London, NW1 9PT.

All Things Considered Limited is the holding company of a group of entities. Its principal activity is that of music artist management. The subsidiary entities of All Things Considered Limited also provide music artist management as well as the live-streaming of events.

The Consolidated Group Financial Information represents the consolidated results of All Things Considered Limited and its subsidiaries, (together referred to as the “Group”).

## 2 Significant accounting policies including basis of preparation and measurement

### 2.1 Basis of preparation

The Consolidated Group Financial Information has been prepared in accordance with International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006 (“IFRS”) except as described in note 2.2 below.

Unless otherwise state, the Consolidated Group Financial Information is presented in Pounds Sterling (£) which is the currency of the primary economic environment in which the Group operates. Monetary amounts in these financial statements are rounded to the nearest £.

The Consolidated Group Financial Information have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

### 2.2 Basis of consolidation

The Consolidated Group Financial Information comprises the financial statements of All Things Considered Limited and its subsidiaries listed in note 17 to the Consolidated Group Financial Information.

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

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Intra-group transactions, balances and unrealised gains on transactions are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

The total comprehensive income of non-wholly owned subsidiaries is attributed to owners of the parent and to the non-controlling interests in proportion to their relative ownership interests.

Courtyard Productions, Inc. was under common management and control for the duration of the periods presented and legally became part of the Group on 19 February 2021. The Consolidated Group Financial Information has been prepared by combining the financial information of Courtyard Productions, Inc. for the period from 1 January 2019 to 31 December 2020 with All Things Considered Limited and its subsidiaries. The implications of this are as follows:

The statements of total comprehensive income, statements of cash flows, statements of financial position and related notes for the period from 1 January 2019 to 31 December 2020 have been prepared by aggregating the results and cash flows of Courtyard Productions, Inc. with All Things Considered Limited and its subsidiaries. The share capital of Courtyard Productions, Inc. has been eliminated in full in the Consolidated Group Financial Information.

Intercompany transactions and balances between Courtyard Productions, Inc. and group companies have been eliminated in full in the Consolidated Group Financial Information.

Although representing a departure from IFRS, the treatment applied above is based on the conventions used for the preparation of historical financial information for inclusion in investment circulars as described in the Annexure to SIR2000 (Investment Reporting Standards applicable to Public Reporting Engagements on Historical Financial Information) issued by the UK Auditing Practices Board.

### 2.3 Going concern

The Consolidated Group Financial Information has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The directors of All Things Considered Limited (the "All Things Considered Limited Directors") have prepared forecasts covering the period to 31 December 2023. The forecasts include a number of assumptions in relation to varying levels of sales revenue together with the assumption that the Fundraise of ordinary shares is completed as anticipated. Whilst the Group's trading and cash flow forecasts have been prepared using current trading assumptions, the operating environment presents a number of challenges which could negatively impact the actual performance achieved. The Group's cash flow forecasts and projections, taking account of reasonable and possible changes in trading performance, offset by mitigating actions within the control of management including reductions in areas of discretionary spend, show that the Group will be able to operate for the foreseeable future.

In preparing this analysis, a number of scenarios were modelled. The scenarios modelled were all based on varying levels of sales revenue. In each scenario, mitigating actions within the control of management have been modelled. Under each of the scenarios modelled, the Group has sufficient cash to meet its liabilities as they fall due and consequently, the directors believe that the Group will be sufficiently well funded to be able to operate as a going concern for at least the next twelve months from the date of approval of this historical financial information. Accordingly, the Directors continue to adopt the going concern basis in preparing the Group's historical financial information.

### 2.4 Revenue

Management commission

Management commission income is recognised when a right to consideration has been established, the commissions can be reliably quantified and receipt of such commission is first considered certain. In normal circumstances, this results in revenue being recognised in the period in which the managed artist realises income from their contractual arrangements with third parties, thus triggering the manager's right to commission.

Commission on recording, publishing, merchandising and similar artist income

Where an artist has contracted with a third party to receive stage payments of advances, commission income is recognised when the artist receives, or becomes contractually entitled to receive, these payments. For example, where a management artist's contract with a record company stipulates that the artist will receive separate advances on signature, commencement of recording and album delivery, management commission income is recognised on each of these, when the artist has fulfilled their obligations to the record company under the contract and, therefore, has become contractually due to receive them from the record company.

Commission on the artist's income in excess of the advances already received by the artist is accrued based on the best sales information available from third parties (record companies, distributors, publishers, merchandisers, sponsors) from which the artists derives this income, after taking into account potential returns and retentions, and other factors (e.g. exchange rate exposures) that may affect the amount ultimately received.

Commission on tour income

Commission on tour income is recognised on concerts played in the period. Where a tour straddles the end of the period, commission income is recognised on in respect of those concerts played before the year end. Where final accountings for concerts played in the period are not available, the amount of commissionable income assessed based on the contractual terms and the best information available as to attendances and takings. In the absence of better information, the estimate is based on the minimum level of income guaranteed to the managed artist by the promoter.

Online ticket sales income

Online ticket sales income is recognised in the period in which the event is livestreamed based on information provided by third party ticket agencies, net of a provision for anticipated ticket refunds.

Agency commission

Agency commission income is recognised when a right to consideration has been established, the commission can be reliably quantified and receipt of such commission is first considered certain.

Sale of merchandise

Revenue is recognised at the fair value of the consideration received or receivable for goods supplied. Where goods are sold on the Group's behalf by third party distributors, revenue is recognised when the amount can be reliably measured and it is probable economic benefits associated with the transaction will flow to the Group.

### 2.5 Property, plant and equipment

Property, plant and equipment are measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Right of use asset | Over the lease term |
| Short Leasehold improvements | Over the lease term |
| Fixtures and fittings | 25% reducing balance |
| Computers | 25% reducing balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

### 2.6 Non-current investments

Interests in associates and joint ventures are accounted for using the equity method.

Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost. The carrying amount is then increased or decreased to recognise the group's share of the subsequent profit or loss of the associate or joint venture and to include that share of the associate or joint venture's profit or loss in the group's profit or loss. Distributions received from an associate or joint venture reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the group's proportionate interest in the associate or joint venture and for the associate or joint venture's other comprehensive income.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as joint ventures.

### 2.7 Impairment of non current assets

At each reporting end date, the company reviews the carrying amounts of its non current assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

### 2.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

### 2.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

***Financial assets held at amortised cost***

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

***Impairment of financial assets***

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

**2.10 Financial liabilities**

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

***Financial liabilities at fair value through profit or loss***

Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

***Other financial liabilities***

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company’s obligations are discharged, cancelled, or they expire.

**2.11 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Share capital represents the nominal value of equity shares that have been issued.

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

Retained earnings represent all current and prior period retained profit and losses.

Currency translation reserve represents cumulative foreign exchange differences arising from the translation of the financial statements of foreign investments.

Non-controlling interest represents the minority shareholder’s ownership interest related to the Group’s subsidiary, Driift Holdings Ltd and Driift Live Ltd. The Group reports its non-controlling interest in subsidiaries as a separate component of equity in the Consolidated Balance Sheet and Consolidated Statement of Changes in Equity. Non-controlling interests are measured at the net asset value of entities and do not account for potential voting rights.

## 2.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

## 2.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

## 2.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

## 2.15 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

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

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

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used, which the All Things Considered Limited directors have assessed to be 2.5 per cent.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

**2.16 Grants**

Government grants are recognised when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants, which include amounts received under the Coronavirus Job Retention Scheme, are recognised at the fair value of the grant received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. The income is recognised in other income on a systematic basis over the periods in which the associated costs are incurred, using the accrual model.

Government grants, which include the amounts received from the Coronavirus Business Interruption Loan Scheme that cover interest and fees payable to the lender, are recognised at the fair value of the grant received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. The income is recognised in other income on a systematic basis over the periods in which the associated costs are incurred, using the accrual model.

**2.17 Foreign currency transactions and translation**

The Consolidated Group Financial Information is presented in Pounds Sterling, which is the functional currency of the parent company.

Transactions in foreign currencies are translated into £ at the rate of exchange on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. The resulting gain or loss is reflected in the “Consolidated Statements of Comprehensive Income” within either “Finance income” or “Finance costs”.

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

- assets and liabilities are translated at the closing rate at the date of the “Statement of Financial Position”;
- income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, the Group recognises in “other comprehensive income” the exchange differences arising from the translation of the net investment in foreign entities, and of monetary items receivable from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future.

**2.18 Advances**

In the ordinary course of business the Group pays advances and other expenses recoupable from future royalties to performing artists. The amounts paid are carried at cost less recoupment and less an allowance for any amounts which are not expected to be recoupable, based on past revenue performance and current popularity, or recoverable by other means.

## 3 Adoption of new and revised standards and changes in accounting policies

In the current year, the following new and revised Standards and Interpretations have been adopted by the Group and have an effect on the current period or a prior period or may have an effect on future periods:

**IFRS 16 "Leases"**

In January 2016, the IASB issued IFRS 16 "Leases". The standard establishes the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and lessor. The standard requires all lease transactions (with terms in excess of 12 months) to be recognised on the statement of financial position as lease assets and lease liabilities, and to depreciate lease assets separately from interest on lease liabilities in the income statement. IFRS 16 "Leases" replaces the previous lease standard, IAS 17 "Leases", and related interpretations. This standard became effective on 1 January 2019. The standard can be applied using either the full retrospective approach or a modified retrospective approach at the date of adoption. The Group has adopted IFRS 16 "Leases" with full retrospective effect.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Definition of Material)"**

The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial information.

**Amendments to IFRS 3: Definition of a Business**

The amendments to IFRS 3 clarify that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. Furthermore, it was clarified that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the consolidated financial information of the Group but may impact future periods should the Group enter into any business combinations.

**Amendments to IFRS 7, IFRS 9 and IAS 39: Interest Rate Benchmark Reform**

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. These amendments had no impact on the consolidated financial information of the Group as it does not have any interest rate hedge relationships.

Except for IFRS 16, these amendments had no impact on the consolidated financial information of the Group.

**Standards which are in issue but not yet effective**

At the date of authorisation of the historical financial information, the following Standards and Interpretations, which have not been applied in the historical financial information, were in issue but not yet effective:

| | |
|---|---|
| Amendments to IFRS 16 - Effective for accounting periods commencing on or after 1 June 2020 | COVID-19 related rent concessions. The amendment exempts lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and allow lessees to account for such rent concessions as if they were not lease modifications. It applies to COVID-19 related rent concessions that reduce lease payments due on or before 30 June 2021. |
| IBOR reform and its effects on financial report – phase 2 - Effective for accounting periods commencing on or after 1 January 2021 | In April 2020, the IASB issued exposure draft 2020/1, proposing amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 relating to interest rate benchmark reform (‘IBOR – phase 2’). The IASB issued the final amendments in August 2020, which are mandatorily effective for annual periods beginning on or after 1 January 2021. |
| Annual Improvements to IFRSs – 2018-2020 cycle - Effective for accounting periods commencing on or after 1 January 2022 | Minor amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41. |
| IAS 16 Property, Plant and Equipment - Effective for accounting periods commencing on or after 1 January 2022 | Amendment – Proceeds before Intended Use. |
| IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Effective for accounting periods commencing on or after 1 January 2022 | Amendment – Onerous Contracts – Cost of Fulfilling a Contract. |
| IFRS 3 Business Combinations - Effective for accounting periods commencing on or after 1 January 2022 | Amendment – Reference to the Conceptual Framework. |
| IAS 1 - Effective for accounting periods commencing on or after 1 January 2023 | In January 2020, the IASB issued amendments to IAS 1 “Presentation of Financial Statements”, which clarify the criteria used to determine whether liabilities are classified as current or non-current. These amendments clarify that current or non-current classification is based on whether an entity has a right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. The amendments also clarify that ‘settlement’ includes the transfer of cash, goods, services, or equity instruments unless the obligation to transfer equity instruments arises from a conversion feature classified as an equity instrument separately from the liability component of a compound financial instrument. |

Management anticipates that these new standards, interpretations and amendments will be adopted in the financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, will be reviewed for their impact on the financial statements prior to their initial application.

## 4 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

### Critical judgements

**Incremental borrowing rate used to discount lease payments on right-of-use assets**

All Things Considered Limited leases its office space. The asset and liability arising from this lease arrangement are initially measured on a present value basis with the lease payments discounted based on The Group's estimated incremental cost of borrowing. The directors have determined that a discount rate of 2.5% per annum is appropriate to discount the lease payments under these leases.

**Government Grants**

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants which are revenue in nature are recognised on a systematic basis within Other operating income in the Statement of Comprehensive income over the period in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

### Key sources of estimation uncertainty

**Accruals for amounts payable to PROs on livestreamed events**

Accruals are made for amounts which the directors anticipate will be payable to global performing rights organisations (PROs) for livestreamed events. The accrual is based on 9 per cent. of gross ticket sales for broadcasting livestreamed events that the directors estimate will become payable. At 31 December 2020, PROs throughout the world had yet to agree the licensing structure for livestreaming events. In respect of all the livestream events that the Group has produced to date, it has not paid any licence fees to the relevant PROs. The collecting society in the UK, PRS for Music, has recently announced that its licence fee will be 10 per cent but the Group is waiting for the final licence agreement from PRS. The licence fee for other jurisdictions is yet to be determined but in the US, for example, industry expectations are that it will be less than 10 per cent. Should the Group increase the PRO accrual from 9 per cent. to 10 per cent. it would increase the loss for the year ended 31 December 2020 by £42,000 (2019: £nil).

## 5 Revenue

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| **Revenue analysed by geographical market** | | |
| United Kingdom | 3,139,084 | 2,584,416 |
| Europe | 1,668,000 | 276,000 |
| United States of America | 1,762,352 | 411,061 |
| Rest of the world | 920,000 | 27,000 |
| | 7,489,436 | 3,298,477 |

## 6 Segmental analysis

| | Artist management and development 2020 £ | Livestreamed events 2020 £ | Total 2020 £ |
|---|---|---|---|
| Revenue | 2,772,744 | 4,716,692 | 7,489,436 |
| Cost of sales | (2,055,303) | (4,345,849) | (6,401,152) |
| **Gross profit** | 717,441 | 370,843 | 1,088,284 |
| Other operating income | 537,438 | - | 537,438 |
| Administrative expenses | (1,535,981) | (242,187) | (1,778,168) |
| Provision for amounts owed by associates and joint ventures | (235,250) | - | (235,250) |
| **Operating profit/(loss)** | (516,352) | 128,656 | (387,696) |
| Share of results of associates and joint ventures | 40,012 | - | 40,012 |
| Finance income | 34,655 | - | 34,655 |
| Finance costs | (99,700) | (10) | (99,710) |
| **Profit/(Loss) before taxation** | (541,385) | 128,646 | (412,739) |
| Income tax expense | (966) | - | (966) |
| **Profit/(Loss) for the year** | (542,351) | 128,646 | (413,705) |

## 6 Segmental analysis (continued)

| | Artist management and development 2019 £ | Livestreamed events 2019 £ | Total 2019 £ |
|---|---|---|---|
| Revenue | 3,298,477 | - | 3,298,477 |
| Cost of sales | (2,243,104) | - | (2,243,104) |
| **Gross profit** | 1,055,373 | - | 1,055,373 |
| Other operating income | 89,108 | - | 89,108 |
| Administrative expenses | (1,748,998) | - | (1,748,998) |
| Provision for amounts owed by associates and joint ventures | 5,080 | - | 5,080 |
| **Operating loss** | (599,437) | - | (599,437) |
| Share of results of associates and joint ventures | 131,891 | - | 131,891 |
| Finance income | 75,844 | - | 75,844 |
| Finance costs | (133,517) | - | (133,517) |
| **Loss before taxation** | (525,219) | - | (525,219) |
| Income tax expense | (3,647) | - | (3,647) |
| **Loss for the year** | (528,866) | - | (528,866) |

## 7 Other operating income

| | 2020 £ | 2019 £ |
|---|---|---|
| Government grants received | 469,585 | - |
| Rental income | 60,955 | 89,108 |
| Sundry income | 6,898 | - |
| | 537,438 | 89,108 |

## 8 Administrative expenses by nature

| | 2020 £ | 2019 £ |
|---|---|---|
| Staff costs | 870,344 | 621,090 |
| Rent, rates and services costs | 113,822 | 163,218 |
| Legal and professional fees | 226,479 | 196,742 |
| Consultancy fees | 361,441 | 176,143 |
| Depreciation of property, plant and equipment | 127,549 | 139,128 |
| Exchange losses | (11,298) | 15,796 |
| Profit or loss on sale of tangible assets | 6,143 | - |
| Travelling expenses | 25,460 | 118,557 |
| Other expenses | 58,228 | 318,324 |
| | 1,778,168 | 1,748,998 |

## 9 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2020 Number | 2019 Number |
|---|---|---|
| Administrative | 1 | 1 |
| Business affairs | 1 | 1 |
| Accounts | 1 | 1 |
| Managers and assistants | 14 | 13 |
| Total | 17 | 16 |

Their aggregate remuneration comprised:

| | 2020 £ | 2019 £ |
|---|---|---|
| Wages and salaries | 803,038 | 547,651 |
| Social security costs | 51,134 | 57,990 |
| Pension costs | 16,172 | 15,449 |
| | 870,344 | 621,090 |

## 10 Directors' remuneration

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Remuneration for qualifying services | 310,849 | 70,252 |

Remuneration disclosed above include the following amounts paid to the highest paid director:

| | | |
|---|---|---|
| Remuneration for qualifying services | 128,757 | 70,252 |

Craig Newman, Brian Message, Chris Hufford, John Edge and Richard Salmon were all directors of All Things Considered Limited for the year ended 31 December 2019 and 31 December 2020. Chris Hufford and John Edge resigned as directors on 25 March 2021. Richard Salmon resigned as a director on 6 April 2021.

During the year ended 31 December 2020, Craig Newman, Brian Message, Chris Hufford and John Edge received a profit share of £182,092 based on the revenue generated by certain artists which was paid to Courtyard Music Management LLP, an entity which they control. Their entitlement to a profit share for the year ended 31 December 2019 was waived.

During the year ended 31 December 2020, Richard Salmon received fees of £128,757 (2019: £70,252) which were paid to Upstream Entertainment Limited, a company which he controls.

## 11 Share of results of associates and joint ventures

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| ATC Live LLP | (291,085) | 2,987 |
| ATC 3 LLP | (27,317) | 22,289 |
| ATC 4 LLP | 303,407 | 46,737 |
| ATC 7 LLP | 13,192 | 14,268 |
| ATC 9 LLP | 19,446 | 175 |
| One Eskimo LLP | 1,430 | 1,050 |
| Frank Carter & The Rattlesnakes LLP | - | (13,341) |
| Your Army LLC | 20,939 | 57,726 |
| | 40,012 | 131,891 |

Further details of associates and joint ventures are set out in note 16.

## 12 Finance income

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| **Interest income** | | |
| Bank deposits | 232 | 531 |
| Other interest income | 34,423 | 75,313 |
| | 34,655 | 75,844 |

Total interest income for financial assets that are not held at fair value through profit or loss is £34,655 (2019 - £75,844).

## 13 Finance costs

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Interest on bank overdrafts and loans | 5,436 | 10,503 |
| Interest on lease liabilities | 16,320 | 17,874 |
| Interest on other loans | 77,954 | 105,140 |
| | 99,710 | 133,517 |

## 14 Income tax expense

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| **Current tax** | | |
| UK corporation tax on losses for the current period | (280) | 280 |
| Foreign taxes and reliefs | 1,246 | 3,367 |
| | 966 | 3,647 |

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to the loss for the year is as follows:

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Loss for the year before taxation | (412,739) | (525,219) |
| Expected tax charge based on corporation tax rate of 19% (2019: 19%) | (78,420) | (99,791) |
| Expenses not deductible for tax purposes | 55,535 | 6,688 |
| Other adjustments | (676) | (5,046) |
| Depreciation in excess of capital allowances | 680 | 84 |
| Different tax rates applied in overseas jurisdiction | 12,913 | 22,093 |
| Losses utilised in the period | (12,412) | (38,908) |
| Losses carried forward | 23,346 | 118,527 |
| Total tax expense | 966 | 3,647 |

The UK corporation tax at the standard rate for the year is 19.0% (2019: 19.0%).

The ATC Group had tax losses carried forward of £2,615,515 at 31 December 2020 (2019: £2,557,965).

## 15 Property, plant and equipment

| | Right of use asset | Short Leasehold improvements | Fixtures and fittings | Computers | Total |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Cost** | | | | | |
| At 1 January 2019 | - | 43,666 | 31,032 | 116,513 | 191,211 |
| Additions | 714,946 | - | 13,965 | 2,281 | 731,192 |
| Foreign currency adjustments | - | - | (430) | - | (430) |
| At 31 December 2019 | 714,946 | 43,666 | 44,567 | 118,794 | 921,973 |
| Additions | - | - | 2,259 | 6,383 | 8,642 |
| Disposals | - | - | - | (94,522) | (94,522) |
| Foreign currency adjustments | - | - | (458) | - | (458) |
| At 31 December 2020 | 714,946 | 43,666 | 46,368 | 30,655 | 835,635 |
| **Accumulated depreciation and impairment** | | | | | |
| At 1 January 2019 | - | 33,262 | 28,039 | 95,226 | 156,527 |
| Charge for the year | 119,980 | 1,486 | 11,770 | 5,892 | 139,128 |
| Foreign currency adjustments | - | - | (430) | - | (430) |
| At 31 December 2019 | 119,980 | 34,748 | 39,379 | 101,118 | 295,225 |
| Charge for the year | 119,979 | 1,486 | 1,605 | 4,479 | 127,549 |
| Eliminated on disposal | - | - | - | (88,379) | (88,379) |
| Foreign currency adjustments | - | - | (397) | - | (397) |
| At 31 December 2020 | 239,959 | 36,234 | 40,587 | 17,218 | 333,998 |
| **Carrying amount** | | | | | |
| At 31 December 2020 | 474,987 | 7,432 | 5,781 | 13,437 | 501,637 |
| At 31 December 2019 | 594,966 | 8,918 | 5,188 | 17,676 | 626,748 |
| At 31 December 2018 | - | 10,404 | 2,993 | 21,287 | 34,684 |

## 15 Property, plant and equipment (continued)

Property, plant and equipment includes right-of-use assets, as follows:

| Right-of-use assets | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| **Net values** | | |
| Property | 474,987 | 594,966 |
| **Additions** | - | 714,946 |
| **Depreciation charge for the year** | | |
| Property | 119,979 | 119,980 |

## 16 Investments

| | Current | | Non-current | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Investments in associates and joint ventures | - | - | 726,008 | 948,232 |

**Fair value of financial assets carried at amortised cost**

Except as detailed below the directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

**Movements in non-current investments**

| | Investments in associates and joint ventures |
|---|---|
| | £ |
| **Share of net assets - cost** | |
| At 1 January 2019 | 886,536 |
| Net amount (withdrawn)/invested in associates and joint ventures | (79,505) |
| Share of profit/(Loss) for the year | 145,232 |
| Foreign currency adjustments | (4,031) |
| At 31 December 2019 | 948,232 |
| Net amount (withdrawn)/invested in associates and joint ventures | (30,971) |
| Share of profit/(Loss) for the year | 40,012 |
| Foreign currency adjustments | (4,983) |
| At 31 December 2020 | 952,290 |

## 16 Investments (continued)

| | |
|---|---|
| **Share of net assets - impairment** | |
| At 1 January 2019 & 31 December 2019 | - |
| Impairment losses | 226,282 |
| At 31 December 2020 | 226,282 |
| **Carrying amount** | |
| At 31 December 2020 | 726,008 |
| At 31 December 2019 | 948,232 |
| At 31 December 2018 | 886,536 |

### Associates

Details of the company's associates at 31 December 2020 are as follows:

| Name of undertaking | Registered office | Principal activities | Class of shares held | % Held Direct | Voting |
|---|---|---|---|---|---|
| Familiar Music Group LLC | 15821 Ventura Blvd, Suite 370, Encino, CA 91436, United States of America | Brand partnership and synch consultants | Common control | - | 45.00 |
| Formless World LLC | 15821 Ventura Blvd, Suite 370, Encino, CA 91436, United States of America | Non trading | Common control | - | 33.00 |
| Your Army LLC | 232 Madison Ave- Mezzanine Level New York, NY 10016, United States of America | Club, Radio and Digital music consultants | Ordinary shares | 49.00 | 49.00 |
| Vice Music Ltd | The Hat Factory 166-168 Camden Street, London NW1 9PT United Kingdom | Non trading | Ordinary shares | 49.00 | 49.00 |
| Frank Carter & The Rattlesnakes LLP | 3rd Floor, 5 Chancery Lane, London WC2A 1LG United Kingdom | Touring service company | Members capital | 33.00 | 33.00 |

Familiar Music Group LLC and Formless World LLC are indirect associates of All Things Considered Limited. These two entities are direct associates of Courtyard Productions Inc.

Frank Carter & The Rattlesnakes LLP is an indirect associate of All Things Considered Limited. Frank Carter & The Rattlesnakes LLP is a direct associate of Polyphonic Limited.

## 16 Investments (continued)

### Joint ventures

Details of the company's joint ventures at 31 December 2020 are as follows:

| Name of undertaking | Registered office | Principal activities | Class of shares held | % Held Direct | % Held Voting |
|---|---|---|---|---|---|
| ATC Live LLP | 1 | Live music booking agency | Members capital | 50.00 | 50.00 |
| ATC 1 LLP | 1 | Dormant | Members capital | 50.00 | 50.00 |
| ATC 3 LLP | 1 | Dormant | Members capital | 50.00 | 50.00 |
| ATC 4 LLP | 1 | Music management consultants | Members capital | 50.00 | 50.00 |
| ATC 7 LLP | 1 | Music management consultants | Members capital | 50.00 | 50.00 |
| ATC 9 LLP | 1 | Music management consultants | Members capital | 50.00 | 50.00 |
| One Eskimo LLP | 1 | Music Management services | Members capital | 50.00 | 50.00 |

1 - The registered office address of these joint ventures is The Hat Factory, 166-168 Camden Street, London, United Kingdom, NW1 9PT.

Summarised financial information for material joint ventures and associates is as follows:

| Year ended 31 December 2020 | ATC Live LLP | ATC 4 LLP | ATC 9 LLP | Your Army LLC | Others | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Income statement** | | | | | | |
| **Revenue** | 320,434 | 686,112 | 121,917 | 856,265 | 15,047 | 1,999,775 |
| Cost of sales | (53,157) | (17,715) | (39,491) | (82,478) | (99) | (192,940) |
| **Gross profit** | 267,277 | 668,397 | 82,426 | 773,787 | 14,948 | 1,806,835 |
| Other operating income | 255,344 | - | 4,730 | - | 103,784 | 363,858 |
| Administrative expenses | (845,545) | (5,473) | (36,604) | (659,166) | (875) | (1,547,663) |
| **Operating profit/(loss)** | (322,924) | 662,924 | 50,552 | 114,621 | 117,857 | 623,030 |
| Finance income | - | - | 6 | - | - | 6 |
| Finance costs | (503) | - | - | - | - | (503) |
| Income tax expense | - | - | - | (71,889) | - | (71,889) |
| **Profit/(loss) for the year** | (323,427) | 662,924 | 50,558 | 42,732 | 117,857 | 550,644 |
| **All Things Considered Limited's share of profit/(loss) for the year** | (291,085) | 303,407 | 19,446 | 20,939 | (12,695) | 40,012 |

## 16 Investments (continued)

| As at 31 December 2020 | ATC Live LLP | ATC 4 LLP | ATC 9 LLP | Your Army LLC | Others | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Statement of financial position** | | | | | | |
| **Assets** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, plant and equipment | 8,065 | 1,637 | 237 | 69 | - | 10,008 |
| | 8,065 | 1,637 | 237 | 69 | - | 10,008 |
| **Current assets** | | | | | | |
| Trade and other receivables | 11,793 | 406,716 | 32,458 | 90,006 | 103,882 | 644,855 |
| Cash and cash equivalents | 566,897 | 27,759 | 41,721 | 186,217 | 3,186 | 825,780 |
| | 578,690 | 434,475 | 74,179 | 276,223 | 107,068 | 1,470,635 |
| **Total assets** | 586,755 | 436,112 | 74,416 | 276,292 | 107,068 | 1,480,643 |
| **Liabilities** | | | | | | |
| **Current liabilities** | | | | | | |
| Trade and other payables | 628,901 | 431,360 | 122,246 | 6,533 | 187,680 | 1,376,720 |
| | 628,901 | 431,360 | 122,246 | 6,533 | 187,680 | 1,376,720 |
| **Non-current liabilities** | | | | | | |
| Borrowings | 50,000 | - | - | - | 81,718 | 131,718 |
| | 50,000 | - | - | - | 81,718 | 131,718 |
| **Total liabilities** | 678,901 | 431,360 | 122,246 | 6,533 | 269,398 | 1,508,438 |
| **Net assets/(liabilities)** | (92,146) | 4,752 | (47,830) | 269,759 | (162,330) | (27,795) |
| **All Things Considered Limited's share of net assets/(liabilities)** | 434,506 | 118,228 | 40,060 | 132,182 | 1,032 | 726,008 |

## 16 Investments (continued)

| Year ended 31 December 2019 | ATC Live LLP | ATC 4 LLP | ATC 9 LLP | Your Army LLC | Others | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Income statement** | | | | | | |
| **Revenue** | 1,317,174 | 135,970 | 518,927 | 813,993 | 68,849 | 2,854,913 |
| Cost of sales | (260,761) | 35,447 | (438,794) | (64,022) | (255) | (728,385) |
| **Gross profit** | 1,056,413 | 171,417 | 80,133 | 749,971 | 68,594 | 2,126,528 |
| Administrative expenses | (1,027,618) | (15,498) | (78,444) | (593,977) | (453) | (1,715,990) |
| **Operating profit** | 28,795 | 155,919 | 1,689 | 155,994 | 68,141 | 410,538 |
| Finance income | 1,077 | - | 60 | - | - | 1,137 |
| Finance costs | - | (129) | - | (349) | - | (478) |
| Income tax expense | - | - | - | (37,836) | - | (37,836) |
| **Profit for the year** | 29,872 | 155,790 | 1,749 | 117,809 | 68,141 | 373,361 |
| **All Things Considered Limited's share of profit for the year** | 2,987 | 46,737 | 175 | 57,726 | 24,266 | 131,891 |

| As at 31 December 2019 | ATC Live LLP | ATC 4 LLP | ATC 9 LLP | Your Army LLC | Others | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Statement of financial position** | | | | | | |
| **Assets** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, plant and equipment | 6,940 | 1,405 | 316 | 71 | - | 8,732 |
| | 6,940 | 1,405 | 316 | 71 | - | 8,732 |
| **Current assets** | | | | | | |
| Trade and other receivables | 116,359 | 24,745 | 115,319 | 223,591 | 65,133 | 545,147 |
| Cash and cash equivalents | 2,268,440 | 9,475 | 73,953 | 25,871 | 2,665 | 2,380,404 |
| | 2,384,799 | 34,220 | 189,272 | 249,462 | 67,798 | 2,925,551 |
| **Total assets** | 2,391,739 | 35,625 | 189,588 | 249,533 | 67,798 | 2,934,283 |
| **Liabilities** | | | | | | |
| **Current liabilities** | | | | | | |
| Trade and other payables | 2,372,215 | 35,625 | 252,377 | 12,336 | 126,231 | 2,798,784 |
| | 2,372,215 | 35,625 | 252,377 | 12,336 | 126,231 | 2,798,784 |
| **Total liabilities** | 2,372,215 | 35,625 | 252,377 | 12,336 | 126,231 | 2,798,784 |
| **Net assets/(liabilities)** | 19,524 | - | (62,789) | 237,197 | (58,433) | 135,499 |
| **All Things Considered Limited's share of net assets/(liabilities)** | 467,478 | 133,287 | 14,085 | 116,226 | 217,156 | 948,232 |

## 17 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

| Name of undertaking | Address | Principal activities | Class of shares held | % Held Direct | % Held Voting |
|---|---|---|---|---|---|
| Polyphonic Limited | 1 | Music management services | Ordinary shares | 100.00 | 100.00 |
| ATC Productions Limited | 1 | Dormant | Ordinary shares | 100.00 | 100.00 |
| ATC Royalties Limited | 1 | Publishing royalty collection | Ordinary shares | 100.00 | 100.00 |
| Driift Holdings Ltd | 1 | Holding company | Ordinary shares | 60.00 | 60.00 |
| Driift Live Ltd | 1 | Online music promoter | Ordinary shares | - | 60.00 |
| ATC North America Inc (formerly ATC North America LLC and ATC North America LP) | 2 | Holding Company | Ordinary shares | 100.00 | 100.00 |
| Live X LLC | 2 | Holding Company | Ordinary shares | 100.00 | 100.00 |
| ATC Artist Management Inc (formerly Courtyard Productions Inc) | 2 | Music management services | Common control | - | 100.00 |

Registered office addresses (all UK unless otherwise indicated):

1 The Hat Factory 166-168 Camden Street, London NW1 9PT, United Kingdom

2 15821 Ventura Blvd, Suite 370, Encino, CA 91436, United States of America

At 31 December 2020, All Things Considered Limited held 60% of the shares and voting rights in Driift Holdings Ltd. Driift Holdings Ltd holds 100% of the shares and voting rights in Driift Live Ltd.

Courtyard Productions, Inc. was under common management and control for the duration of the periods presented. The combined Consolidated Group Financial Information has been prepared by combining the financial information of the above entity for the period from 1 January 2018 to 31 December 2020 with All Things Considered Limited and its Subsidiaries. The implications of this are as follows:

The statements of total comprehensive income, statements of cash flows, statements of financial position and related notes for the period from 1 January 2018 to 31 December 2020 have been prepared by aggregating the results and cash flows of Courtyard Productions Inc. The share capital of Courtyard Productions Inc. has been eliminated in full in the combined financial information.

Courtyard Productions, Inc. was therefore not part of the legal group but has been consolidated as if it was were part of the group. All Things Considered Limited did not directly hold any shares in Courtyard Productions Inc. at 31 December 2019 or 31 December 2020. Courtyard Productions, Inc. became a wholly owned subsidiary on 19 February 2021 when the shareholders transferred their interest to the Group for £nil consideration.

## 18 Trade and other receivables

| | 2020 £ | 2019 £ |
|---|---|---|
| Trade receivables | 478,376 | 267,340 |
| Amounts owed by associate undertakings | 51,017 | 53,418 |
| Other receivables | 462,919 | 245,509 |
| Prepayments | 167,154 | 296,722 |
| | 1,159,466 | 862,989 |

## 19 Borrowings

| | Current | | Non-current | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| **Borrowings held at amortised cost:** | | | | |
| Bank loans | 95,414 | 124,709 | - | - |
| Other loans | 486,816 | 270,078 | 1,725,548 | 2,507,015 |
| | 582,230 | 394,787 | 1,725,548 | 2,507,015 |

The borrowings of the group are secured against personal guarantees provided by the directors including a first fixed charge over book and other debts and a first floating charge over all assets.

The bank loan of £95,414 (2019: £124,709) has an interest charged at 3.75% and is repayable in monthly instalments of £2,650 from 21 March 2021 with full repayment due no later than 21 March 2024. The loan is secured over the assets of the company.

| Other loans | Interest rate per annum | Terms | 2020 £ | 2019 £ |
|---|---|---|---|---|
| Unsecured | 1% over base rate | This loan has been repaid subsequent to the year end by cash of £10,050 and the issue of 618 shares at £275 per share. | 180,000 | 200,000 |
| Unsecured | 2.5% | Interest is payable quarterly. The loan is repayable in annual instalments of £50,000 commencing on 1 October 2021 with the balance requiring repayment in full by 1 October 2030. | 1,000,000 | 1,000,000 |
| Unsecured | 7.9% | The loan and interest is repayable in monthly instalments of £10,711 with the final repayment date being 28 December 2024. | 445,325 | 515,002 |
| Secured | 3.65% over base rate | The first twelve months on interest from 2 July 2020 is payable by the UK government rather than the Group. Interest is then payable quarterly by the Group and the loan itself is repayable in monthly instalments of £2,916 commencing July 2021. The loan is secured over the assets of the company. | 171,754 | - |
| Unsecured | Interest-free | This loan is repayable in quarterly instalments of £25,000 from 30 September 2021, rising to quarterly instalments of £50,000 from 30 September 2022 to 30 June 2024. | 315,285 | 462,091 |
| Unsecured | 1% over base rate | The loan had no fixed repayment date but was repaid when cash flow allowed. | - | 600,000 |
| Unsecured | 2% | Interest is payable quarterly. The loan is repayable by 31 December 2025 or at the sole discretion of the lender if the company has raised sufficient funds from share issues prior to this date. | 100,000 | - |
| Total other loans | | | 2,212,364 | 2,777,093 |

## 20 Trade and other payables

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Trade payables | 211,054 | 167,609 |
| Amounts owed to associate undertakings | - | 13,341 |
| Accruals | 2,009,905 | 199,555 |
| Social security and other taxation | 332,028 | 29,880 |
| Other payables | 388,021 | 350,957 |
| | 2,941,008 | 761,342 |

## 21 Financial instruments

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| **Carrying amount of financial assets** | | |
| Debt instruments measured at amortised cost | 992,312 | 566,267 |
| Cash and cash equivalents | 2,200,821 | 337,437 |
| **Carrying amount of financial liabilities** | | |
| Measured at amortised cost | 4,916,758 | 3,633,264 |

The directors consider the carrying amounts of financial assets and liabilities carried at amortised cost in the financial statements approximate to their fair values and are measured in accordance with the accounting policy set out in Note 1.

## 22 General risk management principles

The Group's activities expose it to a variety of risks including market risk (interest rate risk), credit risk and liquidity risk. The Group manages these risks through an effective risk management programme and through this programme, the Board seeks to minimise potential adverse effects on the Group's financial performance. The Directors have an overall responsibility for the establishment of the Group's risk management framework. A formal risk assessment and management framework for assessing, monitoring and managing the strategic, operational and financial risks of the Group is in place to ensure appropriate risk management of its operations.

The subsequent notes set out the key financial risks that the Group faces.

## 23 Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it closely monitors its access to bank and other credit facilities in comparison to its outstanding commitments on a regular basis to ensure that it has sufficient funds to meet the obligations as they fall due.

The Board receives regular forecasts which estimate cash flows over the next eighteen months, so that management can ensure that sufficient funding is in place as it is required.

The tables below summarise the maturity profile of the combined group's non-derivative financial liabilities at each financial year end based on contractual undiscounted payments, including estimated interest payments where applicable:

| | Less than 6 months | 6 months to 1 year | 1 – 5 years | 5+ years | Total |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **At 31 December 2019** | | | | | |
| Trade payables | 167,609 | - | - | - | 167,609 |
| Other payables | 350,957 | - | - | - | 350,957 |
| Accruals | 199,555 | - | - | - | 199,555 |
| Loans and borrowings | 303,632 | 316,490 | 2,281,680 | - | 2,901,802 |
| | 1,021,753 | 316,490 | 2,281,680 | - | 3,619,923 |
| **At 31 December 2020** | | | | | |
| Trade payables | 211,054 | - | - | - | 211,054 |
| Other payables | 388,021 | - | - | - | 388,021 |
| Accruals | 2,009,905 | - | - | - | 2,009,905 |
| Loans and borrowings | 217,723 | 302,468 | 1,023,333 | 767,500 | 2,311,024 |
| | 2,826,703 | 302,468 | 1,023,333 | 767,500 | 4,920,004 |

## 24 Market risk

### Market risk management

The Group's live activities expose it to the financial risk of national shutdown due to a health pandemic. This is offset by its online livestreaming activities.

### Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.

The Group is exposed to currency risk as the assets of its subsidiary are denominated in US Dollars. At 31 December 2020, the net foreign liability was £362,000 (2019: £310,000). Differences that arise from the translation of these assets from US dollar to sterling are recognised in other comprehensive income in the year and the cumulative effect as a separate component in equity. The Group does not hedge this translation exposure to its equity.

A 5% weakening of sterling would result in a £14,000 increase in reported profits and equity, while a 5% strengthening of sterling would result in £13,000 decrease in profits and equity.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate exposure arises mainly from its interest-bearing borrowings. As well as fixed interest borrowing, the group has contractual agreements under floating rates which expose the entity to cash flow risk. Interest rate risk also arises on the Group's cash and cash equivalents.

The carrying amounts of financial liabilities which expose the company to cash flow interest rate risk are as follows:

| | **2020** | **2019** |
|---|---|---|
| | **£** | **£** |
| Bank loans | 95,414 | 124,709 |
| Other loans | 2,215,610 | 2,777,093 |
| | 2,311,024 | 2,901,802 |

An increase in the rate of interest by 100 basis points would decrease profits by approximately £20,000 (2019: £30,000) with an increase in profits by the same amount for a decrease in the rate of interest by 100 basis points.

## 25 Credit risk

Credit risk is the risk of financial loss to the Group if an Artist or a counterparty to a financial instrument fails to meet its contractual obligations.

The risk is limited due to the close working relationship with the artists and their financial representatives.

The maximum exposure to credit risk in respect of the above is the carrying value of financial assets recorded in the financial statements. At 31 December 2020, the Group has trade receivables of £478,376 (2019: £267,340).

The following table provides an analysis of trade receivables that were due at each financial year end. The Group believes that the balances, other than where already provided against, are ultimately recoverable based on a review of past impairment history and the current financial status of customers. The Directors are unaware of any factors affecting the recoverability of outstanding balances at 31 December 2020 and, consequently, no further provisions have been made for bad and doubtful debts.

The allowance for bad debts has been calculated using a 12-month lifetime expected credit loss model, as set out below, in accordance with IFRS 9.

| | **2020** | **2019** |
|---|---|---|
| | **£** | **£** |
| Current | 229,728 | 11,909 |
| 1 - 30 days | 181,667 | 45,057 |
| 31 - 60 days | 20,347 | 115,469 |
| 61 - 90 days | 10,634 | 50,038 |
| 91 + days | 57,957 | 44,867 |
| Provision for impairment of trade receivables | (21,957) | - |
| Total trade receivables - net | 478,376 | 267,340 |

## 26 Capital risk management

The Board has overall responsibility for the determination of the 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 Group’s competitiveness and flexibility. The Group reports in Sterling. All funding requirements and financial risks are managed based on policies and procedures adopted by the Board of Directors.

The Group manages its capital to ensure its ability to continue as a going concern and to maintain an optimal capital structure to reduce cost of capital. The capital structure of the Group comprises equity attributable to equity holders of the Company consisting of invested capital as disclosed in the Statement of Changes in Equity and cash and cash equivalents.

The Group’s invested capital is made up of share capital, share premium, currency translation reserve and retained earnings totalling negative £1,186,244 as at 31 December 2020 (2019: negative £1,542,087) as shown in the statement of changes in equity.

The Group maintains or adjusts its capital structure through the payment of dividends to shareholders and issue of new shares.

The company is not subject to any externally imposed capital requirements.

## 27 Lease liabilities

| Maturity analysis | 2020<br>£ | 2019<br>£ |
|---|---|---|
| Within one year | 150,000 | 143,750 |
| In two to five years | 407,055 | 557,055 |
| **Total undiscounted liabilities** | 557,055 | 700,805 |
| Future finance charges and other adjustments | (31,665) | (47,985) |
| **Lease liabilities in the financial statements** | 525,390 | 652,820 |

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| Current liabilities | 136,865 | 127,430 |
| Non-current liabilities | 388,525 | 525,390 |
| | 525,390 | 652,820 |

| Amounts recognised in profit or loss include the following: | 2020<br>£ | 2019<br>£ |
|---|---|---|
| Interest on lease liabilities | 16,320 | 17,874 |

Lease payments represent rentals payable by All Things Considered Limited for its business premises (property). The lease term for the business premises ends on 15 December 2024.

There are no contingent rent, renewal or purchase options and escalation clauses in the lease agreement. There are no significant restrictions imposed by lease arrangements.

The incremental borrowing rate at the date of initial application (i.e. the rate at 1 January 2019) for the business premises is 2.5% per annum.

Please see note 15 for details regarding right of use assets.

## 27 Lease liabilities (continued)

**Other leasing information**

All Things Considered Limited holds three leases for low-value items. This relates to plant and machinery (Photocopier, Franking machine and Watercooler). The lease term for these three leases ends within 2 to 5 years. There are no contingent rent, renewal or purchase options and escalation clauses in the lease agreements. There are no significant restrictions imposed by lease arrangements.

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Expense relating to leases of low-value assets | 1,971 | 1,683 |

Set out below are the future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities:

| | 2020 | 2019 |
|---|---|---|
| **Operating leases apart from land and buildings** | £ | £ |
| Within one year | 2,075 | 2,273 |
| Between two and five years | 1,793 | 3,868 |
| In over five years | - | - |
| | 3,868 | 6,141 |

## 28 Retirement benefit schemes

**Defined contribution schemes**

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The total costs charged to income in respect of defined contribution plans is £16,172 (2019 - £15,449).

## 29 Share capital

| | 2020 | 2019 | 2020 | 2019 |
|---|---|---|---|---|
| **Ordinary share capital** | Number | Number | £ | £ |
| **Authorised** | | | | |
| Ordinary shares of £1 each | 50,000 | 50,000 | 50,000 | 50,000 |
| **Issued and fully paid** | | | | |
| Ordinary shares of £1 each | 32,649 | 19,556 | 32,649 | 19,556 |

The company has one class of Ordinary shares. The Ordinary shares have full voting, dividend and capital distribution (including on winding up) rights. They do not confer any rights of redemption or carry any right to fixed income.

During the year ended 31 December 2020, 13,093 Ordinary shares of £1 each were issued for proceeds of £610,402 to provide additional working capital for All Things Considered Limited.

## 30 Related party transactions

### Remuneration of key management personnel

The remuneration of key management personnel, including directors, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Remuneration for qualifying services | 310,849 | 70,252 |
| Short-term employee benefits | 16,425 | - |
| Post-employment benefits | 120 | - |
| | 327,394 | 70,252 |

### Other related party transactions

Transactions with related parties for the year to 31 December 2020

During the year, the group paid rent of £150,000 (2019: £120,000) to Pagham Investments Limited, a company which close family members of two of the directors Craig Newman and Brian Message have a significant interest in. The group also paid rent of £23,370 (2019: £14,963) to Craig Newman during the year.

During the year the group recharged overheads totalling £79,903 (2019: £130,795) to the following LLPs that the group are members of and have a significant interest in:

- ATC 9 LLP: £27,535 (2019: £37,361)
- ATC Live LLP: £52,368 (2019: £93,434).

In turn the group was recharged overheads totalling £204,069 (2019: £162,953) by the following LLPs that the group are members of and have a significant interest in:

- ATC 4 LLP: £87,482 (2019: £46,970)
- ATC 9 LLP: £13,143 (2019: £29,899)
- ATC Live LLP: £103,444 (2019: £86,084).

During the year, the group paid interest of £3,363 (2019: £12,776) to director Craig Newman and £3,363 (2019: £11,880) to director Brian Message.

The remuneration of the directors is set out in note 10.

During the year ended 31 December 2020, Jonny Dawson received fees of £81,913 (2019: £68,086) which were paid to him as a consultant to the All Things Considered Limited Group.

**30 Related party transactions (continued)**

Balances with related parties as at 31 December 2020

At 31 December 2020, the group owed £1,000,000 (2019: £1,000,000) to Pagham Investments Limited, a company which close family members of two of the directors Craig Newman and Brian Message have a significant interest in.

At 31 December 2020, the following amounts were invested in LLPs that the group is a member of and has a significant interest in (shown in non-current assets as investments in joint ventures and associates), net of impairment:

| | 2020 | | | 2019 | | |
|---|---|---|---|---|---|---|
| | **Investment** | **Impairment** | **Net** | **Investment** | **Impairment** | **Net** |
| | **£** | **£** | **£** | **£** | **£** | **£** |
| ATC 1 LLP | 53,451 | (53,451) | - | 53,283 | - | 53,283 |
| ATC 3 LLP | 90,755 | (90,755) | - | 136,323 | - | 136,323 |
| ATC 4 LLP | 171,337 | (53,109) | 118,228 | 133,287 | - | 133,287 |
| ATC 7 LLP | 26,283 | (25,251) | 1,032 | 25,263 | - | 25,263 |
| ATC 9 LLP | 40,060 | - | 40,060 | 14,085 | - | 14,085 |
| ATC Live LLP | 434,506 | - | 434,506 | 467,478 | - | 467,478 |
| One Eskimo LLC | 3,716 | (3,716) | - | 2,287 | | 2,287 |
| Your Army LLC | 132,182 | - | 132,182 | 116,226 | | 116,226 |
| | 952,290 | (226,282) | 726,008 | 948,232 | - | 948,232 |

## 31 Events after the reporting date

On 12 February 2021, All Things Considered Limited entered into an agreement to purchase the remaining 51% of Your Army LLC to make it a wholly owned subsidiary. The consideration payable for the acquisition was $340,000 payable in cash on completion, $150,000 payable on the first anniversary of completion and $150,000 payable on the second anniversary of completion. In addition, on 12 April 2021 the group acquired a further 10% share in Familiar Music Group LLC, bringing the group's interest to 55%, for £nil consideration.

On 6 April 2021, 1,091 ordinary shares were allotted at a price of £275 per share, raising £300,025.

On 1 June 2021, All Things Considered Limited's subsidiary, ATC Productions Ltd was dissolved.

All Things Considered Limited's joint ventures ATC 1 LLP and ATC 3 LLP were dissolved on 17 August 2021.

ATC Artist Management Inc. (formerly known as Courtyard Productions, Inc.) became a wholly owned subsidiary on 19 February 2021 when the shareholders transferred their interest to the Group for £nil consideration.

In February 2021, there was a conversion of ATC North America LLC and ATC North America LP, both wholly owned subsidiary undertakings of the group into ATC North America Inc.

On 20 February 2021, All Things Considered Limited transferred its shares in ATC Artist Management Inc. to ATC North America Inc. for £nil consideration. On 1 April 2021, ATC North America Inc. sold 10% of its shares in ATC Artist Management Inc. for $500.

On 1 January 2021, ATC Live LLP became a subsidiary undertaking of All Things Considered Limited as a result of a casting vote in favour of All Things Considered Limited being implemented. In accordance with the terms of the LLP agreement, the Group is entitled to a 90% share of the profits or losses of ATC Live LLP.

ATC Media Inc. was incorporated on 3 March 2021. This company is 90% owned by ATC North America Inc. ATC Artist Management Inc. contributed its interest in Familiar Music Group LLC (55%) and Formless World LLC (33.3%) to ATC Media Inc. on 6 May 2021 for £nil consideration. ATC North America Inc. contributed its interest in Live X LLC (100%) to ATC Media Inc. on 6 May 2021 for £nil consideration.

On 31 August 2021, Driift Holdings Ltd entered into an Investment Agreement in accordance with which Driift Holdings Ltd raised £1.84 million (net of costs) by issuing new Series A shares. On the same date, loans received by Driift Holdings Ltd which totalled £952,000 at 30 June 2021 were converted into Series A shares, including £806,400 which was owed by Driift Holdings Ltd to All Things Considered Limited. Following the issue of the Series A shares, All Things Considered Limited’s interest in Driift Holdings Ltd reduced from 60% to 52% and the debt owed by the ATC Group to third parties reduced by £145,600.

On 11 November 2021 All Things Considered Limited entered into a share for share exchange with All Things Considered Group Plc.

## 32 Controlling party

As at 31 December 2020, All Things Considered Limited did not have any one identifiable controlling party.

## 33 Reconciliation of liabilities arising from financing activities

**For the year ended 31 December 2020**

| | 1 January 2020 | On initial recognition under IFRS 16 | Cash flows | 31 December 2020 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Bank loans | 124,709 | - | (29,295) | 95,414 |
| Other loans | 2,777,093 | - | (564,729) | 2,212,364 |
| Obligations under finance leases | 652,820 | - | (127,430) | 525,390 |
| Total | 3,554,622 | - | (721,454) | 2,833,168 |

**For the year ended 31 December 2019**

| | 1 January 2019 | On initial recognition under IFRS 16 (Non cash movement) | Cash flows | 31 December 2019 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Bank loans | 119,246 | - | 5,463 | 124,709 |
| Other loans | 1,874,794 | - | 902,299 | 2,777,093 |
| Obligations under finance leases | - | 714,946 | (62,126) | 652,820 |
| Total | 1,994,040 | 714,946 | 845,636 | 3,554,622 |

## 34 Nature of the Consolidated Group Financial Information

The Consolidated Group Financial Information presented above does not constitute statutory financial statements for the periods under review.

## PART 8
## INTERIM FINANCIAL INFORMATION OF THE GROUP

### (A) Unaudited Interim Financial Information of ATC Group

***Consolidated statement of comprehensive income***

| | Notes | Unaudited Six months ended 30 June 2021 £ | Unaudited Six months ended 30 June 2020 £ | Audited Year ended 31 December 2020 £ |
|---|---|---|---|---|
| Revenue | 4 | 5,037,428 | 1,394,901 | 7,489,436 |
| Cost of sales | 4 | (5,965,860) | (1,034,114) | (6,401,152) |
| **Gross (loss)/profit** | | (928,432) | 360,787 | 1,088,284 |
| Other operating income | 5 | 437,764 | 103,337 | 537,438 |
| Administrative expenses | 6 | (2,007,125) | (678,705) | (1,778,168) |
| Provision for amounts owed by associates and joint ventures | | (334) | 33 | (235,250) |
| **Operating loss** | 6 | (2,498,127) | (214,548) | (387,696) |
| Share of results of associates and joint ventures | 7 | (5,524) | 189,902 | 40,012 |
| Finance income | 8 | 5 | 191 | 34,655 |
| Finance costs | 9 | (45,286) | (36,505) | (99,710) |
| **Loss before taxation** | | (2,548,932) | (60,960) | (412,739) |
| Income tax expense | 10 | (1,152) | (354) | (966) |
| **Loss for the period** | | (2,550,084) | (61,314) | (413,705) |
| **Other comprehensive income:** | | | | |
| **Items that will not be reclassified to profit or loss** | | | | |
| Currency translation differences | | 2,790 | (12,141) | 8,896 |
| **Total items that will not be reclassified to profit or loss** | | 2,790 | (12,141) | 8,896 |
| **Total other comprehensive income for the period** | | 2,790 | (12,141) | 8,896 |
| **Total comprehensive income for the period** | | (2,547,294) | (73,455) | (404,809) |
| Loss for the financial period is attributable to: | | | | |
| - Owners of the parent company | | (1,645,234) | (56,126) | (363,700) |
| - Non-controlling interests | | (904,850) | (5,188) | (50,005) |
| | | (2,550,084) | (61,314) | (413,705) |
| Total comprehensive income for the period is attributable to: | | | | |
| - Owners of the parent company | | (1,642,444) | (68,267) | (354,804) |
| - Non-controlling interests | | (904,850) | (5,188) | (50,005) |
| | | (2,547,294) | (73,455) | (404,809) |

*Consolidated statement of financial position*

| | Notes | Unaudited As at 30 June 2021 £ | Unaudited As at 30 June 2020 £ | Audited As at 31 December 2020 £ |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Goodwill | **12** | 902,187 | - | - |
| Property, plant and equipment | | 458,635 | 567,400 | 501,637 |
| Investments | | 165,844 | 1,007,574 | 726,008 |
| | | 1,526,666 | 1,574,974 | 1,227,645 |
| **Current assets** | | | | |
| Trade and other receivables | | 2,744,123 | 1,065,773 | 1,159,466 |
| Cash and cash equivalents | | 1,864,824 | 159,643 | 2,200,821 |
| | | 4,608,947 | 1,225,416 | 3,360,287 |
| **Total assets** | | 6,135,613 | 2,800,390 | 4,587,932 |
| **EQUITY** | | | | |
| Called up share capital | | 34,358 | 19,556 | 32,649 |
| Share premium account | | 2,917,969 | 1,852,394 | 2,449,703 |
| Currency translation reserve | | 11,557 | (12,270) | 8,767 |
| Retained earnings | | (5,303,784) | (3,470,034) | (3,687,758) |
| **Equity attributable to the shareholders of the parent company** | | (2,339,900) | (1,610,354) | (1,196,639) |
| Non-controlling interests | | (982,829) | (4,938) | 10,395 |
| **Total equity** | | (3,322,729) | (1,615,292) | (1,186,244) |
| **LIABILITIES** | | | | |
| **Non-current liabilities** | | | | |
| Borrowings | **13** | 1,823,019 | 2,484,077 | 1,725,548 |
| Lease liabilities | | 318,381 | 456,957 | 388,525 |
| | | 2,141,400 | 2,941,034 | 2,114,073 |
| **Current liabilities** | | | | |
| Trade and other payables | | 6,369,249 | 987,212 | 2,941,008 |
| Borrowings | **13** | 780,603 | 358,059 | 582,230 |
| Lease liabilities | | 167,090 | 129,377 | 136,865 |
| | | 7,316,942 | 1,474,648 | 3,660,103 |
| **Total liabilities** | | 9,458,342 | 4,415,682 | 5,774,176 |
| **Total equity and liabilities** | | 6,135,613 | 2,800,390 | 4,587,932 |

*Consolidated statement of changes in shareholders' equity*

| | Notes | Share capital | Share premium account | Currency translation reserve | Retained earnings | Total | Non-controlling interest | Total |
|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | £ |
| **Balance at 1 January 2020** | | 19,556 | 1,852,394 | (129) | (3,413,908) | (1,542,087) | - | (1,542,087) |
| **Period ended 30 June 2020:** | | | | | | | | |
| Loss for the period | | - | - | - | (56,126) | (56,126) | (5,188) | (61,314) |
| Other comprehensive income: | | | | | | | | |
| Currency translation differences on overseas investments | | - | - | (12,141) | - | (12,141) | - | (12,141) |
| Total comprehensive income for the period | | - | - | (12,141) | (56,126) | (68,267) | (5,188) | (73,455) |
| Acquisition of non-controlling interests | | - | - | - | - | - | 250 | 250 |
| **Balance at 30 June 2020** | | 19,556 | 1,852,394 | (12,270) | (3,470,034) | (1,610,354) | (4,938) | (1,615,292) |
| **Balance at 1 January 2020** | | 19,556 | 1,852,394 | (129) | (3,413,908) | (1,542,087) | - | (1,542,087) |
| **Year ended 31 December 2020:** | | | | | | | | |
| Loss for the period | | - | - | - | (363,700) | (363,700) | (50,005) | (413,705) |
| Other comprehensive income: | | | | | | | | |
| Currency translation differences on overseas investments | | - | - | 8,896 | - | 8,896 | - | 8,896 |
| Total comprehensive income for the year | | - | - | 8,896 | (363,700) | (354,804) | (50,005) | (404,809) |
| Issue of share capital | | 13,093 | 597,309 | - | - | 610,402 | - | 610,402 |
| Acquisition of non-controlling interests | | - | - | - | 89,850 | 89,850 | 60,400 | 150,250 |
| **Balance at 31 December 2020** | | 32,649 | 2,449,703 | 8,767 | (3,687,758) | (1,196,639) | 10,395 | (1,186,244) |

*Consolidated statement of changes in shareholders' equity (continued)*

| | Notes | Share capital £ | Share premium account £ | Currency translation reserve £ | Retained earnings £ | Total £ | Non-controlling interest £ | Total £ |
|---|---|---|---|---|---|---|---|---|
| **Balance at 1 January 2021** | | 32,649 | 2,449,703 | 8,767 | (3,687,758) | (1,196,639) | 10,395 | (1,186,244) |
| **Period ended 30 June 2021:** | | | | | | | | |
| Loss for the period | | - | - | - | (1,645,234) | (1,645,234) | (904,850) | (2,550,084) |
| Other comprehensive income: | | | | | | | | |
| Currency translation differences on overseas investments | | - | - | 2,790 | - | 2,790 | - | 2,790 |
| Total comprehensive income for the year | | - | - | 2,790 | (1,645,234) | (1,642,444) | (904,850) | (2,547,294) |
| Issue of share capital | | 1,709 | 468,266 | - | - | 469,975 | - | 469,975 |
| Distributions | | - | - | - | - | - | (24,959) | (24,959) |
| Acquisition of non-controlling interests | | - | - | - | 29,208 | 29,208 | (63,415) | (34,207) |
| **Balance at 30 June 2021** | | 34,358 | 2,917,969 | 11,557 | (5,303,784) | (2,339,900) | (982,829) | (3,322,729) |

*Consolidated statement of cash flows*

| | Notes | Unaudited Six months ended 30 June 2021 £ | Unaudited Six months ended 30 June 2020 £ | Audited Year ended 31 December 2020 £ |
|---|---|---|---|---|
| **Cash flows from operating activities** | | | | |
| Loss for the period after tax | | (2,550,084) | (61,314) | (413,705) |
| **Adjustments for:** | | | | |
| Taxation charged | | 1,152 | 354 | 966 |
| Finance costs | | 45,286 | 36,505 | 99,710 |
| Finance income | | (5) | (191) | (34,655) |
| Gain on disposal of property, plant and equipment | | - | - | 6,143 |
| Depreciation and impairment of property, plant and equipment | | 66,597 | 64,045 | 127,549 |
| Share of results of associates and joint ventures | | (15,146) | (64,709) | (40,012) |
| Provision against investment in associates and joint ventures | | - | - | 226,282 |
| **Movements in working capital:** | | | | |
| Increase in trade and other receivables | | (1,497,717) | (202,784) | (296,477) |
| Increase in trade and other payables | | 2,258,245 | 225,870 | 2,179,666 |
| **Cash (absorbed by)/generated from operations** | | (1,691,672) | (2,224) | 1,855,467 |
| Interest paid | | (45,286) | (36,505) | (99,710) |
| Tax paid | | (1,152) | (1,883) | (2,495) |
| **Net cash (outflow)/inflow from operating activities** | | (1,738,110) | (40,612) | 1,753,262 |
| **Investing activities** | | | | |
| Purchase of property, plant and equipment | | (15,469) | (4,657) | (8,642) |
| Purchase of subsidiaries (net of cash acquired) | **12** | 738,307 | - | - |
| Net amount withdrawn/(invested) in associates and joint ventures | | 24,885 | 15,054 | 30,971 |
| Interest received | | 5 | 191 | 34,655 |
| **Net cash generated from investing activities** | | 747,728 | 10,588 | 56,984 |
| **Financing activities** | | | | |
| Proceeds from issue of shares in subsidiary subscribed by non-controlling interest | | - | 250 | 150,250 |
| Proceeds from issue of shares | | 469,975 | - | 610,402 |
| Proceeds from borrowings | | 500,000 | - | 275,000 |
| Repayment of borrowings | | (214,114) | (30,371) | (839,729) |
| Repayment of bank loans | | (40,042) | (29,295) | (29,295) |
| Payment of lease liabilities | | (39,919) | (66,486) | (127,430) |
| Distributions to non-controlling interest | | (24,959) | - | - |
| **Net cash generated from financing activities** | | 650,941 | (125,902) | 39,198 |
| **Net (decrease)/increase in cash and cash equivalents** | | (339,441) | (155,926) | 1,849,444 |
| Cash and cash equivalents at beginning of period | | 2,200,821 | 337,437 | 337,437 |
| Effect of foreign exchange rates | | 3,444 | (21,868) | 13,940 |
| Cash and cash equivalents at end of period | | 1,864,824 | 159,643 | 2,200,821 |

*Notes to the Consolidated Group Financial Information*

**1 Basis of preparation**

The consolidated interim financial information has been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs), as adopted by the United Kingdom.

The accounts have been prepared in accordance with accounting policies that are consistent with the Group's Historical Financial Information for the year ended 31 December 2020.

The comparative financial information for the year ended 31 December 2020 in this interim report does not constitute statutory accounts for that period under 435 of the Companies Act 2006.

The auditors' report on the accounts for 31 December 2020 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

**2 Changes in significant accounting policies**

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated Historical Financial Information as at and for the year ended 31 December 2020. In addition, the following accounting policy was applied at 30 June 2021:

**Goodwill**

Goodwill represents the excess of the cost of a business combination over the Group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired.

Cost comprises the fair value of assets given, liabilities assumed, and equity instruments issued, plus the amount of any non-controlling interests in the acquiree. Contingent consideration is included in cost at its acquisition date fair value and, in the case of contingent consideration classified as a financial liability, remeasured subsequently through profit or loss.

Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the consolidated statement of comprehensive income. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the consolidated statement of comprehensive income on the acquisition date.

**3 Critical accounting estimates and judgements**

The critical accounting estimates and judgements were disclosed in the Historical Financial Information as at and for the year ended 31 December 2020. In addition, there was the following judgement at 30 June 2021:

**Goodwill**

The assessment of the recoverable amount of goodwill allocated to ATC Live LLP, Your Army LLC and Familiar Music Group LLC, as detailed in note 12, will be conducted at the year end and will be based on a value in use calculation which involves judgements in assessing the projected future cashflows arising from the CGUs and a suitable discount rate to be used.

**Key sources of estimation uncertainty**

**Accruals for amounts payable to PROs on livestreamed events**

Accruals are made for amounts which the directors anticipate will be payable to global performing rights organisations (PROs) for livestreamed events. The accrual is based on 9 per cent. of gross ticket sales for broadcasting livestreamed events that the directors estimate will become payable. At 30 June 2021, PROs throughout the world had yet to agree the licensing structure for livestreaming events. In respect of all the livestream events that the Group has produced to date, it has not paid any licence fees to the relevant PROs. The collecting society in the UK, PRS for Music, has recently announced that its licence fee will be 10 per cent but the Group is waiting for the final licence agreement from PRS. The licence fee for other jurisdictions is yet to be determined but in the US, for example, industry expectations are that it will be less than 10 per cent. Should the Group increase the PRO accrual from 9 per cent. to 10 per cent. it would increase the loss for the period ended 30 June 2021 by £20,000 (2019: £nil).

## 4 Segmental analysis

**Unaudited six months ended 30 June 2021**

| | Artist management and development £ | Livestreamed events £ | Total £ |
|---|---|---|---|
| Revenue | 1,728,218 | 3,309,210 | 5,037,428 |
| Cost of sales | (1,064,867) | (4,900,993) | (5,965,860) |
| **Gross profit/(loss)** | 663,351 | (1,591,783) | (928,432) |
| Other operating income | 437,764 | - | 437,764 |
| Administrative expenses | (1,535,885) | (471,240) | (2,007,125) |
| Provision for amounts owed by associates and joint ventures | (334) | - | (334) |
| **Operating loss** | (435,104) | (2,063,023) | (2,498,127) |
| Share of results of associates and joint ventures | (5,524) | - | (5,524) |
| Finance income | 5 | - | 5 |
| Finance costs | (45,286) | - | (45,286) |
| **Loss before taxation** | (485,909) | (2,063,023) | (2,548,932) |
| Income tax expense | (1,152) | - | (1,152) |
| **Loss for the period** | (487,061) | (2,063,023) | (2,550,084) |

## 4 Segmental analysis (continued)

**Unaudited six months ended 30 June 2020**

| | Artist management and development £ | Livestreamed events £ | Total £ |
|---|---|---|---|
| Revenue | 1,394,901 | - | 1,394,901 |
| Cost of sales | (1,034,114) | - | (1,034,114) |
| **Gross profit** | 360,787 | - | 360,787 |
| Other operating income | 103,337 | - | 103,337 |
| Administrative expenses | (665,735) | (12,970) | (678,705) |
| Provision for amounts owed by associates and joint ventures | 33 | - | 33 |
| **Operating loss** | (201,578) | (12,970) | (214,548) |
| Share of results of associates and joint ventures | 189,902 | - | 189,902 |
| Finance income | 191 | - | 191 |
| Finance costs | (36,505) | - | (36,505) |
| **Loss before taxation** | (47,990) | (12,970) | (60,960) |
| Income tax expense | (354) | - | (354) |
| **Loss for the period** | (48,344) | (12,970) | (61,314) |

## 4 Segmental analysis (continued)

**Audited year ended 31 December 2020**

| | Artist management and development £ | Livestreamed events £ | Total £ |
|---|---|---|---|
| Revenue | 2,772,744 | 4,716,692 | 7,489,436 |
| Cost of sales | (2,055,303) | (4,345,849) | (6,401,152) |
| **Gross profit** | 717,441 | 370,843 | 1,088,284 |
| Other operating income | 537,438 | - | 537,438 |
| Administrative expenses | (1,535,981) | (242,187) | (1,778,168) |
| Provision for amounts owed by associates and joint ventures | (235,250) | - | (235,250) |
| **Operating profit/(loss)** | (516,352) | 128,656 | (387,696) |
| Share of results of associates and joint ventures | 40,012 | - | 40,012 |
| Investment revenues | 34,655 | - | 34,655 |
| Finance income | (99,700) | (10) | (99,710) |
| **Profit/(Loss) before taxation** | (541,385) | 128,646 | (412,739) |
| Income tax expense | (966) | - | (966) |
| **Profit/(Loss) for the year** | (542,351) | 128,646 | (413,705) |

## 5 Other operating income

| | Unaudited Six months ended 30 June 2021 £ | Unaudited Six months ended 30 June 2020 £ | Audited Year ended 31 December 2020 £ |
|---|---|---|---|
| Government grants received | 420,482 | 71,218 | 469,585 |
| Rental income | 17,282 | 32,119 | 60,955 |
| Sundry income | - | - | 6,898 |
| | 437,764 | 103,337 | 537,438 |

## 6 Administrative expenses by nature

| | Unaudited Six months ended 30 June 2021 £ | Unaudited Six months ended 30 June 2020 £ | Audited Year ended 31 December 2020 £ |
|---|---|---|---|
| Staff costs | 903,158 | 257,443 | 870,344 |
| Rent, rates and services costs | 142,428 | 71,014 | 113,822 |
| Legal and professional fees | 216,761 | 59,424 | 226,479 |
| Consultancy fees | 317,716 | 82,409 | 293,941 |
| Depreciation of property, plant and equipment | 66,597 | 64,045 | 127,549 |
| Exchange losses | 5,191 | (39,553) | (11,298) |
| Profit or loss on sale of tangible assets | - | - | 6,143 |
| Travelling expenses | 16,832 | 15,849 | 25,460 |
| Other expenses | 338,442 | 168,074 | 125,728 |
| | 2,007,125 | 678,705 | 1,778,168 |

## 7 Share of results of associates and joint ventures

| | Unaudited Six months ended 30 June 2021 £ | Unaudited Six months ended 30 June 2020 £ | Audited Year ended 31 December 2020 £ |
|---|---|---|---|
| ATC Live LLP (subsidiary undertaking from 1 January 2021) | - | (17,087) | (291,085) |
| ATC 3 LLP | - | (3,983) | (27,317) |
| ATC 4 LLP | 29,626 | 19,812 | 303,407 |
| ATC 7 LLP | 31 | (18,402) | 13,192 |
| ATC 9 LLP | 1,751 | 1,309 | 19,446 |
| One Eskimo LLP | - | - | 1,430 |
| Frank Carter & The Rattlesnakes LLP | (20,670) | 125,193 | - |
| Your Army LLC | (16,262) | 83,060 | 20,939 |
| | (5,524) | 189,902 | 40,012 |

## 8 Finance income

| | Unaudited Six months ended 30 June 2021 £ | Unaudited Six months ended 30 June 2020 £ | Audited Year ended 31 December 2020 £ |
|---|---|---|---|
| **Interest income** | | | |
| Bank deposits | 5 | 191 | 232 |
| Other interest income | - | - | 34,423 |
| | 5 | 191 | 34,655 |

All relates to interest income for financial assets that are not held at fair value through profit or loss.

## 9 Finance costs

| | Unaudited Six months ended 30 June 2021 £ | Unaudited Six months ended 30 June 2020 £ | Audited Year ended 31 December 2020 £ |
|---|---|---|---|
| Interest on bank overdrafts and loans | 65 | 68 | 5,436 |
| Interest on lease liabilities | 3,831 | 8,514 | 16,320 |
| Interest on other loans | 41,390 | 27,923 | 77,954 |
| | 45,286 | 36,505 | 99,710 |

## 10 Income tax expense

| | Unaudited Six months ended 30 June 2021 £ | Unaudited Six months ended 30 June 2020 £ | Audited Year ended 31 December 2020 £ |
|---|---|---|---|
| **Current tax** | | | |
| UK corporation tax on profits for the current period | - | (280) | (280) |
| Foreign taxes and reliefs | 1,152 | 634 | 1,246 |
| | 1,152 | 354 | 966 |

## 11 Subsidiaries

Details of the company's subsidiaries at 30 June 2021 are as follows:

| Name of undertaking | Address | Principal activities | Class of shares held | % Held Direct/Indirect | Voting (Direct/indirect) |
|---|---|---|---|---|---|
| Polyphonic Limited | 1 | Music management services | Ordinary shares | 100.00 | 100.00 |
| ATC Productions Limited | 1 | Dormant | Ordinary shares | 100.00 | 100.00 |
| ATC Royalties Limited | 1 | Publishing royalty collection | Ordinary shares | 100.00 | 100.00 |
| Driift Holdings Ltd | 1 | Holding company | Ordinary shares | 60.00 | 60.00 |
| Driift Live Ltd | 1 | Online music promoter | Ordinary shares | 60.00 | 60.00 |
| ATC North America Inc | 2 | Holding company | Ordinary shares | 100.00 | 100.00 |
| ATC Media Inc | 2 | Holding company | Ordinary shares | 90.00 | 90.00 |
| Live X LLC | 2 | Dormant | Ordinary shares | 90.00 | 90.00 |
| ATC Artist Management Inc | 2 | Music management services | Ordinary shares | 90.00 | 90.00 |
| Your Army LLC | 2 | Club, Radio and Digital music consultants | Ordinary shares | 100.00 | 100.00 |
| Familiar Music Group LLC | 2 | Brand partnership and synch consultants | Ordinary shares | 55.00 | 55.00 |
| Driift Live Inc | 2 | Online music promoter | Ordinary shares | 60.00 | 60.00 |
| ATC Live LLP | 1 | Live music booking agency | Members capital | 90.00 | 90.00 |

Registered office addresses (all UK unless otherwise indicated):

1 The Hat Factory 166-168 Camden Street, London NW1 9PT, United Kingdom

2 15821 Ventura Blvd, Suite 370,Encino CA 91436, United States of America

## 11 Subsidiaries (continued)

Group reorganisation

The significant aspects of the group reorganisation that occurred in the six months to 30 June 2021 are detailed below. This has had no material impact on the consolidated figures as all have been treated as subsidiaries both before and after the reorganisation.

ATC Artist Management Inc. (formerly known as Courtyard Productions, Inc.) became a wholly owned subsidiary on 19 February 2021 when the shareholders transferred their interest to the Group for £nil consideration. Prior to this, ATC Artist Management Inc. was under common management and control for the duration of the periods presented. All Things Considered Limited did not directly hold any shares in ATC Artist Management Inc. at 30 June 2020 or 31 December 2020. The combined Consolidated Group Financial Information has been prepared by combining the financial information of the above entity with All Things Considered Limited and its Subsidiaries. The implications of this are as follows: The statements of total comprehensive income, statements of cash flows, statements of financial position and related notes for the periods have been prepared by aggregating the results and cash flows of ATC Artist Management Inc. The share capital of ATC Artist Management Inc. has been eliminated in full in the combined financial information.

In February 2021, there was a conversion of ATC North America LLC and ATC North America LP, both wholly owned subsidiary undertakings of the group into ATC North America Inc.

On 20 February 2021, All Things Considered Limited transferred its shares in ATC Artist Management Inc. to ATC North America Inc. for £nil consideration. On 1 April 2021, ATC North America Inc. sold 10% of its shares in ATC Artist Management Inc. for $500.

ATC Media Inc. was incorporated on 3 March 2021. This company is 90% owned by ATC North America Inc. ATC Artist Management Inc. contributed its interest in Familiar Music Group LLC (55%) and Formless World LLC (33.3%) to ATC Media Inc. on 6 May 2021 for £nil consideration. ATC North America Inc. contributed its interest in Live X LLC (100%) to ATC Media Inc. on 6 May 2021 for £nil consideration.

Driift Holdings Ltd holds 100% of the share capital of Driift Live Ltd and Driift Live Inc. Driift Live Inc. was incorporated on 8 February 2021.

## 12 Acquisitions

On 1 January 2021, the group gained control of ATC Live LLP. No consideration was paid. Goodwill of £517,438 arose on the consolidation of ATC Live LLP.

On 12 February 2021, the remaining 51% interest in Your Army LLC, previously a 49% associate, was acquired by the group for consideration of $640,000 (equating to £474,179) resulting in goodwill of £354,203.

On 12 April 2021 the group acquired a further 10% share in Familiar Music Group LLC, bringing the group's interest to 55%, for £nil consideration resulting in goodwill of £30,546.

Further details of these acquisitions are given in the table below.

| | ATC Live LLP | Your Army LLC | Familiar Music Group LLC | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Goodwill on acquisitions:** | | | | |
| Total consideration (see below) | - | 474,179 | - | 474,179 |
| Plus: Fair value of previously held equity interest | 434,506 | 115,272 | - | 549,778 |
| Less: Share of fair value of net (assets)/liabilities acquired (see below): | 82,932 | (235,248) | 30,546 | (121,770) |
| | 517,438 | 354,203 | 30,546 | 902,187 |
| **Consideration satisfied by:** | | | | |
| Directors' loan | - | 474,179 | - | 474,179 |
| **Share of fair value of net assets/(liabilities) acquired:** | | | | |
| Cash and cash equivalents | 566,897 | 166,827 | 4,583 | 738,307 |
| Property, plant and equipment | 8,065 | 68 | - | 8,133 |
| Trade and other receivables | 11,793 | 71,529 | 3,618 | 86,940 |
| Trade and other payables | (628,901) | (3,176) | (63,740) | (695,817) |
| Borrowings | (50,000) | - | - | (50,000) |
| | (92,146) | 235,248 | (55,539) | 87,563 |
| Percentage acquired | 90% | 100% | 55% | |
| | (82,932) | 235,248 | (30,546) | 121,770 |
| **Net cash inflow/(outflow) arising on acquisitions** | | | | |
| Cash consideration | - | - | - | - |
| Total cash and cash equivalents acquired | 566,897 | 166,827 | 4,583 | 738,307 |
| | 566,897 | 166,827 | 4,583 | 738,307 |

## 13 Borrowings

| | Current | | | Non-current | | |
|---|---|---|---|---|---|---|
| | Unaudited | Unaudited | Audited | Unaudited | Unaudited | Audited |
| | As at 30 June | As at 30 June | As at 31 December | As at 30 June | As at 30 June | As at 31 December |
| | 2021 | 2020 | 2020 | 2021 | 2020 | 2020 |
| | £ | £ | £ | | £ | £ |
| **Borrowings held at amortised cost:** | | | | | | |
| Bank loans | 55,372 | 40,042 | 95,414 | - | 55,372 | - |
| Other loans | 725,231 | 318,017 | 486,816 | 1,823,019 | 2,428,705 | 1,725,548 |
| | 780,603 | 358,059 | 582,230 | 1,823,019 | 2,484,077 | 1,725,548 |

The borrowings of the group are secured against personal guarantees provided by the directors including a first fixed charge over book and other debts and a first floating charge over all assets.

The bank loan of £55,372 (30 June and 31 December 2020: £95,414) has an interest charged at 3.75% and is repayable in monthly instalments of £2,650 from 21 March 2021 with full repayment due no later than 21 March 2024. The loan is secured over the assets of the company.

## 13 Borrowings

| Other loans | Interest rate per annum | Terms | Unaudited As at 30 June 2021 £ | Unaudited As at 30 June 2020 £ | Audited As at 31 December 2020 £ |
|---|---|---|---|---|---|
| Unsecured | 1% over base rate | This loan was repaid in the six months to 30 June 2021 by cash of £10,050 and the issue of 618 shares at £275 per share. | - | 200,000 | 180,000 |
| Unsecured | 2.5% | Interest is payable quarterly. The loan is repayable in annual instalments of £50,000 commencing on 1 October 2021 with the balance requiring repayment in full by 1 October 2030. | 1,012,565 | 1,000,000 | 1,000,000 |
| Unsecured | 7.9% | The loan and interest is repayable in monthly instalments of £10,711 with the final repayment date being 28 December 2024. | 397,014 | 484,631 | 445,325 |
| Secured | 3.65% over base rate | The first twelve months on interest from 2 July 2020 is payable by the UK government rather than the Group. Interest is then payable quarterly by the Group and the loan itself is repayable in monthly instalments of £2,916 commencing July 2021. The loan is secured over the assets of the company. | 222,083 | - | 171,754 |
| Unsecured | Interest-free | This loan is repayable in quarterly instalments of £25,000 from 30 September 2021, rising to quarterly instalments of £50,000 from 30 September 2022 to 30 June 2024. | 316,588 | 462,091 | 315,285 |
| Unsecured | 1% over base rate | The loan had no fixed repayment date but was repaid when cash flow allowed. | - | 600,000 | - |
| Unsecured | 2% | Interest is payable quarterly. The loan is repayable by 31 December 2025 or at the sole discretion of the lender if the company has raised sufficient funds from share issues prior to this date. | 600,000 | - | 100,000 |
| Total other loans | | | 2,548,250 | 2,746,722 | 2,212,364 |

## (B) Capitalisation and indebtedness of the Company and ATC Group

The following table shows the capitalisation and indebtedness as at 30 June 2021 of the Company and ATC Group combined and has been extracted from the historical financial information of the Company and the unaudited interim financial information of the ATC Group with adjustments as explained in the note below the table.

**Capitalisation**

| | As at 30 June 2021 £ |
|---|---|
| **Total current debt** | |
| Guaranteed | 40,628 |
| Secured | 189,976 |
| Unguaranteed/unsecured | 671,490 |
| **Total non-current debt (excluding current portion of long-term debt)** | |
| Guaranteed | 275,959 |
| Secured | 434,494 |
| Unguaranteed/unsecured | 1,330,946 |
| **Total debt** | 2,943,493 |
| **Shareholders' equity** | |
| Share capital | 34,358 |
| Share premium | 2,917,969 |
| Currency translation reserve | 11,557 |
| Retained earnings | (5,303,784) |
| Non-controlling interests | (982,829) |
| **Total** | (379,236) |

Since 30 June 2021, there has been a material change in the indebtedness of the Company and ATC Group. On 31 August 2021, Driift Holdings Ltd, a subsidiary of ATC Group, raised £1,840,000 by the issue of equity (net of costs) and £145,600 of ATC Group debt was converted to equity. The debt figures at 30 June 2021 have been adjusted by £145,600 in the table above to take account of this transaction.

The following table sets out the net financial indebtedness of the Company and ATC Group as at 30 June 2021 but adjusted for the item noted below the table.

| | | **As at 30 June 2021 £** |
|---|---|---|
| A. | Cash | 3,704,823 |
| B. | Cash equivalent | - |
| C. | Other current financial assets | - |
| D. | **Liquidity (A+B+C)** | **3,704,823** |
| E. | Current financial debt | (509,722) |
| F. | Current portion of non-current debt | (225,231) |
| G. | Other current financial debt | (167,090) |
| H. | **Current Financial Indebtedness (E+F+G)** | **(902,094)** |
| I. | **Net Current Financial Indebtedness (D-H)** | **2,802,729** |
| J. | Non-current financial debt | (1,723,018) |
| K. | Other non-current financial debt | (318,381) |
| L. | **Non-current Financial Indebtedness (J+K)** | **(2,041,399)** |
| M. | **Net Financial Indebtedness (I+L)** | **761,330** |

Since 30 June 2021, there has been a material change in the indebtedness of the Company and ATC Group. On 31 August 2021, Driift Holdings Ltd, a subsidiary of ATC Group, raised £1,840,000 by the issue of equity (net of costs) and £145,600 of ATC Group debt was converted to equity. The cash and debt figures in the table above have been adjusted for this transaction.

Other current financial debt and other non-current financial debt includes lease liabilities.

As at 3 December 2021 the Group had cash reserves of £1.93 million.

# PART 9
# PRO FORMA FINANCIAL INFORMATION

## (A) Accountant's report on the Pro Forma Financial Information

Adler Shine LLP
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London N3 1LF

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The Directors and Proposed Directors
All Things Considered Group Plc
The Hat Factory
166-168 Camden Street
London NW1 9PT

The Directors
Canaccord Genuity Limited
88 Wood Street
London EC2V 7QR

14 December 2021

Dear Sirs,

**All Things Considered Group Plc (the "Company")**

We report on the unaudited pro forma financial information of the Company (the "Pro Forma Financial Information") set out in Part 9 section B of the Company's prospectus dated 14 December 2021 (the "Document").

**Opinion**

In our opinion:

(a) the Pro Forma Financial Information has been properly compiled on the basis stated; and

(b) such basis is consistent with the accounting policies of the Company.

**Responsibilities**

It is the responsibility of the directors of the Company to prepare the Pro Forma Financial Information in accordance with Sections 1 and 2 of Annex 20 to the UK version of Regulation number 2019/980 of the European Commission, which is part of UK law by virtue of the European Union (Withdrawal) Act 2019 (together, the “PR Regulation”).

It is our responsibility to form an opinion, as required by Section 3 of Annex 20 to the PR Regulation, as to the proper compilation of the Pro Forma Financial Information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed at the date of their issue.

**Basis of preparation**

The pro forma financial information has been prepared on the basis described in Section B of Part 9 for illustrative purposes only, to provide information about how the consolidation of the Company, ATC Group, the issue of equity and conversion of debt by the subsidiary Driift Holdings Ltd, and the Fundraise might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial information for the period ended 30 June 2021.

This report is required by Section 3 of Annex 20 to the PR Regulation and is given for the purpose of complying with that requirement and for no other purpose.

**Basis of opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Group in accordance with the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Pro Forma Financial Information is free from material misstatement (whether caused by fraud or other irregularity or error), has been properly compiled on the basis stated and such basis is consistent with the accounting policies of the Company.

**Declaration**

For the purposes of Prospectus Regulation Rule PRR 5.3.2R(2)(f), we are responsible for this report as part of this Document and we declare that, to the best of our knowledge, the information contained in this report, for which we are responsible, is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Document in compliance with item 1.2 of Annex 24 to the PR Regulation.

Yours faithfully

**Adler Shine LLP**
Chartered Accountants

## (B) Pro forma financial information

The following unaudited pro forma statement of financial position of the Company as at 30 June 2021 has been prepared to illustrate the effect of the consolidation of ATC Group, the issue of equity and conversion of debt by the subsidiary Driift Holdings Ltd, and the Fundraise on the financial position of the Company as if it had taken place on 30 June 2021.

The unaudited pro forma financial information is compiled on the basis set out in the notes below. The unaudited pro forma financial information has been prepared in a manner consistent with the accounting policies adopted by the Company in preparing its audited financial information for the period ended 30 June 2021, which is included in Section (B) of Part 6 of this Document and ATC Group in preparing its unaudited interim financial information for the period ended 30 June 2021, which is included in Section (A) of Part 8 of this Document, and on the basis set out in the notes below.

The unaudited pro forma financial information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position or results.

The adjustments in the unaudited pro forma financial information are expected to have a continuing impact on the Company, unless stated otherwise.

Furthermore, the unaudited pro forma financial information set out in this Part 9 does not constitute financial information within the meaning of section 434 of the Companies Act.

## Unaudited pro forma statement of financial position of the Company

| | Company as at 30 June 2021 £ | Adjustment ATC Group as at 30 June 2021 £ | Adjustment Issue of equity/debt reduction £ | Adjustment Fundraise £ | Pro forma Total £ |
|---|---|---|---|---|---|
| | (Note 1) | (Note 2) | (Note 3) | (Note 4) | |
| **Assets** | | | | | |
| **Non-current assets** | | | | | |
| Goodwill | - | 902,187 | - | - | 902,187 |
| Property, plant and equipment | - | 458,635 | - | - | 458,635 |
| Investments | - | 165,844 | - | - | 165,844 |
| | | 1,526,666 | - | - | 1,526,666 |
| **Current assets** | | | | | |
| Trade and other receivables | - | 2,744,123 | - | - | 2,744,123 |
| Cash and cash equivalents | - | 1,864,824 | 1,840,000 | 3,459,000 | 7,163,824 |
| | - | 4,608,947 | 1,840,000 | 3,459,000 | 9,907,947 |
| **Liabilities** | | | | | |
| **Current liabilities** | | | | | |
| Trade and other payables | - | (6,369,249) | - | - | (6,369,249) |
| Borrowings | - | (780,603) | 495,600 | - | (285,003) |
| Lease liabilities | - | (167,090) | - | - | (167,090) |
| | - | (7,316,942) | 495,600 | - | (6,821,342) |
| **Net current (liabilities)/assets** | - | (2,707,995) | 2,335,600 | 3,459,000 | 3,086,605 |
| **Non-current liabilities** | | | | | |
| Borrowings | - | (1,823,019) | 100,000 | - | (1,723,019) |
| Lease liabilities | - | (318,381) | - | - | (318,381) |
| **Net (liabilities)/ assets** | - | (3,322,729) | 2,435,600 | 3,459,000 | 2,571,871 |

Notes

(1) This information has been extracted from the audited Historical Financial Information of the Company as at 30 June 2021 as set out in Part 6 Section (B) of the Document.

(2) This information has been extracted from the unaudited Interim Financial Information of ATC Group as at 30 June 2021 as set out in Part 8 Section (A) of the Document.

(3) An adjustment has been made to reflect the issue of equity on 31 August 2021 by Driift Holdings Ltd, a subsidiary of ATC Group, which raised £1,840,000 (net of costs). In addition, on the same date, certain borrowings were converted into equity. At 30 June 2021, the value of borrowings owed to third parties which were subsequently converted to equity totalled £145,600 with the balance of the borrowings of £450,000 to be repaid from the proceeds of the Fundraise.

(4) An adjustment has been made to reflect the proceeds of a placing and subscription of 2,712,420 Ordinary Shares of the Company at an issue price of £1.53 per Ordinary Share to raise gross proceeds of £4.15 million, less admission costs estimated at approximately £0.69 million.

(5) No adjustment has been made to reflect the trading performance of the Company or ATC Group since 30 June 2021 or, or save as set out above, any other transaction.

# PART 10
# TAXATION

### Taxation in the United Kingdom

The following information is based on UK tax law and HMRC practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

### Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

(i) who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or

(ii) who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or

(iii) who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

### Dividends

Where the Company pays dividends no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes may, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend income received by UK tax resident individuals will have a £2,000 annum dividend tax allowance A Dividend receipts in excess of £2,000 will be taxed at 7.5 per cent. for basic rate taxpayers, 32.5 per cent. for higher rate taxpayers, and 38.1 per cent. for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

### Disposals of Ordinary Shares

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10 per cent., and for upper rate and additional is 20 per cent.

For Shareholders within the charge to UK corporation tax, indexation allowance up until 1 January 2018 may reduce any chargeable gain arising on disposal of Ordinary Shares but will not create or increase an allowable loss.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19 per cent.

**Further information for Shareholders subject to UK income tax and capital gains tax**

"**Transactions in securities**"

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HM Revenue and Customs to raise tax assessments so as to cancel "tax advantages" derived from certain prescribed "transactions in securities".

**Stamp Duty and Stamp Duty Reserve Tax ("SDRT")**

The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or SDRT or (except where stated otherwise) to persons connected with depositary arrangements or clearance services who may be liable at a higher rate.

- No stamp duty or SDRT will generally be payable on the issue of Ordinary Shares.
- Neither UK stamp duty nor SDRT should arise on transfers of Ordinary Shares on AQSE (including instruments transferring Ordinary Shares and agreements to transfer Ordinary Shares) based on the following assumptions:

  (A) the Ordinary Shares are admitted to trading on AQSE, but are not listed on any market (with the term "listed" being construed in accordance with section 99A of the Finance Act 1986), and this has been certified to Euroclear; and

  (B) AQSE continues to be accepted as a "recognised growth market" as construed in accordance with section 99A of the Finance Act 1986).

- In the event that either of the above assumptions does not apply, stamp duty or SDRT may apply to transfers of Ordinary Shares in certain circumstances.
- Any transfer of Ordinary Shares for consideration prior to admission to trading on AQSE is likely to be subject to stamp duty or SDLT.
- The above comments are intended as a guide to the general stamp duty and SDRT position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

**THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.**

# PART 11
# ADDITIONAL INFORMATION

*This section shall provide information on the Issuer's major shareholders, the existence of potential conflicts of interest between senior management and the Issuer, the Issuer's share capital as well as information on related party transactions, legal and arbitration proceedings and material contracts.*

***1. Responsibility Statement***

1.1 The Company, the Directors and the Proposed Directors, whose names appear in the section entitled "*Directors, Proposed Directors and Advisers*", accept responsibility for the information contained in this Document. To the best of the knowledge of the Company, the Directors and the Proposed Directors, the information contained in this Document is in accordance with the facts, and this Document makes no omission likely to affect its import.

***2. Company Details***

2.1 The Company is incorporated under the laws of England and Wales. The Company was incorporated on 20 May 2021 under the Companies Act 2006 as a private company limited by shares and under the name ATC Alpha Ltd with registered number 13411674. On 29 October 2021, the Company changed its name to All Things Considered Group Limited.

2.2 On 24 November 2021, the Company re-registered as a public limited company as All Things Considered Group Plc. The principal legislation under which the Company operates, and under which the New Ordinary Shares will be issued, is the Companies Act and the regulations made thereunder.

2.3 The registered office of the Company is at The Hat Factory 166-168 Camden Street, London NW1 9PT, United Kingdom.

2.4 The telephone number of the Company is +44(0) 207 7560 7773.

2.5 The legal entity identifier of the Company is 213800LC7EIESF7IXT53.

2.6 The website of the Company is www.atcgroupplc.com. The contents of Company's website do not form part of this Document.

2.7 The Ordinary Shares are sterling denominated ordinary shares of £0.01 each in the capital of the Company.

2.8 The Ordinary Shares may be held in certificated form or uncertificated form and traded on CREST, which is a paperless settlement procedure enabling securities to be evidenced and transferred otherwise than by a written instrument in accordance with the CREST Regulations.

***3. Share Capital***

3.1 The issued share capital of the Company as at the date of this Document is as follows:

| | *Amount fully paid up (£)* | *Number* |
|---|---|---|
| Ordinary Shares | 68,716 | 6,871,600 |

3.2 The issued share capital of the Company immediately following Admission, is expected to be as follows:

| | *Amount fully paid up (£)* | *Number* |
|---|---|---|
| Ordinary Shares | 95,840.20 | 9,584,020 |

3.3 On incorporation, the issued share capital of the Company was £0.01 consisting of 1 ordinary share of £0.01.

### ***Share For Share Exchanges***

3.4 Pursuant to the share for share exchanges effective on 11 November 2021, the Company acquired the entire issued share capital of ATC UK in exchange for 6,871,599 Ordinary Shares on the basis of 200 Ordinary Shares for each ordinary share in issue in the capital of ATC UK. Immediately following the share for share exchanges, the issued share capital of the Company was £68,716 divided into 6,871,600 Ordinary Shares which includes the initial subscriber share in the Company.

### ***Share Capital Authorities***

3.5 The shareholders of the Company passed, *inter alia*, the following resolutions on 8 November 2021:

3.5.1 That the Directors be generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (**Rights**) up to an aggregate nominal amount of £78,532.57 provided that this authority shall, unless renewed, varied or revoked by the Company, be limited to the allotment of shares or grant of Rights in connection with the proposed fundraising in connection with the proposed admission of the Company's share capital to the Aquis Stock Exchange and shall expire on 31 January 2022, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

3.5.2 That, in addition to the authority conferred by the resolution above, the Directors be generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot shares in the Company or grant Rights up to an aggregate nominal amount of £35,634.15 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the earlier of the date that is 15 months after the passing of this resolution or the conclusion of the annual general meeting of the Company to be held in 2022, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

3.5.3 That, subject to the passing of the resolution at paragraph 3.5.1 above and in accordance with section 570 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by the resolution referred to at paragraph 3.5.1 above, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall (i) be limited to the allotment of equity securities up to an aggregate nominal amount of £78,532.57; and (ii) expire on 31 January 2022 (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

3.5.4 That, in addition to the disapplication of pre-emption rights conferred by the resolution at paragraph 3.5.3 above, subject to the passing of the resolution referred to at paragraph 3.5.2 above and in accordance with section 570 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by resolution 3, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall: (i) be limited to the allotment of equity securities up to an aggregate nominal amount of £10,798.23; and (ii) expire on the earlier of the date that is 15 months after the passing of this resolution or the conclusion of the annual general meeting of the Company to be held in 2022 (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

3.6 There are no shares in the Company's share capital that do not represent capital. The Company does not hold any shares in treasury.

3.7 The Company has not granted acquisition rights and/or obligations over its unissued capital.

3.8 Save as otherwise disclosed in this Document, the Company has not granted commissions, discounts, brokerages or other special terms in connection with the issue or sale of shares or loan capital in the Company in the three years preceding the date of this Document.

3.9 No capital of any member of the Group is under option or agreed conditionally to be put under option other than:

- Driift Holdings has put in place an unapproved share option scheme to incentivise its employees and service providers over a total of 165 ordinary shares of £1.00 each (representing 8.76% of its share capital as at 28 October 2021). As at 14 December 2021, no options have been granted under such scheme.

- Please refer to paragraphs 11.3 and 11.4 of this Part 11 for details of two additional option agreements in connection with the share capital of Driift Holdings.

3.10 Save as otherwise disclosed in this Document, the Company has not issued any preferential subscription rights for any share capital of the Company.

3.11 Pursuant to the Fundraising, Existing Shareholders will experience a 28.3 per cent. dilution of their holdings of Ordinary Shares as a result of the issue of the 2,712,420 New Ordinary Shares, (that is, his or her proportionate interest in Ordinary Shares will decrease by 28.3 per cent.), following which they will, together hold, approximately 71.7 per cent. of the Enlarged Issued Share Capital.

### *4. Subsidiaries and Investments in Associates and Joint Ventures*

4.1 The Company is the ultimate holding company of the Group and it has the following subsidiaries:

| Subsidiary | Holding Company | % Voting control | Country of Incorporation and company number | Registered office | Principal Activity |
|---|---|---|---|---|---|
| All Things Considered Limited | All Things Considered Group Plc | 100% | England and Wales 3164812 | The Hat Factory 166-168 Camden Street, London NW1 9PT, United Kingdom | Artist management and a holding company for other investments |
| Polyphonic Ltd | All Things Considered Limited | 100% | England and Wales 11540636 | The Hat Factory 166-168 Camden Street, London NW1 9PT, United Kingdom | Investment in business partnerships/joint ventures across all revenue streams, with artists involving multi-year contractual partnerships |
| ATC Live Agency Limited | All Things Considered Limited | 100% | England and Wales 13325858 | The Hat Factory 166-168 Camden Street, London NW1 9PT, United Kingdom | A vehicle to enable the Group to make future investments in new agents in respect of artists' live performance activities |
| ATC Live LLP | All Things Considered Limited | 90% | England and Wales OC362561 | The Hat Factory, 166-168 Camden Street, London NW1 9PT, United Kingdom | Agency for artists in relation to their live performance activities |
| ATC Royalties Limited | All Things Considered Limited | 100% | England and Wales 7900547 | The Hat Factory 166 / 168, Camden Street, London NW1 9PT, United Kingdom | Established to facilitate the sharing of revenues from master recordings. No further business activities currently contemplated (non-trading/passive income collection) |
| Driift Holdings Ltd | All Things Considered Limited | 52% | England and Wales 12995010 | The Hat Factory, 166-168 Camden Street, London NW1 9PT, United Kingdom | Holding company in connection with producing and promoting livestreaming events |
| ATC North America Inc | All Things Considered Limited | 100% | United States | c/o Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle County, Delaware 19808 | Holding company |
| Driift Live Ltd | Driift Holdings Ltd | 100% | England and Wales 12673054 | The Hat Factory, 166-168 Camden Street, London, United Kingdom, NW1 9PT | UK trading company in connection with producing and promoting livestreaming events |
| Driift Live, Inc. | Driift Holdings Ltd | 100% | United States | c/o The Corporation Trust Company, 1209 Orange Street, | US trading company in connection with producing and promoting livestreaming events |

| | | | | | |
|---|---|---|---|---|---|
| | | | | Wilmington, New Castle County, Delaware 19801 | |
| ATC Artist Management Inc | ATC North America Inc | 90% | United States | 8420 Cresthill Road, Los Angeles CA 90069, United States of America | Artist management in the US |
| ATC Media Inc | ATC North America Inc | 90% | United States | 15821 Ventura Blvd., Suite 370 Encino, California 91436, United States of America | Investment vehicle for certain US investments |
| Your Army America LLC | All Things Considered Limited | 100% | United States | 251 Little Falls Drive, Wilmington DE, United States of America | Club and radio promotions and digital marketing |
| Familiar Music Group LLC | ATC Media Inc | 55% | United States | 15821 Ventura Blvd., Suite 370 Encino, California 91436, United States of America | Music synchronisation business acting as an intermediary to seek synchronisation opportunities |
| Live X LLC | ATC Media Inc | 100% | United States | 15821 Ventura Blvd., Suite 370 Encino, California 91436, United States of America | Investment vehicle for its stake in Flymachine, Inc. |

4.2 The Company has the following investments in associates and joint ventures:

| **Associate/Joint Venture** | **Holding Company** | **% Voting control** | **Country of Incorporation and company number** | **Registered office** | **Principal Activity** |
|---|---|---|---|---|---|
| Frank Carter and The Rattlesnakes LLP | Polyphonic Ltd | 33.3% | England and Wales OC426062 | C/O Cc Young & Co. 3rd Floor, 5 Chancery Lane, London WC2A 1LG, United Kingdom | A touring entity for Frank Carter & the Rattlesnakes' live performances and other live activities taking place throughout the world, excluding the UK |
| ATC 4 LLP | All Things Considered Limited | 50% | England and Wales OC347085 | The Hat Factory 166 / 168 Camden Street, London NW1 9PT, United Kingdom | Partnership in connection with artist management |
| ATC 9 LLP | All Things Considered Limited | 50% | England and Wales OC380773 | The Hat Factory, 168a Camden Street, London NW1 9PT, United Kingdom | Partnership in connection with artist management |
| ATC 7 LLP | All Things Considered Limited | 50% | England and Wales OC360645 | The Hat Factory 166 / 168, Camden Street, London NW1 9PT, United Kingdom | Partnership in connection with artist management (non-trading/passive income collection) |
| One Eskimo LLP | All Things Considered Limited | 50% | England and Wales OC338338 | The Hat Factory 166/ 168 Camden Street, London NW1 9PT, United Kingdom | Currently dormant |
| Vice Music Limited | All Things Considered Limited | 49% | England and Wales 5902819 | The Hat Factory 166 / 168 Camden Street, London NW1 9PT, United Kingdom | Provides minimal amount of income from holding rights to old master recordings (non-trading/passive income collection) |
| Formless World LLC | ATC Media Inc | 33% | United States | 8420 Cresthill Road, Los Angeles CA | Record label |

| | | | | | |
|---|---|---|---|---|---|
| | | | | 90069, United States of America | |
| Namethemachine Holdings LLC | ATC Media Inc | 20% | United States | c/o The Corporation Trust Company, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, United States of America | A software and media development company with a focus on emerging technology and transmedia solutions |
| Flymachine Inc | Live X LLC | 5.4% | United States | 1442A Walnut St #82 Berkeley CA 94709, United States of America | Livestreaming platform with a focus on communal and social interaction |

4.3 Save as disclosed in this paragraph 4, there are no undertakings in which the Company holds a proportion of the capital which is likely to have a significant effect on the assessment of its own assets and liabilities, financial position and profits

***5. Articles of Association***

5.1 Set out below is a summary of the provisions of the Articles of Association adopted on 12 November 2021:

*5.1.1 Objects*

The Articles contain no specific restrictions on the Company's objects and therefore, by virtue of section 31(1) of the Act, the Company's objects are unrestricted.

*5.1.2 Meetings of shareholders*

The Articles require that an annual general meeting be held in each period of 6 months beginning with the day following its accounting reference date, at a time and place determined by the Board. All other meetings are deemed general meetings. General meetings are held at the request of the Board or shareholders representing at least 5 per cent. of the Company's paid-up share capital entitled to vote.

The necessary quorum for the Company's general meetings is two persons holding or representing by proxy issued shares carrying a right to vote.

*5.1.3 Voting rights*

Voting at any general meeting held wholly or partly by electronic facilities is by a poll, which poll votes may be cast by such electronic means as are determined by the Board.

Save in respect of any general meeting held wholly or partly by electronic facilities, voting at any general meeting of shareholders is by a show of hands unless a poll, which is a written vote, is duly demanded. On a show of hands, every shareholder who is present in person at a general meeting has one vote regardless of the number of shares held. On a poll, every shareholder who is present in person or by proxy has one vote per share held by that shareholder. A poll may be demanded by any of the following:

- the chairman of the meeting;
- at least five shareholders who are present in person or by proxy and entitled to vote at the meeting;
- any shareholder or shareholders present in person or by proxy, representing in the aggregate not less than one-tenth of the total voting rights of all shareholders entitled to vote at the meeting; or
- any shareholder or shareholders present in person or by proxy, holding shares conferring a right to vote at the meeting on which there have been paid-up sums in the aggregate equal to not less than one-tenth of the total sum paid on all the shares conferring that right.

A proxy form will be treated as giving the proxy the authority to demand a poll, or to join others in demanding one.

*5.1.4 Surplus in liquidation*

In the event of a winding-up, the assets of the Company available for distribution among the members shall, subject to any provisions made under Section 247 of the Act and any special rights attached to another class of shares, be applied in repaying the holders of the Ordinary Shares the nominal amounts paid up on such shares and subject to this provision shall be distributed among those holders of Ordinary Shares rateably according to the number of shares held by them.

*5.1.5 Transfer of shares*

Every transfer of shares which are in uncertificated form must be made by means of a relevant system in such manner provided for, and subject as provided in the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended).

Unless the Articles provide otherwise, every transfer of shares which are in certificated form must be in writing in any usual or common form or in any form acceptable to the Directors.

*5.1.6 Issue of shares and pre-emptive rights*

The Company may by ordinary resolution authorise the Board to allot shares in the Company or grant rights to subscribe for or to convert any security into such shares.

The Act confers upon shareholders, to the extent not disapplied, rights of pre-emption in respect of the allotment of equity securities (which term includes Ordinary Shares) that are or are to be paid up wholly in cash. The Company may pass a special resolution authorising the Directors to allot equity securities (as defined in section 560 of the Act) for cash as if section 561(1) of the Act did not apply to any such allotment.

*5.1.7 Power to attach rights*

Any new shares in the capital of the Company may be issued with or have attached to them such rights or restrictions as the Company may by ordinary resolution determine, or if no determination is made, as the Board shall determine.

*5.1.8 Dividends*

Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the shareholders, provided that no dividend shall exceed the amount recommended by the Board.

Subject to the Act, the Board may pay shareholders such interim dividends as appear to them to be justified by the Company's financial position. If authorised by an ordinary resolution of the shareholders, the Board may also offer shareholders the right to elect to receive share dividends by way of scrip dividend instead of cash.

Any dividend unclaimed after 12 years from the date the dividend was declared, or became due for payment, will be forfeited and will revert to the Company.

*5.1.9 Variation of rights*

If, at any time, the Company's share capital is divided into different classes of shares, the rights attached to any class may be varied, subject to the provisions of the Act, upon either the consent of at least three-fourths of the nominal amount of the issued shares of that class or upon the adoption of a special resolution passed at a separate meeting of such holders.

*5.1.10 Board action and powers*

Under the Articles, the Board must comprise at least two Directors but shall not be subject to any maximum. Vacancies on the Board and newly created directorships may be filled either by the shareholders by ordinary resolution or by the Board. Each Director nominated by the Board shall hold office for a term expiring on the dissolution of the next following annual general meeting of shareholders. Unless the Directors decide otherwise, two Directors are required for a quorum. Any resolution required or permitted to be taken by the Board or any committee thereof, may be taken without a meeting if all members of the Board or the relevant committee, as the case may be, entitled to receive notice of a Board meeting (or committee, as the case may be) sign a written resolution.

Except as otherwise required by applicable law, shareholders may by ordinary resolution remove any director.

Subject to applicable law, the memorandum of association and the Articles, the Directors shall manage the Company's business and exercise all of the powers of the Company.

A Director cannot vote on any contract, any arrangement or any other kind of proposal in which he or a person connected with him has a material interest. This restriction does not apply to a Director in respect of a resolution:

- where the Company or any of its subsidiary undertakings is offering securities in which the Director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to participate;
- relating to the giving of any security, guarantee or indemnity in respect of any money which the Director or that other person has lent or for any liability which he or that other person has incurred at the request, or for the benefit, of the Company or any of its subsidiaries;
- relating to the giving of any security, guarantee or indemnity to any other person for a debt or obligation owed by the Company, or any of its subsidiaries, to that person, if the Director has taken responsibility, either alone or jointly, for some or all of that debt or those obligations;
- relating to the granting of any indemnity or provision of funding in connection with the indemnification by the Company of the directors unless the terms of such arrangement confer upon such Director a benefit not generally available to any other Director;
- relating to another company in which the Director and persons connected with him have a direct or indirect interest of any kind (including holding any position in that company or being a shareholder of that company) unless the Director and persons connected with him hold an interest in shares representing 1 per cent. or more of the equity share capital or voting rights in that company;
- relating to any arrangement for the benefit of the employees of the Company or of any of its subsidiaries, which gives the Director only privileges or benefits which are also generally given to the employees to whom the arrangement relates; and
- relating to any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of the Directors or for the benefit of a group of people which includes the Directors.

The Board may delegate any of its powers, authorities and discretions to any Director holding executive office (including a managing director) or any committee consisting of one or more Directors and one or more persons, provided that a majority of the members of the Committee are Directors.

*5.1.11 Retirement of Directors by rotation*

At each annual general meeting one-third of the Directors will retire from office and be eligible for re-election by rotation (or, if their number is not a multiple of three, the number nearest to but not exceeding one-third).

Any Director who has held office with the Company, other than employment or executive office, and who, at the date of the annual general meeting, has held such office for nine years or more, shall be subject to re-appointment at each annual general meeting.

The retiring director may be reappointed. If the Company does not fill the vacancy left by the retiring director, then he shall deemed to be reappointed, unless it is expressly resolved not to fill the vacancy.

*5.1.12 Director's indemnity*

Each Director of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as an officer in the actual or purported execution of his duties or in relation to them. The Company may provide any Director with funds to meet expenditure incurred or that will be incurred. The Directors may decide to purchase and maintain, at the Company's expense, insurance to cover any of the aforementioned costs, expenses or liabilities.

*5.1.13 Borrowing powers*

Subject to the articles and the Act the Directors may exercise all the powers of the Company to borrow money and accordingly may borrow or raise any sum or sums of money upon such terms as to interest or otherwise as they may deem fit and the Directors have wide powers to create security over the Company's assets to provide security for any such borrowing.

**6. Directorships and interests in Ordinary Shares**

6.1 In addition to the directorships held in the Company, the Directors hold, or have held, the following directorships and are or were members of the following partnerships, within the past five years prior to the date of this Document:

| *Name* | *Current Directorships/Partnerships* | *Past Directorships/Directorships* |
|---|---|---|
| **Brian Message** | All Things Considered Limited<br>ATC Live Agency Ltd<br>Driift Holdings Ltd<br>Driift Live Ltd<br>ATC Royalties Limited<br>Banging Music Limited<br>Polyphonic Limited<br>The Vampire's Wife Limited<br>Aces Academies Trust<br>One More Time with Feeling Limited<br>Courtyard Music Management LLP<br>Waraparu LLP<br>Vice Music Ltd | Until The Ribbon Breaks Limited<br>Smile It May Never Happen Limited<br>Cosine Entertainment Limited<br>Music Managers Forum Ltd<br>Amplify Records 135 Ltd<br>Amplify Records 136 Ltd<br>Amplify Songs 135 Ltd<br>Amplify Songs 136 Ltd<br>Sweet Sour Limited |
| **Craig Newman** | All Things considered limited<br>Driift Holdings Ltd<br>Courtyard Music Management LLP<br>Ella Scarlet Limited | Your Music Brand Limited<br>Mediator Communications Ltd |
| **Adam Driscoll** | All Things Considered Limited<br>Driift Holdings Ltd<br>Fuel Music Ltd<br>15 Oval Road Limited<br>Christopher Charles Properties Limited<br>Art Underground Limited | Emma Holdings Ltd<br>Bambosh Ltd<br>MAMAMA Ltd<br>Vision Nine Motorsport Ltd<br>Punchdrunk Global Limited<br>Boardmasters II Limited |
| **Andrew Glover** | | Ernst & Young LLP<br>Ernst & Young Europe LLP |
| **Shirin Foroutan** | | The Association of Independent Music Limited<br>Black Bird/Red Rose Productions |

6.2 Save as disclosed above, none of the Directors have been a director or member of any administrative, management or supervisory body of any companies or partner in any partnerships at any time in the period of five years immediately preceding the date of this Document.

6.3 Within the period of five years preceding the date of this Document, none of the Directors nor Proposed Directors:

6.3.1 has had any convictions in relation to fraudulent or indictable offences;

6.3.2 has been a member of the administrative, management or supervisory bodies or a director or senior manager (who is relevant to establishing that a company has the appropriate expertise and experience for the management of that company) of any company at the time of any bankruptcy, receivership, liquidation or putting into administration of such company; or

6.3.3 has received any official public incrimination and/or sanction by any statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a director or member of an administrative, management or supervisory body of a company or from acting in the management or conduct of the affairs of a company.

6.4 None of the Directors, nor the Proposed Directors, has any actual or potential conflicts of interests between their duties to the Company and their private interests or other duties.

6.5 As part of the Subscription, the Directors have subscribed (in aggregate) for 130,718 new Ordinary Shares at the Fundraising Price. The table below sets out the interests (all of which are beneficial unless otherwise stated) of the Directors, the Proposed Directors and persons connected with them (within the meaning of sections 252 to 255 of the Companies Act) in the issued share capital of the Company as at the date of this Document and immediately following Admission:

| | *Ordinary Shares held at the of this Document* | | *Ordinary Shares held date immediately after Admission* | |
|---|---|---|---|---|
| | *Number of* | *% of the Issued* | *Number of* | *% of the Issued* |
| *Name* | *Ordinary Shares* | *Share Capital* | *Ordinary Shares* | *Share Capital* |
| Brian Message | 1,007,000 | 14.65% | 1,072,359 | 11.19% |
| Craig Newman | 1,007,000 | 14.65% | 1,072,359 | 11.19% |
| Adam Driscoll | 691,400 | 10.06% | 691,400 | 7.21% |

## *7. Directors' Service Agreements and Proposed Directors' Letters of Appointment*

Set out below is information on the employment and remuneration arrangements for the Directors.

### *7.1 DIRECTORS' TERMS OF EMPLOYMENT*

The Directors and their respective functions on Admission are set out in Part IV (*Directors, Senior Managers and Corporate Governance*). In advance of Admission, each of the Executive Directors have entered into a service agreement with the Company and each of the proposed Non-Executive Directors have entered into a letter of appointment with the Company.

### *7.2 EXECUTIVE DIRECTORS*

Brian Message has entered into a new service agreement dated 21 December 2021 with the Company for the position of Co-Executive Chairman conditional upon Admission. Brian Message will receive a salary of £60,000 per annum.

Craig Newman has entered into a new service agreement dated 21 December 2021 with the Company for the position of Co-Executive Chairman conditional upon Admission. Craig Newman will receive a salary of £60,000 per annum.

On 11 December 2021, Adam Driscoll entered into a new service agreement with the Company for the position of Chief Executive Officer, which came into effect on 1 October 2021. Adam Driscoll will receive a salary of £150,000 per annum.

Each Executive Director's salary will be reviewed annually by the Remuneration Committee and any increase will be at the discretion of the Remuneration Committee.

Each Executive Director is entitled to 25 (exclusive of bank holidays) days' paid holiday per annum (the statutory minimum is 28 days inclusive of bank holidays).

Each Executive Director's service agreement will be terminable by either the Company or the Executive Director on not less than 6 months' written notice. The Company will also be entitled to terminate an Executive Director's service agreement with immediate effect by payment in lieu of notice equal to the basic annual salary that the Executive Director would have been entitled to receive during the notice period. The Executive Directors can be placed on garden leave for part or all of their notice period.

Each of the Executive Directors is subject to a confidentiality undertaking without limitation in time, non-solicitation and non-dealing restrictive covenants which seek to apply for a period of 12 months after the termination of their respective employment arrangements and non-compete restrictive covenants which seek to apply for a period of 3 months after the termination of their respective employment arrangements. The period of the post-termination restrictive covenants is reduced by any time spent on garden leave.

The Executive Directors benefit from Directors' and officers' liability insurance under the policy maintained by the Company from time to time and they will be indemnified as provided for in the New Articles of Association.

### *7.3 NON-EXECUTIVE DIRECTORS ON ADMISSION*

**Andrew Glover,** *Senior Independent Non-Executive Director*

Pursuant to the terms of a letter of appointment dated 21 December 2021, Andrew Glover was appointed as a non-executive Director conditional on Admission.

Andrew Glover's fee is £35,000 per annum, payable in monthly arrears. Andrew Glover must spend a minimum of 2 days per month on work for the Company. The appointment may be terminated at any time by either party giving the other 3 months' written notice (or payment of fees in lieu of notice) or in accordance with the New Articles of Association. The Company has not granted any benefits to Andrew Glover on termination of his directorship, however, Andrew Glover is subject to a 6 month non- compete restriction. The appointment is governed by the laws of England and Wales.

**Shirin Foroutan,** *Independent Non-Executive Director*

Pursuant to the terms of a letter of appointment dated 21 December 2021, Shirin Foroutan was appointed as a non-executive Director conditional on Admission.

Shirin Foroutan's fee is £30,000 per annum, payable in monthly arrears. Shirin Foroutan must spend a minimum of 2 days per month on work for the Company. The appointment may be terminated at any time by either party giving the other 3 months' written notice (or payment of fees in lieu of notice) or in accordance with the New Articles of Association. The Company has not granted any benefits to Shirin Foroutan on termination of her directorship. The appointment is governed by the laws of England and Wales.

The Non-Executive Directors will benefit from Directors' and officers' liability insurance under the policy maintained by the Company from time to time, and they will be indemnified as provided for in the New Articles of Association.

### *7.4 TERMINATION BENEFITS*

Save as set out in paragraph 7 of this Part 11 (*Additional Information*), there are no existing or proposed service agreements between any Director and any member of the Group providing for benefits upon termination.

## *8. Directors' Compensation*

8.1 During the period 1 January 2020 and ending on 31 December 2020, the Directors were paid the following remuneration (including contingent or deferred compensation) and/or granted the following benefits in kind by the Company or a Subsidiary for services in all capacities to the Company and the Subsidiaries:

| *Name* | *Fees/basic Salary* | *Bonus* | *Pension* | *Benefit in Kind* | *Total* |
|---|---|---|---|---|---|
| Brian Message* | - | - | - | | - |
| Craig Newman* | - | - | - | | - |
| Adam Driscoll | - | - | - | | - |

*Brian and Craig are both members of Courtyard Music Management LLP (**CMM**) and ATC UK paid fees in the amount of £182,092 to CMM during the year ended 31 December 2020 (see paragraph 11.15 of Part 11 for further details of the arrangement between ATC UK and Courtyard Music Management LLP).

8.2 No sums have been set aside or accrued by the Company and its Subsidiaries to provide pension, retirement and similar benefits for the Directors.

8.3 Other than as set out below, there are no outstanding loans granted or guarantees provided by any member of the Group to or for the benefit of any of the Directors nor are there any outstanding loans or guarantees provided by the Directors to or for the benefit of any member of the Group:

8.3.1 Please refer to paragraph 11.12 of Part 11 for details of the loan from Craig Newman to ATC UK; and

8.3.2 Brian Message and Craig Newman have each given a personal guarantee limited to an amount of £250,000 as security in favour of Coutts & Co in respect of loan from Coutts for an amount of £450,000. As at 30 June 2021 £55,000 of the loan remains outstanding.

8.4 Other than the agreement referred to at paragraph 11.15 of Part 11, no Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or was significant to the business of the Company taken as a whole and which was effected by the Company during the current or immediately preceding financial year, or during any earlier financial year and which remains in any respect outstanding or unperformed.

### *9. Share Incentive Schemes*

The Board believes that it is important that directors, employees and consultants of the Company are appropriately and properly incentivized. Therefore, following Admission, the Company intends to establish appropriate share incentive and share option schemes under which eligible persons will be invited to participate at the discretion of the Remuneration Committee.

### *10. Major Shareholders*

10.1 As at the date of this Document, in so far as the Company is aware, the following persons are, or immediately following Admission will be, directly or indirectly, interested in 3 per cent. of more of the voting rights of the Company (being the threshold for notification of voting rights under Rule 5 of the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA (as set out in the FCA's handbook of rules and guidance (the "**FCA Handbook**")), as amended from time to time (the "**Disclosure Guidance and Transparency Rules**")):

| | *As at the date of this Document* | | *Immediately following Admission* | |
|---|---|---|---|---|
| *Name of Shareholder* | *Number of Ordinary Shares* | *Percentage of Issued Share Capital* | *Number of Ordinary Shares* | *Percentage of Issued Share Capital* |
| Brian Message | 1,007,000 | 14.65% | 1,072,359 | 11.19% |
| Craig Newman | 1,007,000 | 14.65% | 1,072,359 | 11.19% |
| Adam Driscoll | 691,400 | 10.06% | 691,400 | 7.21% |
| Kipling House Holdings Limited | 682,000 | 9.92% | 682,000 | 7.12% |
| Matthew Benham | 377,200 | 5.49% | 377,200 | 3.94% |
| John Bryce Edge | 293,600 | 4.27% | 293,600 | 3.06% |
| Christopher Howard Hufford | 293,600 | 4.27% | 293,600 | 3.06% |
| Schroder Investment Management | - | - | 958,300 | 9.99% |
| Pello Capital | - | - | 398,690 | 4.16% |
| **Total** | **4,351,800** | **63.33%** | **5,839,508** | 60.93% |

10.2 Save as disclosed above, the Company is not aware of any person who, as at the date of this Document, directly or indirectly, has a holding of Ordinary Shares which is notifiable under English law.

10.3 Save as set out above, the Company and the Directors are not aware of any persons who, as at the date of this Document, directly or indirectly, jointly or severally, exercise or could exercise control over the Company, nor are they aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.

10.4 None of the Shareholders referred to in this paragraph has different voting rights from any other Shareholder in respect of any Ordinary Shares held by them.

### *11. Material Contracts*

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or another member of the Group either: (i) within the period of twelve months immediately preceding the date of this Document which are or may be material to Group; or (ii) which contain any provisions under which any member of Group has any obligation or entitlement which is, or may be, material to the Group as at the date of this Document.

### 11.1 *Investment agreement in relation to Driift Holdings*

In connection with a £2 million investment into Driift Holdings by Deezer, on 31 August 2021, ATC UK entered into an investment agreement with Beggars Group, Ric Salmon and Deezer. Following Deezer's investment and the conversion of certain loan capital held by ATC UK and Beggars Group, ATC UK holds a 52 per cent. interest, Beggars Group holds a 16.1 per cent. interest, Ric Salmon holds a 14.5 per cent. interest and Deezer holds a 17.4 per cent. interest in the issued share capital of the company. The agreement also contains customary provisions governing the relationship between the shareholders and the management of the company, including (i) certain consent matters that require either the consent of the majority of the holders of Series A shares (being Deezer), the consent of the director appointed by Deezer or the consent of all the shareholders; (ii) the right for the shareholders to appoint a director or, in the case of ATC UK, up to 3 directors (noting that, for so long as ATC UK holds more than 50 per cent. of the shares in Driift Holdings, ATC has the right to appoint 3 out of 6 directors and appoint a Chairman to the board who shall have a casting vote in the event of a tie); (iii) shareholder information rights; (iv) an undertaking given by ATC UK in certain limited circumstances, to provide an interest free loan to the company (up to an amount of £1.2 million) which will be repayable immediately upon the company receiving certain receipts and, in any event, repaid on or before 30 June 2023.

### 11.2 *Exclusive partnership agreement between Driift Holdings and Dreamstage*

On 31 August 2021, Driift Holdings entered into an exclusive partnership agreement with Dreamstage, pursuant to which Driift Holdings has appointed Dreamstage as the exclusive provider of livestreaming services (including pay-per-view ticket sales, subscriptions, merchandise sales and sponsorship) in respect of any livestreaming event produced, promoted or supported by Driift Holdings or any of its affiliates for a period of 5 years. Notwithstanding the foregoing exclusivity arrangement, subject to certain terms of the agreement, Driift Holdings may obtain livestreaming services from a third party for a specific livestreaming event where it has valid and good faith reasons (including where it can demonstrate that the relevant artist refuses to use the services provided by Dreamstage) that the terms offered by such third party are more advantageous than those offered by Dreamstage, that the services can be provided within a reasonable timeframe and for these reasons it is reasonable for Driift to use the services of the third party. In the month immediately following 31 August 2024, if Driift can demonstrate to the reasonable satisfaction of Dreamstage that, at that time, the services provided by Dreamstage are materially and demonstrably below the standards of service available from other service providers on comparable terms to those provided by Dreamstage it can serve a notice on Dreamstage to terminate the exclusivity arrangement, subject to a certain procedure being followed, which shall involve the parties seeking the opinion of an expert if Dreamstage challenges such termination.

### 11.3 *Option agreement between ATC UK and Ric Salmon*

On 21 July 2021, ATC UK entered into an agreement with Ric Salmon pursuant to which Ric granted ATC UK an option to purchase 60 ordinary shares, which he owns, in the capital of Driift Holdings at a purchase price of £4,033 per share. Under the agreement, the option may only be exercised by ATC UK on or before 31 December 2021.

### 11.4 *Loan assignment and option agreement between ATC UK and Beggars Group*

On 24 August 2021, ATC UK entered in an agreement with Beggars Group to assign the benefit of a £450,000 loan to ATC UK. Such loan was originally owed to Beggars Group by Driift Holdings, therefore, following the assignment, Driift Holdings owed the £450,000 to ATC UK. On 31 August 2021, the loan amount was converted into 80 Series A shares in the share capital of Driift Holdings pursuant to the terms of the investment agreement referred to at paragraph 11.1 above. The loan assignment agreement between ATC UK and Beggars Group provides that on completion of Admission, ATC UK is required to pay to Beggars Group, within 30 days of such Admission, the sum of £450,000. ATC UK is also required to pay to Beggars Group interest on the amount of the outstanding loan at a rate of 4.5 per cent. per annum above LIBOR at the same time the loan is repaid. If the Company is not admitted to the Aquis Stock Exchange or ATC UK or the Company does not secure a minimum of £3 million of new equity investment on or before 1 August 2022, Beggars Group may exercise a call option upon which ATC UK is required to transfer 80 Series A shares to Beggars Group at a price per share of £1.

### 11.5 *CBIL loan agreement with Coutts*

On 25 June 2020, ATC UK entered into a secured Coronavirus Business Interruption Loan (**CBIL**) agreement with Coutts & Co (**Coutts**) and drew down the full facility of £175,000 on 2 July 2020. The purpose of the loan is for working capital requirements only. The first repayment is due on the date that is 13 months after the date of drawdown. Interest accrues at 3.65 per cent. per annum over Coutts' base rate, payable on the outstanding principal of the loan quarterly and on the final repayment date, being 6 years from the date of drawdown. The Business Interruption Payment from the UK government covers the interest payment for the first 12 months following drawdown. The agreement includes customary events of default for loan agreements of this nature.

### 11.6 *Loan agreement with Pagham Investments Limited*

On 6 November 2019, ATC UK entered into a loan agreement with Pagham Investments Limited (**Pagham**), pursuant to which Pagham has committed to make available to ATC UK an amount of up to £1,000,000. The current amount that has been drawn down and not been repaid is £1,000,000. Interest accrues on any unpaid amount of the loan at a rate of 2.5 per cent. per annum and is payable quarterly. The loan is repayable in yearly instalments of £50,000 on 1 October each year beginning on 1 October 2021 and a payment of £500,000 would be payable on or before 1 October 2030. Pagham is owned by the wife of Brian Message and the wife of Craig Newman.

### 11.7 *Loan via the Funding Circle*

On 30 October 2019, ATC UK received a loan for the amount of £529,500 through the Funding Circle platform (which includes a loan completion fee of £29,500). Therefore, the net amount received by ATC UK after deduction of the loan completion fee is £500,000. The duration of the loan is 60 months with a fixed interest rate of 7.90 per cent. Monthly repayments are £10,711.03 and the total amount repayable is £642,661.80 (comprising the loan, interest and fees). Monthly payments commenced on 28 November 2019 and shall be completed on 28 January 2025. There are a number of customary events of default in the agreement.

### 11.8 *Label services agreement between Polyphonic and AWAL Recordings Limited*

On 18 February 2019, Polyphonic entered into a label services agreement with AWAL Recordings Limited (**AWAL**) pursuant to which AWAL would provide certain label services in respect of the artist, Frank Carter & The Rattlesnakes and both parties would be entitled to a revenue share (85:15 in favour of Polyphonic). As part of the agreement, AWAL has provided a returnable advance to Polyphonic for the amount of £500,000 (**Returnable Advance**). In accordance with the agreement, AWAL has the ability to recoup the Returnable Advance from Polyphonic's share of revenue. In addition, there is a repayment schedule in respect of the Returnable Advance with various amounts being repayable between 30 September 2021 and 30 June 2024. AWAL can recover the Returnable Advance through repayment, recoupment and/or a combination of both (but won't be able to recover such amount more than once).

### 11.9 **Guarantee agreement between ATC UK and AWAL Recordings Limited**

ATC UK has entered into a guarantee agreement with AWAL Recordings Ltd dated 10 February 2021 to guarantee Polyphonic's obligation to repay the 'Returnable Advance' (as referred to in the paragraph above) and to reimburse certain unrecovered recouple costs that AWAL may incur in connection with the label services agreement referred to above (the **Guaranteed Obligations**), although such costs are first deducted from Polyphonic's revenue share in accordance with the terms of the label services agreement referred to above. As a sperate obligation, ATC UK also agrees to indemnify AWAL in full and on demand against any and all losses, cost and liabilities it may incur in connection with Polyphonic's failure to perform the Guaranteed Obligations and such failure has not been remedied by Polyphonic within 15 Business Days.

### 11.10 *ATC 4 LLP Agreement*

ATC UK is party to a limited liability partnership agreement with Sumit Bothra (**Sumit**) and ATC 4 LLP which was entered into on 25 October 2021 but has effect from 10 July 2009. Sumit is a shareholder of the Company holding less than 3 per cent. at the date of this document. The purpose of the LLP agreement is to document the profit share arrangement between ATC UK and Sumit. Sumit manages various artists who have engaged ATC UK to provide them with management services. The income ATC UK receives from the artists Sumit manages is paid in full to ATC 4 LLP. Any profit made by ATC 4 LLP is then allocated between ATC UK and Sumit on a 70:30 basis in Sumit's favour. The LLP bears its own losses.

### 11.11 *ATC 9 LLP Agreement*

ATC UK is party to a limited liability partnership agreement with Toby Donnelly (**Toby**) and ATC 9 LLP which was entered into on 7 October 2021 but has effect from 5 December 2012. The purpose of the LLP agreement is to document the profit share arrangement between ATC UK and Toby. Toby manages various artists who have engaged ATC UK to provide them with management services. The income ATC UK receives from the artists Toby manages is paid in full to ATC 9 LLP. Any profit made by ATC 9 LLP is then allocated between ATC UK and Toby on the following basis: up to £30,000, 90:10 in favour of Toby; between £30,001 and £60,000 20:80 in favour of ATC; and above £60k 50:50. The LLP bears its own losses.

### 11.12 *Loan agreement between ATC UK and Craig Newman*

On 12 February 2021, ATC UK purchased a 51 per cent. stake in Your Army US to make it a wholly owned subsidiary. The aggregate purchase price for such shares was $640,000, which ATC UK borrowed from Craig Newman. The loan is subject to the terms of an agreement between ATC UK, Craig Newman and Brian Message, which governs the terms of certain loans that may be made by either Brian Message or Craig Newman (or both of them) to ATC UK from time to time for working capital purposes. Interest on the outstanding principal amount of any loan accrues at a rate of 1 per cent. above the base rate of the Bank of Scotland Plc and is payable quarterly. ATC UK covenants to repay any loan to Brian Message and/or Craig Newman as and when cashflow permits, save that Brian and/or Craig are entitled to give 90 days' written notice to ATC UK to require repayment of all outstanding obligations. If ATC UK fails to make any payment due under the agreement, interest on the unpaid amount accrues daily at a rate of 4 per cent. above the base rate of the Bank of Scotland Plc. As at 28 October 2021, the only loan outstanding under agreement is the $640,000 loan from Craig Newman to ATC UK.

### 11.13 *Stockholder Agreement in relation to ATC Artist Management Inc.*

ATC North America, Inc. is party to a stockholder agreement with Jonny Dawson (**Dawson**) in connection with ATC US. ATC North America, Inc. owns 90 per cent. of ATC US and Dawson owns 10 per cent. The agreement contains certain provisions governing the relationship between the shareholders, including right of first offer in favour of ATC North America, Inc. if Dawson wishes to transfer his shares in the company, the right of ATC US to repurchase Dawson's shares if he is no longer employed or engaged by any Group Company and customary drag, tag and pre-emption rights in respect of allotment of shares.

### 11.14 *Stockholder Agreement in relation to ATC Media Inc*

ATC North America, Inc. is party to a stockholder agreement with Jonny Dawson (**Dawson**) in connection with ATC Media. ATC North America, Inc. owns 90 per cent. of ATC Media and Dawson owns 10 per cent. The agreement contains certain provisions governing the relationship between the shareholders, including right of first offer in favour of ATC North America, Inc. if Dawson wishes to transfer his shares in the company, the right of ATC Media to repurchase Dawson's shares if he is no longer employed or engaged by any Group Company and customary drag, tag and pre-emption rights in respect of allotment of shares.

### 11.15 *Agreement between ATC UK and Courtyard Music Management LLP*

ATC UK is party to an agreement dated 26 May 2021 with Courtyard Music Management LLP (**CMM**). CMM is an entity in which Brian Message, Craig Newman, John Edge and Christopher Hufford are the members. The agreement records in writing an oral agreement that was made in or around 2013 pusuant to which CMM is entitled to receive 50 per cent. of any commission earned by ATC UK from the artists: (i) Nick Cave and Faithless between 2013 and 2020; and (ii) Nick Cave and The Smile from 2021 onwards.

### 11.16 *Agreement between ATC UK and Upstream Entertainment Ltd*

Upstream Entertainment Limited (**Upstream**) is a company controlled by Ric Salmon. ATC UK and Upstream has entered into an agreement to govern the share of commission ATC UK receives from the artists it manages with Ric. Pursuant to such agreement, 50 per cent. of any commission ATC UK earns from the artists it manages with Ric (after the deduction of costs incurred by ATC UK in relation to the management of such artists) is paid to Upstream. Ric does not currently manage any artists, although ATC UK is currently entitled to post-term commission (of which Upstream is entitled to 50 per cent. after the deduction of costs) from the artists Laura Marling, Trevor Horn and from the services ATC UK provided to Grocery Aid.

11.17 ***Placing Agreement with Canaccord Genuity Limited***

The Company, the Directors, the Proposed Directors and Canaccord have entered into a placing agreement pursuant to which Canaccord has agreed to use its reasonable endeavours to procure placees for the Placing Shares at the Fundraising Price conditional, amongst other matters, Canaccord not having exercised its right to terminate the Placing Agreement and Admission occurring not later than 8.00 a.m. on 21 December 2021 or such later date (being no later than 21 January 2022).

The Company has agreed to pay Canaccord, provided the Placing Agreement becomes unconditional, a corporate finance fee and a commission payment in respect of the gross aggregate value at the Fundraising Price of certain of the Placing Shares and a corporate broking fee. The Company has agreed to pay all of the costs and expenses of and incidental to the Fundraise, together with any applicable VAT. The Company, Directors and Proposed Directors have given certain warranties to Canaccord as to the accuracy of this Document and as to other matters relating to the Group. The liability of the Directors under these warranties is limited in time and amount save in certain circumstances. The Company has given an indemnity to Canaccord against any losses or liabilities arising out of the proper performance of Canaccord of its duties under the Placing Agreement. Canaccord may terminate the Placing Agreement in certain circumstances, including for material breach of the warranties referred to above.

11.18 ***Warrant instrument in favour of Canaccord Genuity Limited***

The Company executed a warrant instrument on 14 December 2021 to grant Canaccord 119,800 warrants (equal to 1.25 per cent. of the Company's market capitalisation on Admission) to subscribe for Ordinary Shares at an exercise price equal to the Fundraising Price and such warrants exercisable at any time from Admission for a period of 5 years.

11.19 ***Subscription Agreements***

The Subscribers have entered into Subscription Agreements dated on or around 14 December 2021, with the Company pursuant to which they have conditionally agreed to subscribe for 245,068 Subscription Shares at the Fundraising Price. The Subscription Agreements are conditional on, amongst other matters, Admission occurring on or before 8.00 a.m. London time on 21 December 2021 (or such later date as the Company and Canaccord Genuity shall agree, not to be later than 21 January 2022). The Subscribers give certain customary confirmations under the Subscription Agreements. The Subscription Agreements are governed by English Law.

11.20 ***Lock in and Orderly Market Agreements between each of the Lock-In Shareholders, the Company and Canaccord Genuity***

Pursuant to the terms of the Lock-in and Orderly Market Agreements entered into on 14 December 2021, the Lock-In Shareholders have each agreed with the Company and Canaccord Genuity that they will not, without the prior written consent of the Company and the Canaccord Genuity, during the First Restricted Period (as defined in Part 5 of this Document: Lock-In and Orderly Markets Arrangements), transfer or otherwise dispose of any interest in all or any Ordinary Shares or agree to transfer or dispose of any interest in all or any Ordinary Shares; and during Second Restricted Period (as defined in Part 5 of this Document: Lock-In and Orderly Markets Arrangements), transfer or otherwise dispose of any interest in all or any Ordinary Shares otherwise than through, and following consultation, with the Canaccord Genuity (so long as the Canaccord Genuity is corporate nominated adviser and/or broker to the Company) and the Company and such transfer or disposal will be made in accordance with the reasonable requirements of the Canaccord Genuity with a view to maintaining an orderly market for the issued share capital of the Company, subject to the terms relating to price and execution offered by the Canaccord Genuity being no less favourable than other brokers at that time.

Pursuant to the terms of the 180 Lock-in Agreements entered into on 14 December 2021, the 180 Lock-In Shareholders have each agreed with the Company and Canaccord Genuity that they will not, without the prior written consent of the Company and the Canaccord Genuity, during the 180 Restricted Period (as defined in Part 5 of this Document: Lock-In and Orderly Markets Arrangements), transfer or otherwise dispose of any interest in all or any Ordinary Shares or agree to transfer or dispose of any interest in all or any Ordinary Shares.

Further details regarding of the Lock-in and Orderly Market Agreements are set out in Part 5 (*Details on the Fundraise and Admission to Trading*).

The Lock-In and Orderly Market Agreements are governed by English law.

### 11.21 *Engagement Letter with Canaccord Genuity Limited*

An engagement letter dated 27 April 2020 was signed by the Company under which Canaccord Genuity agreed to act as the Company's corporate adviser in connection with the Admission and the Company's corporate adviser and broker for the purposes of the Aquis Stock Exchange Rules. In consideration of the services specified in the engagement letter, the Company agreed to pay Canaccord Genuity a fee. In addition, the Company agreed to grant Canaccord Genuity certain warrants as described in paragraph 11.18 above.

### 11.22 *Aquis Corporate Adviser and Broker Agreement*

The Company is party to a corporate adviser and broker agreement with Canaccord Genuity dated 14 December 2021 pursuant to which, conditional upon Admission, the Company has appointed Canaccord Genuity as its corporate adviser for the purposes of the AQSE Rules and its broker. The Company has agreed to pay Canaccord Genuity an annual fee of £50,000 (accruing on a per diem basis) plus VAT payable in advance in quarterly instalments together with all costs and expenses Canaccord Genuity incurs in performance of its services. The annual retainer fee will increase in line with the Retail Price Index every 12 months. The agreement sets out the ongoing responsibilities of each party together with certain undertakings, indemnities and warranties given by the Company to Canaccord Genuity. The Company or Canaccord Genuity may terminate the agreement at any time by giving to the other party not less than 3 months' prior written notice.

## 12. *Related Party Transactions*

### 12.1 *Lease of 166a and 168a Camden Street, London, NW1*

ATC UK is party to a deed of variation (the **Deed**) with Pagham Investments Limited (the **Pagham**) in connection with the above property, pursuant to which the residue of the term granted by a lease dated 14 May 2014 between the Pagham, Mediator Communications Limited and Craig and Jody Newman (the **Lease**) shall vest in ATC UK. The Deed is supplemental to the Lease and the terms of the Lease shall continue to have effect as though the provisions contained in the Deed had been contained in the Lease with effect from the date of the Deed. The rent, as amended by the Deed, is £150,000 per year exclusive of VAT and payable from 24 December 2019. The rent review date is 24 December 2022. The Lease will expire on 15 December 2024. Pagham is owned by the wife of Brian Message and the wife of Craig Newman.

### 12.2 *Lease of Cresthill Road, Los Angeles CA 90069*

ATC US is party to a lease agreement dated 1 January 2021 with Craig Newman in connection with the above property. The term of the lease is a periodic tenancy commencing on 1 January 2021 and continuing on a month-to-month basis until either party terminates the tenancy. The base rent is $20,000 per month, payable on or before the first of each and every month of the term.

### 12.3 *Loan agreement with Pagham Investments Limited*

Please refer to paragraph 11.6 of Part 11 above for further details.

### 12.4 *Loan agreement between ATC UK and Craig Newman*

Please refer to paragraph 11.12 of Part 11 above for further details.

### 12.5 *Agreement between ATC UK and Courtyard Music Management LLP*

Please refer to paragraph 11.15 of Part 11 above for further details.

### 12.6 *Agreement between ATC UK and Upstream Entertainment Ltd*

Please refer to paragraph 11.16 of Part 11 above for further details.

### 12.7 *Provision of services from Fuel Music Limited to ATC UK*

Fuel Music Limited (a company controlled by Adam Driscoll) provided certain management services to the company for a four month period between June 2021 and September 2021. The fee for such services was £12,500 (plus VAT) per month.

Save as described above, in paragraph 12.1 to 12.7, the Company was not party to any related party transactions during the period covered by the historical financial information contained in Part 11 of this Document up to the date of this Document.

### *13. Legal and Arbitration Proceedings*

Driift UK is currently pursuing a claim against a third party supplier. The claim relates to technical issues which occurred with the online livestream event named "Live At Worthy Farm" which took place on 22 May 2021. Driift Live UK and the supplier have both instructed solicitors and the claim is at the pre-action stage. The Company does not believe that the claim Driift UK has against the third party supplier will have a significant adverse effect on the Company's and/or Group's financial position or profitability. Given that the claim is at a very early stage and the outcome is unknown, the Company cannot say for certain whether or not the claim will have a significant positive effect on the Company's and/or Group's financial position or profitability. Other than the claim referred to above, there are no, nor have there been any, governmental, legal or arbitration proceedings (including such proceedings which are pending or threatened of which the Company is aware) during the last 12 months prior to the date of this Document which may have, or have had in the recent past significant effects on the Issuer and/or Group's financial position or profitability.

### *14. Working Capital*

In the opinion of the Company, taking into account the net proceeds of the Fundraising and the committed facilities available to the Group, the Group has sufficient working capital for its present requirements, that is for at least the next 12 months following the date of this Document.

### *15. Material changes in the financial position of the Group's since its last financial period*

15.1 Other than as described in paragraph 15.2 below, there has been no significant change in the financial position or financial performance of the Company or the Group since 30 June 2021, being the end of the last financial period for which audited historical financial information for the Company, set out in Part 6, and unaudited interim financial information of the Group, set out in Part 7, of this Document, has been published, to the date of this Document.

15.2 On 31 August 2021, Driift Holdings Ltd entered into an investment agreement in accordance with which Driift Holdings Ltd raised £1.84 million (net of cash) by issuing new Series A shares. On the same date, loans received by Driift Holdings Ltd which totalled £952,000 at 30 June 2021 were converted into Series A shares, including £806,400 which was owed by Driift Holdings Ltd to ATC UK. Following the issue of the Series A shares, ATC UK's interest in Driift Holdings Ltd reduced from 60 per cent. to 52 per cent. and the debt owed by the Group to third parties reduced by £145,600.

### *16. Mandatory Takeover Bids, Squeeze-Out Rules, Sell-Out Rules and Takeover Bids*

#### *16.1 MANDATORY TAKEOVER BIDS*

The Company has its registered office in the UK and its Ordinary Shares will be admitted to trading on AQSE. Accordingly, the City Code applies to the Company.

Under Rule 9 of the City Code ("Rule 9"), any person who acquires an interest in shares (as defined in the City Code), whether by a series of transactions over a period of time or not, which (taken together with any interest in shares held or acquired by persons acting in concert (as defined in the City Code) with him) in aggregate, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, that person is normally required by the Panel to make a general offer to all of the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interests in shares are acquired by any such person which increases the percentage of shares carrying voting rights in which he is interested.

An offer under Rule 9 must be in cash or be accompanied by a cash alternative and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Under the City Code, a concert party arises where persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. "Control" means interest, or aggregate interest, in shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the interest or interests give de facto control.

Presumption (9) to the Panel's definition of acting in concert provides for there to be a presumption of concertedness between shareholders in a private company who following the re-registration of that company as a public company in connection with an initial public offering or otherwise become shareholders in a company to which the Code applies. However pursuant to guidance provided by the Code Committee in PCP (2015/3) this presumption is capable of being rebutted.

### *16.2* ***The Concert Party***

The Company has agreed with the Takeover Panel that the members of the Concert Party are acting in concert for the purposes of the City Code.

Immediately following Admission and assuming the placing and subscription of all of the New Ordinary Shares, members of the Concert Party will hold, in aggregate, 4,423,318 Ordinary Shares, representing approximately 46.2% per cent. of the Enlarged Share Capital. The Concert Party members and their respective shareholdings on Admission are detailed below:

| **Existing Shareholder** | **Number of Ordinary Shares** | **% Enlarged issued share capital** |
|---|---|---|
| Brian Message | 1,072,359 | 11.2% |
| Craig Newman | 1,072,359 | 11.2% |
| Adam Driscoll | 691,400 | 7.2% |
| John Bryce Edge | 293,600 | 3.1% |
| Christopher Howard Hufford | 293,600 | 3.1% |
| Harprit Johal | 200,000 | 2.1% |
| Sumit Bothra | 200,000 | 2.1% |
| Alex Bruford | 200,000 | 2.1% |
| Jonny Dawson | 200,000 | 2.1% |
| Ric Salmon | 200,000 | 2.1% |

**Since, on Admission, the Concert Party will between them hold more than 30 per cent. but less than 50 per cent. of the voting rights, whilst they continue to be treated as acting in concert, any further increase in aggregate shareholding may be regarded by the Takeover Panel as giving rise to an obligation upon that member of the Concert Party to make an offer for the entire issued share capital of the Company at a price no less than the highest price paid by the individual member of the Concert Party or any other member of the Concert Party in the previous 12 months under the provisions of Rule 9. This means the Concert Party will require a waiver from the Takeover Panel in order to increase its aggregate holding of Ordinary Shares, or else will be under obligation to make a general offer for the Company as detailed above.**

### *16.3* ***Squeeze-out rules***

Under the Companies Act, if a "takeover offer" (as defined in section 974 of the Companies Act) is made for the Ordinary Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the shares to which the offer relates (the "**Takeover Offer Shares**") and not less than 90 per cent. of the voting rights attached to the Takeover Offer Shares, within three months of the last day on which its offer can be accepted, it could acquire compulsorily the outstanding shares not assented to the offer. It would do so by sending a notice to outstanding shareholders telling them that it will acquire compulsorily their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding shareholders. The consideration offered to the shareholders whose shares are acquired compulsorily under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

### *16.4* ***Sell-out rules***

The Companies Act also gives minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the Ordinary Shares and at any time before the end of the period within which the offer could be accepted the offeror held or had agreed to acquire not less than 90 per cent. of the Ordinary Shares to which the offer relates, any holder of Ordinary Shares to which the offer related who had not accepted the offer by a written communication to the offeror require it to acquire those Ordinary Shares. The offeror would be required to give any shareholder notice of his or her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of the minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a shareholder exercises his or her rights, the offeror is bound to acquire those Ordinary Shares on the terms of the offer or on such other terms as may be agreed.

*16.5* ***Takeover bids***

No public takeover bid has been made in relation to the Company during the last financial year or the current financial year.

***17. Costs and Expenses***

The aggregate costs and expenses of the Placing, Subscription and Admission (including the listing fees of the Aquis Stock Exchange, professional fees and expenses and the costs of printing and distribution of documents) payable by the Company are estimated to amount to £0.69 million (including VAT).

***18. Statutory Auditors***

Adler Shine LLP of Aston House, Cornwall Ave, London N3 1LF, is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales. Adler Shine LLP are the statutory auditors of the Company.

***19. Consents***

19.1 Adler Shine LLP has given and has not withdrawn its consent to the inclusion in this Document of its accountant's reports in:

- Section A "*Accountant's Report on the Historical Financial Information of the Company"* of Part 6 *"Historical Financial Information of the Company*" of this Document;
- Section A "*Accountant's Report on the Historical Financial Information of the Group*" of Part 7 "*Historical Financial Information of the Group*" of this Document; and
- Section A "*Accountant's Report on the Pro Forma Financial Information of the Group*" of Part 9 of this Document;

and has authorised the contents of those reports for the purposes of 5.3.2R(2)(f) of the Prospectus Regulation Rules.

19.2 Adler Shine LLP has given and not withdrawn its written consent to the inclusion in this Document of its name and reference.

***20. General; and Documents Available for Inspection***

20.1 Save as disclosed in this Document, the Directors are unaware of any environmental issues that may affect the Group's utilisation of its tangible fixed assets.

20.2 Copies of the following documents will be available for inspection for a period of 12 months following Admission on the Company's website at www.atcgroupplc.com:

20.2.1 the New Articles of Association;

20.2.2 Adler Shine's accountant's reports set out in:

- Section A "*Accountant's Report on the Historical Financial Information of the Company*" of Part 6 "*Historical Financial Information of the Company*" of this Document;
- Section A "*Accountant's Report on the Historical Financial Information of the Group*" of Part 7 "*Historical Financial Information of the Group*" of this Document; and
- Section A "*Accountant's Report on the Pro Forma Financial Information of the Group*" of Part 9 "*Pro Forma Financial Information*" of this Document;

20.2.3 the consent letter referred to in paragraph 19 above of this Part 11 "*Additional Information*"; and

20.2.4 this Document.

# PART 12
# TERMS AND CONDITIONS OF THE PLACING

**MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THESE TERMS AND CONDITIONS ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT: (A) PERSONS IN THE UNITED KINGDOM OR MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (EACH A "RELEVANT STATE") WHO ARE QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(E) OF THE EU PROSPECTUS REGULATION (WHICH MEANS REGULATION (EU) 2017/1129 (THE "EU PROSPECTUS REGULATION") OR, IN RELATION TO PERSONS IN THE UNITED KINGDOM ONLY, THE EU PROSPECTUS REGULATION AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE "UK PROSPECTUS REGULATION" AND, TOGETHER WITH THE EU PROSPECTUS REGULATION, THE "PROSPECTUS REGULATION") ("QUALIFIED INVESTORS"); (B) IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO ARE PERSONS WHO (I) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "ORDER"); (II) FALL WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER; OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THESE TERMS AND CONDITIONS MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THESE TERMS AND CONDITIONS RELATE IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. PERSONS INTO WHOSE POSSESSION THESE TERMS AND CONDITIONS COMES ARE REQUIRED BY THE COMPANY AND CANACCORD GENUITY TO INFORM THEMSELVES AND TO OBSERVE ANY SUCH RESTRICTIONS.**

**1. Introduction**

These terms and conditions ("**Terms and Conditions**") apply to persons making an offer to acquire Placing Shares under the Placing.

Each person to whom these Terms and Conditions apply, as described above, who confirms its agreement to Canaccord Genuity and the Company to acquire Placing Shares (which may include Canaccord Genuity or its nominee(s)) (each a "**Placee**") hereby agrees with Canaccord Genuity and the Company to be bound by these Terms and Conditions as being the terms and conditions upon which the Placing Shares will be issued and sold under the Placing. A Placee shall, without limitation, become so bound if Canaccord Genuity confirms to the Placee (i) the Fundraising Price and (ii) its allocation of Placing Shares.

The Company and/or Canaccord Genuity may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) considers necessary and/or may require any such Placee to execute a separate investor letter (an "**Investor Letter**").

**2. Agreement to acquire Placing Shares**

Conditional upon: (i) Admission occurring and becoming effective by no later than 8.00 a.m. on 21 December 2021 (or such other date and/or time as Canaccord Genuity may notify to the Company but, in any event, no later than 8.00 a.m. on 21 January 2022); (ii) the Placing Agreement becoming otherwise unconditional in all respects and not having been terminated in accordance with its terms; and (iii) Canaccord Genuity confirming to the Placees their allocation of Placing Shares, each Placee agrees to become a member of the Company and agrees to acquire at the Fundraising Price those Placing Shares allocated to it by Canaccord Genuity. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

**3. Payment for Placing Shares**

Each Placee undertakes to pay the Fundraising Price for the Placing Shares acquired by such Placee in the manner and by the time directed by Canaccord Genuity.

Each Placee is deemed to agree that, if it fails to pay the Fundraising Price for the Placing Shares acquired by such Placee, Canaccord Genuity may sell any or all of the Placing Shares allocated to that Placee and which have not been paid for on such Placee's behalf and retain from the proceeds, for Canaccord Genuity's account and benefit (as agent for the Company), an amount equal to the aggregate amount owed by the Placee plus any interest due. Any excess proceeds will be paid to the relevant Placee at its risk. The relevant Placee will, however, remain liable and shall indemnify Canaccord Genuity and the Company on demand for any shortfall below the aggregate amount owed by it. By agreeing to acquire Placing Shares, each Placee confers on Canaccord Genuity all such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which Canaccord Genuity lawfully takes in pursuance of such sale.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above, in respect of either CREST or certificated deliveries, at the rate of 2 percentage points above prevailing LIBOR as determined by Canaccord Genuity.

**4. Representations and warranties**

By agreeing to acquire Placing Shares under the Placing, each Placee which enters into a commitment to acquire Placing Shares will (for itself and any person(s) procured by it to acquire Placing Shares and any nominee(s) for any such person(s)) be deemed to agree, represent and warrant to each of the Company, the Registrar and Canaccord Genuity that:

4.1 it has read this Document in its entirety and it is relying solely on this Document (and any supplementary prospectus published by the Company subsequent to the date of this Document) and not on any other information given, or representation or statement made at any time, by any person concerning the Group or the Placing. It acknowledges that its participation in the Placing shall be made solely on the terms and conditions set out in these Terms and Conditions, the Placing Agreement and the Articles. It agrees that these Terms and Conditions and the contract note issued by Canaccord Genuity to such Placee represent the whole and only agreement between the Placee, Canaccord Genuity and the Company in relation to the Placee's participation in the Placing and supersedes any previous agreement between any such parties in relation to such participation. It agrees that none of the Company, Canaccord Genuity or the Registrar, nor any of their respective directors, officers, partners, agents, consultants, advisers, affiliates, representatives or employees (each an "affiliate"), will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation. This paragraph 4.1 shall not exclude any liability for fraudulent misrepresentation;

4.2 it has the funds available to pay the Fundraising Price in respect of the Placing Shares for which it has given a commitment under the Placing;

4.3 the contents of this Document (and any supplementary prospectus published by the Company subsequent to the date of this Document) are exclusively the responsibility of the Company and its Directors and apart from the responsibilities and liabilities, if any, which may be imposed on Canaccord Genuity by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Canaccord Genuity nor any person acting on its behalf nor any of their respective affiliates accept any responsibility whatsoever for and makes no representation or warranty, express or implied, as to the contents of this Document (or any supplementary prospectus published by the Company subsequent to the date of this Document) or for any other statement made or purported to be made by it, or on its behalf, in connection with the Group, the Fundraising Shares or the Fundraise and nothing in this Document (and any supplementary prospectus published by the Company subsequent to the date of this Document) will be relied upon as a promise or representation in this respect, whether or not to the past or future. Canaccord Genuity accordingly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this Document (or any supplementary prospectus published by the Company subsequent to the date of this Document) or any such statement;

4.4 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to acquire Placing Shares under the Placing, it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its offer commitment in any territory and that it has not taken any action or omitted to take any action which will result in the Company, Canaccord Genuity, the Registrar or any of their respective affiliates acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;

4.5 it does not have a registered address in and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Placing Shares and it is not acting on a nondiscretionary basis for any such person;

4.6 it agrees that, having had the opportunity to read this Document, it shall be deemed to have had notice of all information and representations contained in this Document, that it is acquiring Placing Shares solely on the basis of this Document (and any supplementary prospectus published by the Company subsequent to the date of this Document) and no other information and that in accepting a participation in the Placing it has had access to all information it believes necessary or appropriate in connection with its decision to acquire Placing Shares;

4.7 it acknowledges that no person is authorised in connection with the Fundraising to give any information or make any representation other than as contained in this Document (and any supplementary prospectus published by the Company subsequent to the date of this Document) and, if given or made, any information or representation must not be relied upon as having been authorised by Canaccord Genuity or the Company;

4.8 it accepts that none of the Fundraising Shares have been or will be registered under the laws of any Restricted Jurisdiction. Accordingly, the Fundraising Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Restricted Jurisdiction unless an exemption from any registration requirement is available;

4.9 if it is receiving the details of the Placing in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the Placing Shares may be lawfully offered under that other jurisdiction's laws and regulations;

4.10 it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;

4.11 if it is outside the United Kingdom, neither this Document nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to acquire Placing Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Placing Shares could lawfully be distributed to and acquired by and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;

4.12 it acknowledges that neither Canaccord Genuity nor any of its affiliates nor any person acting on its behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Fundraising or providing any advice in relation to the Fundraising and that participation in the Fundraising is on the basis that it is not and will not be a client of Canaccord Genuity or any of its affiliates, that Canaccord Genuity is acting for the Company and no-one else and that none of Canaccord Genuity nor any of its affiliates have any duties or responsibilities to it for providing protections afforded to its or their respective clients or for providing advice in relation to the Fundraising nor in respect of any representations, warranties, undertaking or indemnities contained in these Terms and Conditions or in any Investor Letter, where relevant;

4.13 it acknowledges that it is not located within the United States, it is acquiring Placing Shares in an "offshore transaction" as defined in Regulation S promulgated under the US Securities Act ("**Regulation S**") and where it is acquiring Placing Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to acquire the Placing Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this Document or in any Investor Letter, where relevant; and (iii) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Company and/or Canaccord Genuity. It agrees that the provisions of this paragraph shall survive any resale of the Placing Shares by or on behalf of any such account;

4.14 it is acting as principal only in respect of the Placing, or, if it is acting for any other person (i) it is and will remain liable to the Company and/or Canaccord Genuity for the performance of all its obligations as a Placee in respect of the Placing (regardless of the fact that it is acting for another person) (ii) it is both an "authorised person" for the purposes of the FSMA and a Qualified Investor acting as agent for such person and (iii) such person is either (1) a Qualified Investor or (2) its "client" (as defined in section 86(2) of the FSMA) that has engaged it to act as his agent on terms which enable it to make decisions concerning the Placing or any other offers of transferable securities on his behalf without reference to him;

4.15 it confirms that any of its clients, whether or not identified to Canaccord Genuity or any of its affiliates, will remain its sole responsibility and will not become clients of Canaccord Genuity or any of its affiliates for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;

4.16 where it or any person acting on its behalf is dealing with Canaccord Genuity, any money held in an account with Canaccord Genuity on its behalf and/or any person acting on its behalf will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Canaccord Genuity to segregate such money as that money will be held by Canaccord Genuity under a banking relationship and not as trustee;

4.17 it has not and will not offer or sell any Placing Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 102B of the FSMA;

4.18 it is an "eligible counterparty" or a "professional investor" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook and it is subscribing for or purchasing the Placing Shares for investment only and not for resale or distribution and it is a Qualified Investor and, if in the United Kingdom, it is a person falling within article 19(5) or 49(2) of the Order;

4.19 it irrevocably appoints any Director and any director of Canaccord Genuity to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its acquisition of all or any of the Placing Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;

4.20 it accepts that if the Placing does not proceed or the conditions to Canaccord Genuity's obligations in respect of such Placing under the Placing Agreement are not satisfied or the Placing Agreement is terminated prior to Admission for any reason whatsoever or such Placing Shares are not admitted to trading on Aquis Stock Exchange for any reason whatsoever, then neither Canaccord Genuity nor the Company nor any of their respective affiliates, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;

4.21 it has not taken any action or omitted to take any action which will or may result in Canaccord Genuity, the Company or any of their respective affiliates being in breach of the legal or regulatory requirements of any territory in connection with the Placing or its acquisition of Placing Shares pursuant to the Placing;

4.22 in connection with its participation in the Placing, it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and countering terrorist financing including under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and that its offer commitment is only made on the basis that it accepts full responsibility for any requirement to identify and verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended) in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing) (the "**Money Laundering Directive**"); or (iii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;

4.23 due to anti-money laundering and the countering of terrorist financing requirements, Canaccord Genuity, and/or the Company may require proof of identity of the Placee and related parties and verification of the source of the payment before the placing commitment can be processed and that, in the event of delay or failure by the Placee to produce any information required for verification purposes Canaccord Genuity, and/or the Company may refuse to accept the placing commitment and the subscription and/or purchase moneys relating thereto. It holds harmless and will indemnify Canaccord Genuity, and/or the Company against any liability, loss or cost ensuing due to the failure to process the placing commitment, if such information as has been required has not been provided by it or has not been provided on a timely basis;

4.24 it is aware of the obligations regarding insider dealing in the Criminal Justice Act 1993, the MAR and the Proceeds of Crime Act 2002 and confirms that it has complied and will continue to comply with those obligations;

4.25 it and each person or body (including, without limitation, any local authority or the managers of any pension fund) on whose behalf it accepts Placing Shares pursuant to the Placing or to whom it allocates such Placing Shares have the capacity and authority to enter into and to perform their obligations as a Placee of the Placing Shares and will honour those obligations;

4.26 as far as it is aware it is not acting in concert (within the meaning given in the Takeover Code) with any other person in relation to the Company and it is not a related party of the Company for the purposes of the Apex Rulebook;

4.27 Canaccord Genuity is entitled to exercise any of its rights under the Placing Agreement or any other right in its absolute discretion, including the right to terminate the Placing Agreement, without any liability whatsoever to it (or any agent acting on their behalf) and Canaccord Genuity shall not have any obligation to consult or notify Placees in relation to any right or discretion given to it or which it is entitled to exercise;

4.28 Canaccord Genuity expressly reserves the right to determine, at any time prior to Admission, not to proceed with the Placing. If such right is exercised, the Placing (and the arrangements associated with it) will lapse and any monies received in respect of the Placing will be returned to Placees without interest;

4.29 the representations, undertakings and warranties given by a Placee as contained in this Document or in any Investor Letter, where relevant, are irrevocable. It acknowledges that Canaccord Genuity and the Company and their respective affiliates will rely upon the truth and accuracy of such representations, undertakings and warranties and it agrees that if any of the representations, undertakings or warranties made or deemed to have been made by its application for Placing Shares are no longer accurate, it shall promptly notify Canaccord Genuity and the Company;

4.30 it confirms that it is not and at Admission will not be, an affiliate of the Company or a person acting on behalf of such affiliate and it is not acquiring Placing Shares for the account or benefit of an affiliate of the Company or of a person acting on behalf of such an affiliate;

4.31 nothing has been done or will be done by it in relation to the Placing that has resulted or could result in any person being required to publish a prospectus in relation to the Company or to any Ordinary Shares in accordance with FSMA or the Prospectus Rules or in accordance with any other laws applicable in any part of the European Union or the European Economic Area;

4.32 it will (or will procure that its nominee will) if applicable, make notification to the Company of the interest in its Ordinary Shares in accordance with Rule 5 of the Disclosure Guidance and Transparency Rules as they apply to the Company pursuant to the Articles;

4.33 it accepts that the allocation of Placing Shares shall be determined by Canaccord Genuity following consultation with the Company and that Canaccord Genuity may scale down any placing commitments on such basis as it may determine; and

4.34 time shall be of the essence as regards its obligations to settle payment for the Placing Shares and to comply with its other obligations under the Placing.

**5. Indemnity**

Each Placee irrevocably agrees, on its own behalf and on behalf of any person on whose behalf it is acting, to indemnify and hold the Company and Canaccord Genuity and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of any breach by it or any person on whose behalf it is acting of the representations, warranties, undertakings, agreements and acknowledgements in these Terms and Conditions.

**6. Supply and disclosure of information**

If Canaccord Genuity, the Registrar or the Company or any of their agents request any information in connection with a Placee's agreement to acquire Placing Shares under the Placing or to comply with any relevant legislation, such Placee must promptly disclose it to them.

**7. Miscellaneous**

7.1 The rights and remedies of the Company, Canaccord Genuity and the Registrar under these Terms and Conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

7.2 On the acceptance of its placing commitment, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

7.3 Each Placee agrees to be bound by the Articles (as amended from time to time) once the Placing Shares, which the Placee has agreed to acquire pursuant to the Placing, have been acquired by the Placee. The contract to acquire Placing Shares under the Placing and the appointments and authorities mentioned in this Document will be governed by and construed in accordance with, the laws of England. For the exclusive benefit of the Company, Canaccord Genuity and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against a Placee in any other jurisdiction.

7.4 In the case of a joint agreement to acquire Placing Shares under the Placing, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

7.5 Canaccord Genuity and the Company expressly reserve the right to modify the Fundraising (including, without limitation, its timetable and settlement) at any time before allocations are determined including the right of Canaccord Genuity to notify to the Company the extension for the dates and times for satisfaction of any or all of the conditions in the Placing Agreement (provided that such conditions are not extended beyond 8.00 a.m. on 21 January 2022).

7.6 The Fundraising is subject to the satisfaction of the conditions contained in the Placing Agreement and the Placing Agreement not having been terminated in accordance with its terms. For further details of the terms of the Placing Agreement please refer to paragraph 11.17 of Part 11 of this Document.

7.7 Canaccord Genuity may, and its affiliates acting as an investor for its or their own account(s) may, acquire Placing Shares and, in that capacity may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in these Terms and Conditions to the Placing Shares being offered, subscribed, sold, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by, Canaccord Genuity and/or any of their respective affiliates acting as a Placee for its or their own account(s). Neither

Canaccord Genuity nor the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

7.8 Each Placee which acquires Placing Shares will be deemed to undertake that it agrees that it is liable for any capital duty, stamp duty, stamp duty reserve tax and all other stamp, issue, securities, transfer registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by such Placee or any other person on the acquisition by such Placee of any Placing Shares or the agreement by such Placee to acquire any Placing Shares.

**8. Sales outside the United States**

Each acquirer of the Placing Shares offered in reliance on Regulation S will be deemed to represent, warrant and agree as follows:

8.1 it and any person, if any, for whose account it is acquiring the Placing Shares, is acquiring the Placing Shares outside the United States in an offshore transaction meeting the requirements of Regulation S and the transaction was not pre-arranged with a buyer in the United States;

8.2 it is not in any jurisdiction in which it is unlawful to make or accept an offer to acquire the Placing Shares;

8.3 it is aware that the Placing Shares have not been and will not be registered under the US Securities Act and are being offered and sold only in "offshore transactions" outside the United States in reliance on Regulation S;

8.4 it is not acquiring the Placing Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Placing Shares into the United States or any jurisdiction referred to above;

8.5 if in the future it decides to offer, sell, transfer, assign or otherwise dispose of the Ordinary Shares, it will do so only pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act;

8.6 it has received, carefully read and understands this Document and has not distributed, forwarded, transferred or otherwise transmitted this Document or any other presentation or offering materials concerning the Placing Shares to any persons within the United States, nor will it do any of the foregoing; and

8.7 that the Company, Canaccord Genuity, their affiliates and others, will rely upon jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

**9. Selling restrictions**

9.1 The distribution of this Document and the offer of Ordinary Shares pursuant to the Placing in certain jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

9.2 The Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Document comes should inform themselves about and observe any restrictions on the distribution of this Document and the offer of the Ordinary Shares pursuant to the Placing contained in this Document. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for or acquire any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer of solicitation in such jurisdiction.

9.3 ***Relevant States***

As this document constitutes a prospectus approved by the FCA, Ordinary Shares may be offered to the public in the United Kingdom. In relation to each other Relevant State, no Ordinary Shares have been offered or will be offered pursuant to the Placing to the public in that Relevant State, except that an offer to the public in that Relevant State of any Ordinary Shares may be made at any time under the following exemptions under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017:

(a) to any legal entity which is a Qualified Investor;

(b) to fewer than 150, natural or legal persons (other than Qualified Investors) per Relevant State, subject to obtaining the prior consent of Canaccord Genuity for any such offer; or
(c) in any other circumstances falling within Article 1(4) of Regulation (EU) 2017/1129.

For the purposes of this provision, the expression an “offer to the public” in relation to any Ordinary Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the Placing and any Ordinary Shares so as to enable a Placee to decide to acquire any Ordinary Shares.

In the case of any Ordinary Shares being offered to a “financial intermediary” as that term is used in Article 5(1) of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Ordinary Shares acquired by it in the Placing have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Ordinary Shares to the public other than their offer or resale in a Relevant State to Qualified Investors as so defined or in circumstances in which the prior consent of the Company and Canaccord Genuity has been obtained to each such proposed offer or resale.

The Company, Canaccord Genuity and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representation, warranty, acknowledgement and agreement. Notwithstanding the above, a person who is not a Qualified Investor and who has notified Canaccord Genuity of such fact in writing may, with the consent of Canaccord Genuity, be permitted to acquire Ordinary Shares in the Placing.

9.4 ***United States of America***

The Ordinary Shares have not been and will not be registered under the US Securities Act or under the securities laws or regulations of any state or other jurisdiction of the United States and may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no offer of the Ordinary Shares in the United States. The Ordinary Shares are being offered and sold only outside the United States in “offshore transactions” in reliance on Regulation S.

In addition, until 40 days after the commencement of the Placing, an offer or sale of Ordinary Shares within the United States by any dealer (whether or not participating in the Placing) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

9.5 ***Australia***

This Document has not been and will not be lodged with the Australian Securities and Investments Commission or the Australian Stock Exchange and is not a disclosure document for purposes of Australian law. This Document (whether in preliminary or definitive form) may not be issued or distributed in Australia and no offer or invitation may be made in relation to the issue, sale or purchase of any Ordinary Shares in Australia (including an offer or invitation received by a person in Australia) and no shares may be sold in Australia, unless the offer or invitation does not need disclosure to investors under Part 6D.2 of the Corporations Act 2001.

Each acquirer of Ordinary Shares will be deemed to have acknowledged the above and, by applying for Ordinary Shares under this Document, gives an undertaking to the Company not to offer, sell, transfer, assign or otherwise alienate those securities to persons in Australia (except in the circumstances referred to above) for 12 months after their issue.

9.6 ***Canada***

The relevant clearances have not been and will not be, obtained from the Securities Commission of any province of territory of Canada. Accordingly, subject to certain exceptions the Ordinary Shares may not, directly or indirectly, be offered or sold within Canada, or offered or sold to a resident of Canada.

9.7 ***Republic of South Africa***

The relevant clearances have not been and will not be, obtained from the South African Reserve Bank nor any other applicable body in the Republic of South Africa. Accordingly, the Placing Shares will not, directly or indirectly, be offered or sold within the Republic of South Africa.

9.8 ***Japan***

The Placing Shares have not been and will not be registered under the Securities and Exchange Law of Japan and may not be offered or sold directly or indirectly in Japan except under circumstances that result in compliance of all applicable laws, regulations and guidelines promulgated by the relevant governmental and regulatory authorised in effect at the relevant time.

10. ***Allocation***

10.1 Canaccord Genuity has solicited indications of interest from prospective Placees to acquire Ordinary Shares in the Placing. On this basis, prospective Placees have been asked to specify the number of Ordinary Shares that they are prepared to acquire at different prices. Multiple applications under the Placing are permitted.

10.2 A number of factors have been considered in deciding the Fundraising Price and the bases of allocation, including prevailing market conditions, the level and the nature of the demand for Ordinary Shares and the objective of encouraging long-term ownership of the Ordinary Shares. The Fundraising Price has been established at a level determined in accordance with these arrangements, taking into account indications of interest received from persons (including market-makers and fund managers) connected with Canaccord Genuity. Accordingly, the Fundraising Price may be lower than the highest price at which all of the Ordinary Shares, in respect of which indications of interest have been received or which are available for subscription or sale in the Placing, could have been accepted.

10.3 Placees will be advised verbally or by electronic mail of their allocation as soon as practicable following allocation.

10.4 Placees will be contractually committed to acquire the number of Placing Shares allocated to them at the Fundraising Price and, to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate, or otherwise withdraw from, such commitment. Dealing with the Placing Shares may not begin before notification is made.

10.5 All Ordinary Shares to be issued or sold pursuant to the Placing will be issued or sold, payable in full, at the Fundraising Price.

10.6 The rights attaching to the Ordinary Shares are uniform in all respects and they form a single class for all purposes.

10.7 Each Ordinary Share ranks equally in all respects with each other Ordinary Share and has the same rights (including voting and dividend rights and rights to a return of capital) and restrictions as each other Ordinary Share, as set out in the Articles.

10.8 Further details of the rights attached to the Ordinary Shares are set out in paragraph 5 of Part 11 of this Document.

11. ***Dealing arrangements***

11.1 The Placing is subject to the satisfaction of certain conditions contained in the Placing Agreement, which are typical for an agreement of this nature, including Admission occurring and becoming effective by 8.00 a.m. on 21 December 2021 or such later date as may be determined in accordance with such agreement and the Placing Agreement not having been terminated in accordance with its terms. Certain conditions are related to events which are outside the control of the Company, the Directors, and Canaccord Genuity. Further details of the Placing Agreement are described in paragraph 11.17 of Part 11 of this Document.

11.2 Application will be made to the London Stock Exchange for all of the Ordinary Shares, issued and to be issued, to be admitted to trading on Aquis Stock Exchange. Admission of the Ordinary Shares is not being sought on any market other than Aquis Stock Exchange.

11.3 It is expected that Admission will take place and dealings in the Ordinary Shares will commence on Aquis Stock Exchange at 8.00 a.m. on 21 December 2021.

11.4 Each Placee will be required to undertake to pay the Fundraising Price for the Ordinary Shares acquired by such Placee in such manner as shall be directed by Canaccord Genuity.

11.5 The Ordinary Shares are in registered form and can be held in certificated or uncertificated form. Title to certificated Ordinary Shares (if any) will be evidenced in the register of members of the Company and title to uncertificated Ordinary Shares will be evidenced by entry into the operator register maintained by the Registrar (which will form part of the register of members of the Company).

11.6 Placees should specify their preferred form in which to receive Ordinary Shares (certificated or uncertificated) to Canaccord Genuity upon receipt of their allocation.

11.7 It is intended that allocations of Placing Shares to Placees who wish to hold Placing Shares in uncertificated form will take place through CREST on Admission. It is intended that, where applicable, definitive share certificates in respect of the Placing Shares will be posted by first class post as soon as is practicable following Admission. Dealings in advance of the crediting of the relevant CREST stock account shall be at the risk of the person concerned. Prior to the despatch of definitive share certificates in respect of any Placing Shares which are not settled in CREST, transfers of those Placing Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.

12. ***CREST***

12.1 With effect from Admission, the Articles will permit the holding of Ordinary Shares under the CREST system. CREST is a paperless settlement system allowing securities to be transferred from one person's CREST account to another's without the need to use share certificates or written instruments of transfer. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any Shareholder so wishes. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

12.2 Each Placee allocated Placing Shares in the Placing will be sent a trade confirmation stating the number of Placing Shares allocated to it, the Fundraising Price, the aggregate amount owed by each Placee to Canaccord Genuity and settlement instructions. Placees should settle against CREST ID: 805. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the standing CREST or certificated settlement instructions which it has in place with Canaccord Genuity.

13. ***Placing arrangements***

13.1 The Company, the Directors and Canaccord Genuity have entered into the Placing Agreement, pursuant to which Canaccord Genuity has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for the Placing Shares at the Fundraising Price.

13.2 The Placing Agreement contains provisions entitling Canaccord Genuity to terminate the Fundraising at any time prior to Admission in certain circumstances. If this right is exercised, the Placing and these arrangements will lapse and any monies received in respect of the Placing will be returned to Placees without interest. The Placing Agreement provides for Canaccord Genuity to be paid a commission in respect of certain of the Placing Shares acquired by Placees. Any commission received by Canaccord Genuity may be retained and any Placing Shares acquired by them may be retained or dealt in, by it, for its own benefit.

13.3 Further details of the terms of the Placing Agreement are set out in paragraph 11.17 of Part 11 of this Document.

14. ***MiFID II Product Governance Requirements***

14.1 Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Canaccord Genuity will only procure investors who meet the criteria of professional clients and eligible counterparties.

14.2 For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

14.3 Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.