MIRRIAD

BUILDING FOR SCALE

Mirriad Advertising plc
Annual report and accounts 2020

ONE PLATFORM

INFINITE POSSIBILI

TIES

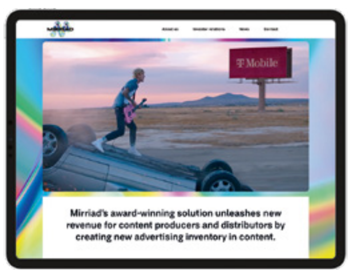
Strategic report

Corporate governance

Financial statements

The Strategic Report contained on pages 2 to 33 was approved by the Board on 11 May 2021.

John Pearson
Non-executive Chairman



mirriad.com
mirriadplc.com

A NEW SOLUTION FOR A NEW ERA
IN MEDIA AND ADVERTISING

The groundbreaking in-content advertising solution

Advertising has experienced profound disruption in the last decades. Advertisers have increasingly lost control to the dominant search, social and commerce platforms. They are coping with fewer and fewer means to differentiate and grow, and are now facing further dramatic changes with consumers' shift to ad-free content platforms and the exodus of the third-party cookie.

Dynamic in-content advertising, as a direct connection opportunity with audiences across multiple distribution platforms and areas of content, is beginning to emerge as the new solution that can dramatically solve the challenges of advertisers and content owners alike.

41
Protected by 28 granted and 13 pending patents in the USA, Europe and Asia

20
Broadcasters/digital content platforms

1,318
Hours of content analysed in 2020

5,254
Seconds of advertising insertions delivered in 2020

300k
Seconds of in-content advertising opportunities identified in 2020

2000s

TV
Print
Poster
DM
Classified

Search

Social

Commerce

How it works

We partner with multiple leading content providers and platforms in key markets globally

Our AI-powered technology identifies the most relevant context for brands to be inserted into the content

The newly created in-content campaigns connect with audiences when they are most engaged

Trusted by

2020s

MIRRIAD

Dynamic in-content

TV, film, streaming
Music

Sports, Live action

Gaming

VR & AR

NOW IS THE TIME

Vision

To lead a new era in advertising with the high-performing, in-content ad format across the most powerful and valuable content platforms and properties.

Mission

The world's largest content players are faced with unprecedented pressure on their business models and the marketing ecosystem is in search of new answers. Mirriad's mission is to provide the most advanced advertising solution, that is easy to integrate, deploy and scale and that will instantly enable new revenues and levels of reach and impact.

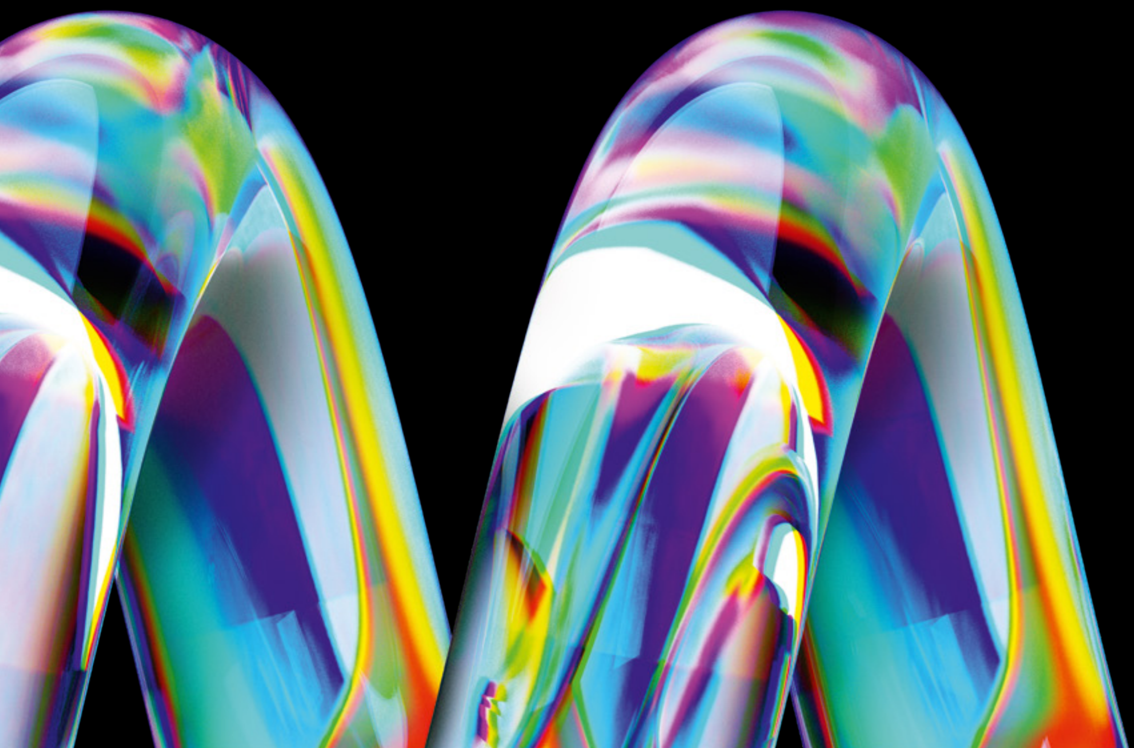
A global business

106
Staff worldwide

R&D
Technology and R&D based in the UK

Production
Production centre of excellence in India

Global offices
London, New York, Shanghai and Mumbai



The journey we are on

We have recalibrated our strategic priorities to focus on growing demand across advertisers and their agencies; expand our footprint in terms of partnerships with content owners and distributors; and advance our platform and technology agenda to augment the levels of automation and integration with the ecosystem.

Acceleration with brands and content partners

60%

Top 100 global advertisers
Growing number of global RFIs and RFPs

80/90%

Major USA entertainment companies/ major broadcasters in the UK, France and Germany
Partnerships, negotiations and engagements

And...

Film and TV producers, and music industry
A growing number of partnerships in TV production, film and music

Breakthrough with Tier One partnership in the USA

- One of the largest USA-based content producers and distributors
- Two-year commercial agreement, signed October 2020
- Allows partner to expand Mirriad technology to any of its USA platforms, from network to streaming
- First campaign started in December 2020

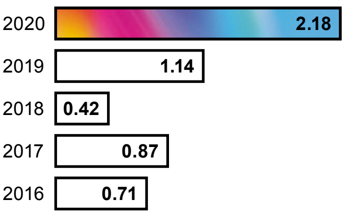
Growing maturity in China with Tencent

- 50+ advertisers in 2020
- API integration allows for automation, speed, ad innovation
- Connected with other Tencent ad products including clickable units and retargeting

EXECUTING AGAINST OUR STRATEGY

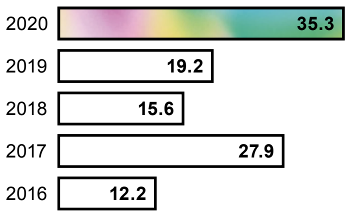
Revenue £m

£2.18m



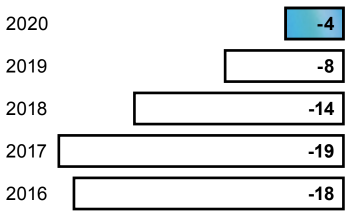
Net assets £m

£35.3m



Loss per share p

-4p



Operational highlights

- Successful fundraise of £26.2 million (gross)
- Key signature of USA Tier One partner
- Substantially reduced operating costs
- Substantially reduced cash consumption

"With significant increases in revenue, reduced costs and true momentum behind us, it is the time to further accelerate our efforts to attract ever more interest from leading broadcasters and digital content platforms, advertisers and content creators."

– Stephan Beringer, Chief Executive Officer

Funding to accelerate and scale future growth

The Company successfully raised additional capital in November 2020 with the announcement of a £23 million Placing at 40p per share plus an additional £3 million from an Open Offer to existing shareholders. Proceeds will be used to invest in expanding sales capacity particularly in the key USA market and further development of Mirriad's proprietary technology.

Breakthrough commercial entertainment agreement

A key deal with a major USA entertainment company and household name was announced in October 2020. This new deal enhances the inventory available for our USA team to take to market alongside inventory from a number of other supply partners added in 2019 and 2020.

Music Alliance to connect bands with brands

Mirriad is partnering with globally renowned record labels and leading independent music companies such as Red Light Management, the largest independent music management company in the world, and prominent UK-based label B-Unique Records to place high profile brands into music content.

The Music Alliance offers a new solution to the major challenges faced by both the music industry and marketers.

1,000+
global artists in partnership

Billions
of streaming views

Digiday Technology Awards 2020 name Mirriad Best Native Advertising Platform

Mirriad received the Best Native Advertising Platform award at the prestigious Digiday Technology Awards in November 2020.

Responding to COVID-19

Shareholders

The Company transitioned to online communication with shareholders as the pandemic spread, delivering webinars in May and September following publication of the Company's results. We ran a video roadshow for large shareholders in September and a fully remote investor roadshow for the fundraising in November.

Employees

All our staff successfully transitioned to fully remote working in March 2020 as the COVID-19 pandemic spread around the world. Our cloud-based platforms and workflows allowed staff to continue to work and communicate effectively with partners and each other.

Customers

We continued to deliver successful advertising campaigns for customers during the year as all of our systems are cloud based. There was major disruption to the supply of new content in all markets and filming shut down because of COVID-19 related restrictions.

"Thanks to the tireless efforts of Mirriad's staff and management, in many cases reacting swiftly and creatively to changed working conditions, we have been able to deliver the expected increase in revenue."
– John Pearson, Non-executive Chairman

A YEAR OF PROGRESS

JAN

BBC Click
Building momentum of quality coverage

FEB

ShareCast.com
Mirriad continues to make strong progress following the large-scale strategic reset in 2019

MAR

PACT agreement
Mirriad and Producers Alliance for Cinema and Television agree to co-operate to advise members on monetisation

Broker/NOMAD appointment
Canaccord Genuity ("CG") appointed

COVID-19 impact
All offices move seamlessly to remote working

APR

Edison interview
Explaining new revenue streams to investors

MAY

Yahoo Finance
Interview puts Mirriad at the centre of the advertising revolution

Meredith
USA supply deal signed

JUN

Tencent
Record number of advertisers run campaigns

Kodaline
Debut music partnership

AUG

CG Global Conference

CEO presentation and one on ones with potential USA investors

OTC QB

Opening up the Mirriad stocks to the USA market

OCT

USA Tier One supply partner

Signing Tier 1 USA entertainment and media giant

A&E Networks

USA supply deal signed

DEC

New capital

Fundraise that will fuel growth into 2021

JUL

Fuse Media

USA supply deal signed

Key USA campaign

Leading global drinks brand

SEP

Sony Latam

Latin American supply deal signed

Interims

Half-year results demonstrate strong progress

NOV

Music Alliance

Total Mirriad rebrand/ driving creativity and new revenue streams

Digiday Technology Awards

Award-winning technology

EFFECTIVE ENGAGEMENT

"While the macroeconomic outlook is still uncertain, our recent activity has given me confidence that the Mirriad solution is well positioned to respond to changing viewing habits and to provide value in what is a growing addressable market."

Last year, I said that the priority for 2020 would be converting positive sentiment towards Mirriad into tangible engagement.

Despite the disrupting influence of the COVID-19 pandemic, I am delighted with the progress that has been made against this central ambition.

Continuing confidence from investors and shareholders has allowed Mirriad to become the market leader in in-content advertising, but there is – of course – more work to be done.

The signing of a new framework agreement with a Tier One USA entertainment giant in October was a major milestone for the Company, a validation of our technology and a demonstration of how far we have come after resetting the Company in 2019.

This was followed by the announcement of the Mirriad Music Alliance, a partnership with globally renowned record labels and leading independent music companies to bring brands immediate access to millions of consumers through over a thousand global artists.

Both announcements demonstrate the flexibility of Mirriad's technology and its ability to adapt with ease to reach into new growth markets. The team is excited about the potential of the music sector in particular for 2021.

Over the summer we saw an increasing level of activity in China via our partner Tencent. This demonstrates how effective Mirriad can be when it is integrated with a partner's systems, and this offers a blueprint of how we can drive real scale in the future.

The year closed with a heavily oversubscribed fundraising round, offering another indication of the enthusiasm for the Mirriad solution amongst existing and new investors. The money raised gives us the resources required to drive further scale.

The ongoing backdrop of a global pandemic makes all of these achievements all the more significant, and I would like to pay tribute to the hard work across the business that has made all of this possible.

Corporate governance

I have set out a full Corporate Governance Statement later in this report. This follows the format established in the 2018 and 2019 reports, following Mirriad's full adoption of the Quoted Companies Alliance Corporate Governance Code.

– Read more on page 34

Engaging with our stakeholders

The Board, Stephan and I take our responsibilities to shareholders and wider stakeholders seriously. In line with pandemic restrictions, face-to-face events other than our technology showcase in January 2020 have been limited, but we have continued our engagement through digital platforms.

The management team is also actively engaged with its partners from broadcasters and digital content platforms, advertising agencies and senior international advertisers.

As well as undertaking many virtual meetings over the course of the year, we have sought to maintain exceptional standards of communication around significant events by offering our stakeholders opportunities to join webinars presented by the management team.

The Company has continued to demonstrate its resilience in the COVID-19 environment with all staff working effectively from home or in line with local restrictions. In this environment, engagement is more critical than ever and Mirriad actively communicates with its employees via regular staff surveys and monthly virtual Town Hall meetings.

– Read more on pages 28 and 29

The year ahead

The focus for the year ahead will be building Mirriad as the media solution for a new era in audience engagement. This will be achieved by stimulating direct demand and putting in place the sales architecture and data capability to scale within this competitive market.

While the macroeconomic outlook is still uncertain, our recent activity has given me confidence that the Mirriad solution is well positioned to respond to changing viewing habits and to provide value in what is a growing addressable market. The fundamental fact that audiences prefer the Mirriad format to other more disruptive advertising types, and the fact that it is proven to drive increased brand consideration, gives us a compelling competitive advantage at a time when broadcasters, content creators and distributors are all looking for new sources of revenue.

John Pearson
Non-executive Chairman
11 May 2021

A RAPIDLY CHANGING LANDSCAPE

"Our technology is patent protected and industry defining. With strong fundamentals now in place, I look forward to sharing more detailed updates in this area throughout, what I believe will be, another exciting year for Mirriad."

Much of last year's focus was on taking the Mirriad story to external audiences in the market and building momentum for the new advertising format after our strategic reset. Following a successful fundraise and increasing our profile, we will now focus our efforts on creating a Mirriad architecture that will ultimately build and define the in-content advertising space.

COVID-19 related filming and travel restrictions have added to the ongoing upheaval of the advertising ecosystem and, with inventory at a premium, Mirriad is well placed to benefit from the steady increase in streaming and sustained consumer aversion to interruptive advertising. We are confident that our in-content solution marks a step change from established advertising formats, giving producers, advertisers and content creators a bold and sustainable new format to drive engagement.

Increased demand and momentum

We have worked hard to increase momentum through engagement with senior stakeholders at advertising clients and agency groups, as well as the linear and digital content platforms and companies, and now the time is right to renew our focus on three key areas for 2021.

Firstly our technology and platform will be at the heart of everything we do in the year ahead – it is vital we press on and further refine our infrastructure to allow it to be effectively "plugged" into our partners' platforms and the entire ad buying and delivery ecosystem.

Secondly, to support this drive for scale, we will further ramp up automation. Improved automation will transform the scale, precision and speed at which Mirriad and our partners look at and plan inventory; decide on the insertion opportunities; process in-content ads, eventually in multiple variations; and track delivery and results for the purpose of optimisation.

This is particularly true for our expansion into the music sector and other content areas where Mirriad is in charge of the inventory transaction. New levels of data intelligence, automation and integration will be the pivot into a scaled media proposition. We have a great technical team that we are supplementing with strategic hires. The addition of an experienced new CTO, Philip Mattimoe, at the start of this year is the latest piece in our technology jigsaw.

USA sales

Finally, we must drive more sales in the USA in particular. We have added to our USA sales capability and this will improve our ability to stimulate direct demand. Alongside this, we will continue to seek opportunities in sectors like music to realise growth potential in our expanding addressable markets.

Our technology is patent protected and industry defining. With strong fundamentals now in place, I look forward to sharing more detailed updates in this area throughout, what I believe will be, another exciting year for Mirriad. The advertising and media industries are going through times of profound change. From the shift to more streaming services to the sunsetting of the cookie, engaging with consumers needs a new approach and formula. In-content advertising and contextual targeting are the keys to a new era, and the continuous improvements in our protected and awarded technology, as well as the integration with the ecosystem, will ultimately drive the mass adoption of the new format that Mirriad is leading with.

Stephan Beringer
Chief Executive Officer
11 May 2021

A MARKETPLACE IN UPHEAVAL

70% globally find ads annoying[1]	**61%** globally will skip ads[2]	**~31%** of a USA spot will not get any attention[3]
65% increase in streaming April vs March 2020[4]	**~55%** impact of linear TV commercials for 16-24 from 2018 to 2022[5]	**32%** of reported ad impressions do not appear on screen at all[6]

Sources: 1 Kantar / 2 Nielsen / 3 TVision / 4 Epoll / 5 Ebiquity / 6 MOAT / 7 TAM Zenith 2020

>>

Interruptive advertising has dramatically increased ad fatigue and denial

>>

Marketers need solutions to effectively cut through the noise and authentically connect with consumers

>>

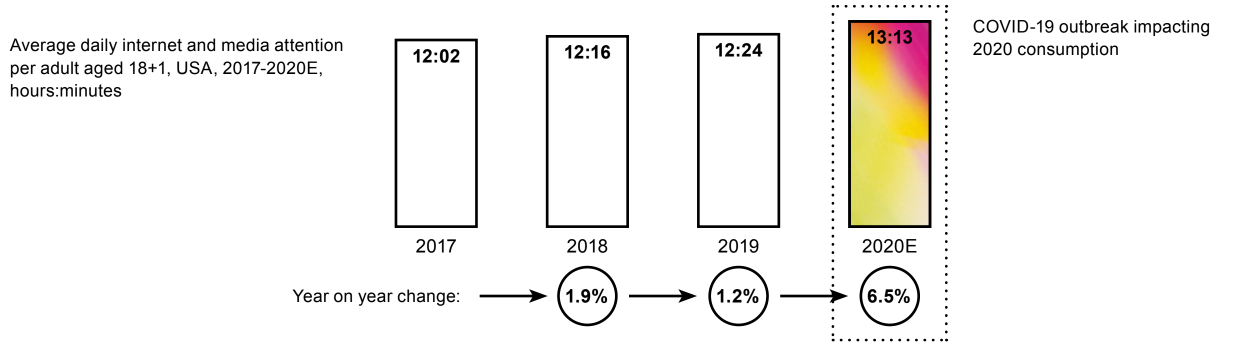
The content industry needs solutions to both maximise audience success and monetisation

$135bn

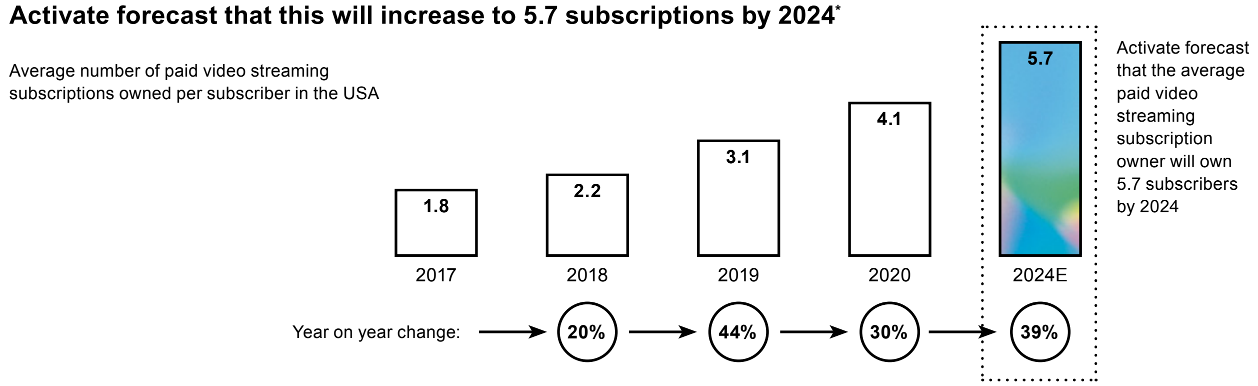
total addressable market[7]

UNPRECEDENTED SHIFTS

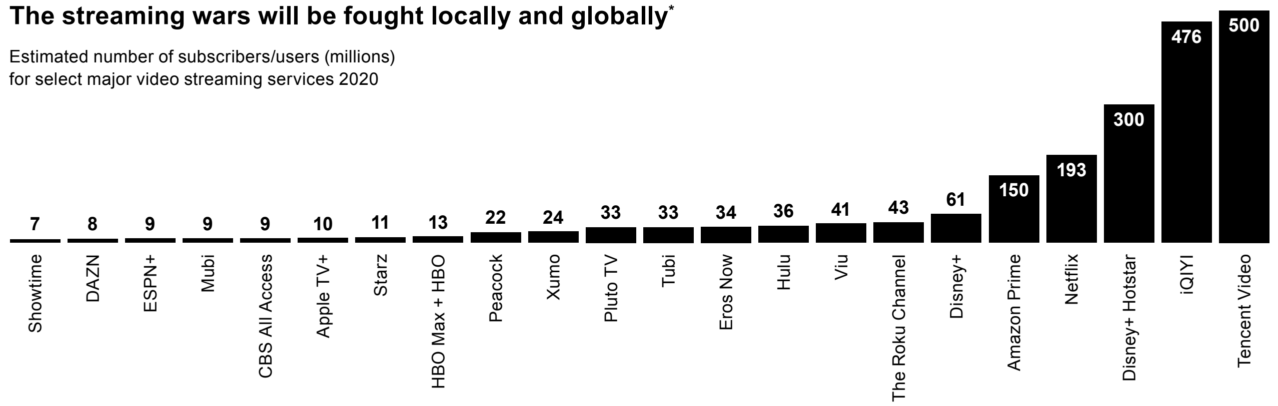
Time spent with technology and media jumped after the COVID-19 outbreak – shifting the growth curve upwards for these industries*



The average USA paid video streaming subscriber owns 4.1 subscriptions today; Activate forecast that this will increase to 5.7 subscriptions by 2024*



The streaming wars will be fought locally and globally*



* Source: Activate Technology & Media Outlook 2021

HOW WE CREATE VALUE

What we have

Technology & know-how
28 granted patents globally covering key components required for high experience and advertising impact at scale, including continuity, dynamic segment insertion and content valuation.

Dynamic & diverse team
106 staff in 4 offices around the world.

– **Read more on page 30**

Insights & experience
A wealth of data allowing us to forecast and cluster inventory based on over 13,000 hours of video content analysed since 2015.

Partnerships
20 broadcasters and digital content platforms.

What we do

Broadcasters and video platforms

Content ↓ | **Playout** ↑

MIRRIAD

Blue-boxing
Context, emotion, attention
Inventory recommendation
Multi-versioning
Embedding

How we generate revenue
Generally we take a share of the revenue generated by our customers for each campaign that they sell to an advertiser or media agency. That revenue share ranges from 20–35%.

Alternatively we can work on a fixed-fee basis where we charge a fixed fee for the volume of advertising created for each advertising campaign.

What makes us different

Our technology
28 granted patents globally covering content valuation, detection of brand insertion opportunities, continuity of scenes, sales process, targeted distribution/dynamic segment insertion, delivery workflow and metrics.

Our platform
Key software covering analysis of content using machine learning algorithms and insertion of new advertising creative into pre-existing video so that it looks natural.

Our unique approach to in-video advertising
Longstanding relationships with leading content owners and distributors (supply partners) mean we have had years to develop contextual intelligence from content.

Global reach
Unrivalled roster of content partnerships. Established relationships in place with global and local industry and regulatory bodies. Relationships with key research agencies.

Scalable solution
Our AI is trained to detect thousands of objects, locales and emotions. Our machine learning models have been trained with half a million minutes of content from our content partners.

What we deliver

Broadcasters, digital content platforms and producers
New inventory and revenue opportunity from existing content that helps transcend into the streaming age.

78%

of viewers see the format as innovative and original

(Source: Kantar, Toluna, Tencent averages across seven campaigns)

Advertisers
Powerful way to increase reach and to engage consumers with new contextual approach in content, improving key brand metrics and driving sales.

+38%

average increase in awareness

(Source: Kantar, Toluna, Tencent averages across six campaigns)

Viewers
Non-intrusive form of advertising that enhances the viewing experience rather than interrupting it and is preferred to traditional advertising.

85%

of viewers like the format

(Source: Kantar, Toluna, Tencent averages across seven campaigns)

Employees
High levels of engagement from working on the most exciting new proposition in marketing powered by leading edge technology mean our employees are proud to work at Mirriad.

95%

of employees are proud to work at Mirriad

(Source: Mirriad annual staff survey, Dec 2020)

Shareholders
Significant addressable market and scalable business model which should generate substantial returns over the medium term.

+193%

increase in share price

(AIM quoted mid-market share price change 1 Jan 2020 to 31 Dec 2020)

A STRATEGY FOR GROWTH

Expansion

Expand partner footprint and exploit new sources of content for scale, while extending the business model to include a direct-to-advertiser/agency marketplace approach

What we did in 2020
Signed new supply partners particularly in the USA culminating in the signature of a Tier One partner in November 2020. Launched the Mirriad Music Alliance. Continued to invest significantly in technology, gaining new patents and developing our machine learning capability

Our plans for 2021
Focus on execution and building a sustainable business with existing partners, with a reduced focus on signing new partners. Establish our business in the music sector working with artists, agents and music majors. Expand our data capability. Continue to expand patent portfolio. Explore the opportunities in live content

Link to risks
1 2 3 4 5 6 8 9 10

Link to KPIs
- Revenue
- Cash consumption
- Customers under contract

Adoption

Drive adoption with advertisers, continuing to activate the demand side of the market

What we did in 2020
Signed/renewed key supply partner deals in core markets. Continued demand-side engagement with key media agencies and brands

Our plans for 2021
Invest in our sales capability, particularly in the USA. Look to drive scale in the USA market which we anticipate will become our most important revenue source in the medium term

Link to risks
1 2 3 4 6 7 10

Link to KPIs
- Revenue
- Cash consumption
- Customers under contract

Build scale

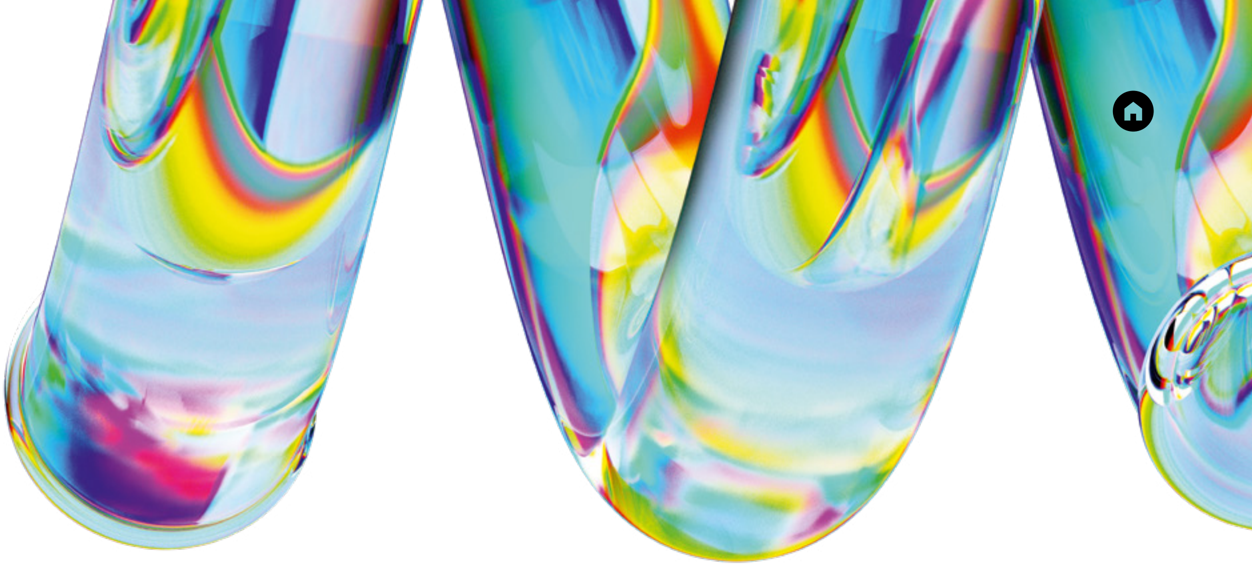
By developing into adjacent sectors, like music, and pushing adoption we aim to achieve scale. Build next-level technology solutions to enable scale and further establish Mirriad as the leading platform for next-generation brand advertising

What we did in 2020
Saw the highest ever monthly brand count in China in June 2020. Worked with a number of key brands to successfully demonstrate product efficacy

Our plans for 2021
Continue to work with key brands to grow revenue across our markets. Ensure our platform can support a significant increase in activity. Focus on data and further automation. Ensure we can connect to the ecosystem by building on existing core technology

Link to risks
1 2 3 4 5 6 7 10

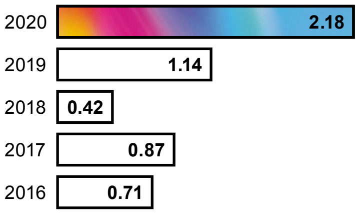
Link to KPIs
- Revenue
- Cash consumption



Revenue £m

£2.18m

+91.3%



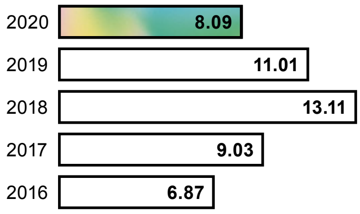
Definition
Revenue is the sum of all sales as included in the Group's financial statements.

Performance
A significant increase in revenue year on year mainly as a result of the Tencent contract signed in 2019. Revenues also increased in the USA.

Cash consumption £m

£8.09m

-26.6%



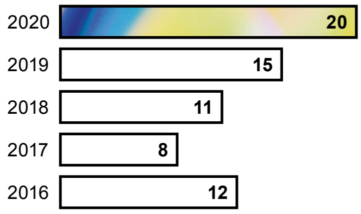
Definition
The sum of net cash used in operating activities and the net cash used in investing activities (see consolidated statement of cash flows on page 63).

Performance
Cash consumption reduced substantially during the year as operating costs benefited from the restructuring completed in 2019, there were some COVID-19 related savings and revenues increased.

Supply partners under contract

20

+33.3%



Definition
The total number of broadcasters and digital distributors operating under signed contracts at the end of the financial year.

Performance
The Company added several new key supply partners in the USA during the year including a Tier One partner in October 2020.

Key risks identified

– Read more on pages 25 to 27

1. Failure to break through with product
2. Lack of content supply
3. Supply partner dependency
4. COVID-19 risk
5. Ability to attract and retain staff
6. Competitor risk
7. Reputational risk
8. Foreign exchange risk
9. Centralised production risk
10. Working capital risk

A YEAR OF RECORD REVENUE

"The Company completed a successful fundraising of £26.2 million (gross) at the end of December 2020 which gives us the financial resources to continue to invest in our technology and build our sales capability, particularly in the USA."

Introduction

Figures published by Zenith suggest that worldwide advertising expenditure declined by 9.1% in 2020 with declines experienced in all of Mirriad's operating markets as COVID-19 impacted the global content and advertising business. In contrast, 2020 saw Mirriad achieve its highest ever revenue despite the impact of COVID-19. The Company completed a successful fundraising of £26.2 million (gross) at the end of December 2020 which gives us the financial resources to continue to invest in our technology and build our sales capability, particularly in the USA. All three of the Company's KPIs improved substantially over the year with revenues up 91.3%, cash consumption down by 26.6% and customers under contract up by 33.3%.

Current year results

Revenue for the year was almost double the prior year at £2.18 million (2019: £1.14 million) largely based on the revenue guaranteed in the Tencent contract. During the year the Group continued to focus on developing its operations in the USA, the world's largest advertising market, and Europe. In the USA we announced a deal with a Tier One entertainment giant supply partner in the final quarter and ran the first campaign for that partner in December. This deal adds to the existing supply partner relationships in the USA with Univision, Condé Nast and Tastemade. We also concluded a new deal with A&E Networks in the USA shortly before the year end, having added deals with Meredith and Fuse Media earlier in 2020. In Europe we focused on France where the Company continues to work with the major broadcasters and we ran a number of campaigns for France Télévisions. As in previous years we caution that sales cycles with large broadcasters and distributors are long and therefore it will take time to scale revenues.

Revenue was particularly strong in China based on our exclusive deal with Tencent Video announced in July 2019. This deal expired in March 2021 and some of the revenue under the contract was deferred from 2020 into 2021 as COVID-19 impacted the volume of campaigns booked during 2020.

As a result of the increased level of revenue, gross margin increased to £1.94 million (2019: £0.96 million). As noted in previous years the Company is making steady progress in automating key elements of its production process and our teams work with our technology to deliver campaigns. The vast majority of our cost of sales relates to our staff based in Mumbai. The staff element of this work is largely fixed at current volumes which means that margin is impacted by the throughput of work and has the potential to improve significantly as these volumes increase.

The Group's principal cost is staff. We previously reported that we had undertaken a significant volume of restructuring in 2019 and the impact of these changes have now fed through to our income statement. Over the course of 2020 administrative expenses decreased to £11.22 million (2019: £13.16 million). The Company took the decision not to furlough or put any staff on short working during the year to allow us to maintain momentum and continue our commitment to expanding scale.

The Company has continued to review and monitor the application of IAS 38 with respect to the capitalisation of development cost. The Company has continued to take the view that due to the uncertainty of future revenue generation it will not capitalise any development cost in 2020 even though technology remains key to the Company's business and internally generated software and IP remain a key focus for future development of the business. Accordingly, the income statement includes £2.43 million (2019: £2.32 million) related to research and development ("R&D") activity. In total expenditure on the Company's technology team increased by £0.12 million as average headcount was modestly increased.

The reduction in operating costs and improvement in gross margin fed through to EBITDA with the EBITDA loss decreasing to £8.63 million (2019: £11.51 million).

Likewise, the loss for the year before tax decreased to £9.09 million (2019: £12.15 million).

Tax

The Group has not recognised any tax assets in respect of trading losses arising in the current financial year or accumulated losses in previous financial years. The tax credit recognised in the current and previous financial years arises from the receipt of R&D tax credits.

Earnings per share

Loss per share was 4p per share (2019: loss of 8p per share) as a result of the reduction in operating costs over the year and the increase in the Company's issued share capital. This calculation is based on the weighted average number of shares in issue during the financial year.

Dividend

No dividend has been proposed for the year ended 31 December 2020 (2019: £nil).

Cash flow

Net cash used in operations was £8.06 million (2019: £10.95 million) as the benefits of the Group's restructuring flowed through to cash. The Group incurred £25,202 (2019: £62,484) of capital expenditure on tangible assets in the year. Net proceeds from the issue of shares in December 2020 totalled £24.78 million (2019: £15.29 million) following the successful fundraising.

Balance sheet

Net assets increased to £35.27 million (2019: £19.20 million) as a result of the proceeds from the issue of shares net of the losses for the year. Cash and cash equivalents at 31 December 2020 were £35.42 million (2019: £19.09 million).

Accounting policies

The Group's consolidated financial information has been prepared in accordance with International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006. The Group's significant accounting policies, which have been applied consistently throughout the year, are set out on pages 64 to 70.

Going concern

The financial statements have been prepared on a going concern basis. This is supported by the Company's successful fundraise in December 2020, where an additional £26.2m (gross) proceeds were raised, the substantial cash balance of £35.42m at the year end, the fact that the Company is debt free with no external borrowing and the Company's net cash outflow of £8.09m for 2020. After making enquiries and producing cash flow forecasts in a variety of scenarios, the Directors have reasonable expectations, as at the date of approving the financial statements, that the Company and the Group will have adequate resources to fund the activities of the Company and the Group for the next 12 months from the date of the financial statements.

Financial review continued

Revenue

£2.18m +91.3%

Cash consumption

£8.1m -26.6%

Supply partners under contract

20 +33.3%

Principal risks and uncertainties

The principal risks and uncertainties facing the Group are set out on pages 25 to 27.

Cautionary statement

The Strategic Report, comprising the Business and Financial Reviews, has been prepared for the shareholders of the Company, as a body, and no other persons. Its purpose is to assist shareholders of the Company to assess the strategies adopted by the Group and the potential for those strategies to succeed, and for no other purpose. The Strategic Report, containing the Business and Financial Reviews, contains forward-looking statements that are subject to risk factors associated with, amongst other things, the economic and business circumstances occurring from time to time in the sector and markets in which the Group operates. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a wide range of variables which could cause actual results to differ materially from those currently anticipated. No assurances can be given that the forward-looking statements in the Strategic Report, comprising the Business and Financial Reviews, will be realised. The forward-looking statements reflect the knowledge and information available at the date of preparation.

David Dorans
Chief Financial Officer
11 May 2021

MANAGING RISKS EFFICIENTLY

The Company has continued to apply a formal risk management process. Risks are identified by all business functions and territories in a standardised format that requires units to:

1. **Identify and specify the risk.**
2. **Assess its impact on a scale of one (low) to three (high).**
3. **Assess its probability of occurring on a scale of one to three.**
4. **Assign a risk rating calculated as the product of the impact and probability ratings.**
5. **Assess mitigating controls on a scale of one to three.**
6. **Assign a residual risk rating calculated as the product of risk rating and mitigation.**

All risks with a residual risk rating of 12 or more are identified for review. These risks are further assessed to determine whether they are significant enough to be designated as overall Company risks as opposed to departmental or territorial risks.

A full risk register is presented to the Company's Audit Committee and debated by the full Board. Both bodies consider whether the risks are complete and whether risks are being managed optimally since it may not be economic to remove the risk entirely (for example, foreign exchange exposures are not currently hedged though they may in the future). Company residual risk ratings of 12 and above receive regular Board/Audit Committee review and are addressed where practical.

The CFO has been delegated to manage Company-level risks on a regular basis. The Company updates the risk register on a quarterly basis.

Risk appetite

Mirriad is still an early-stage business and therefore presents an inherently risky investment for shareholders. The Board has therefore agreed on a conservative approach to risk. Each risk identified in the risk register has an identified owner who is responsible for ensuring that the risk is optimised as far as possible, taking into account that not all risks can be fully mitigated.

The Board holds Executive management accountable to ensure that it manages the business on a day-to-day basis in a way that doesn't increase the risk profile of the Company without explicit acknowledgement and debate by the Board. As general guidance, Executive management has been asked to run the business in such a way that the Company is not put at significant financial, operational or reputational risk.

Managing our risks continued

Impact of Brexit

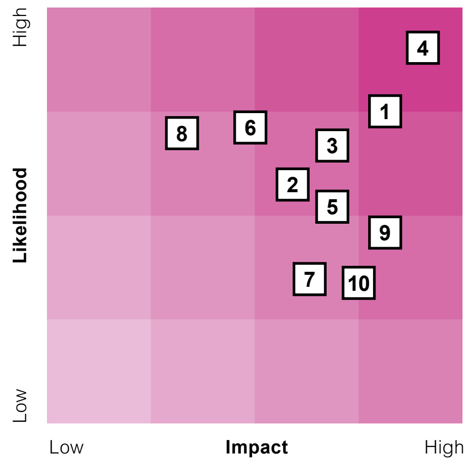
The principal impact of Brexit on the business relates to staffing in its UK operations. In common with many UK businesses, the Company employs staff from many different nations, including mainland European nationals who historically had the right to live and work in the UK. As the rules have now changed we have encouraged our EU national staff to seek settled or pre-settled status and will continue to monitor their status until 30 June 2021 when previous right to work status changes. The new points-based immigration system may offer opportunities for the Company to recruit from a wider range of territories. As the Company provides services rather than goods into the European mainland, VAT and customs changes have had little to no impact on the business.

Impact of COVID-19

In common with many businesses in the advertising and content sectors COVID-19 has had a significant impact on Mirriad. On the demand side the main impacts have been a general reduction in spend by advertisers in all the Company's operating markets and a focus by advertisers and media agencies on performance marketing products and established formats alongside a reduced willingness to try innovative formats like Mirriad. The supply side has seen a substantive reduction in new content creation due to the restrictions imposed by COVID-19. While the Company's technology is equally applicable to library content, both supply and demand partners tend to focus on new content as it has generally, but not always, a higher rating. We expect to see both these impacts reduce gradually over 2021.

Risk heat map

The heat map illustrates the key and significant risks identified and managed by the Company.



1 Failure to break through with product
2 Lack of content supply
3 Supply partner dependency for revenue generation
4 COVID-19 risk
5 Ability to attract and retain staff
6 Competitor risk
7 Reputational risk
8 Foreign exchange risk
9 Centralised production risk
10 Working capital risk

Principal risks

1

Failure to break through with product/drive revenue

Link to strategy

A B C

Risk description
Revenue generation is dependent on demand from media agencies and brands.

Mitigation
The Company has a clear go-to-market strategy that addresses the demand side of the market and will demonstrate how media agencies and their clients can grow using Mirriad.

Change

No change

2

Lack of content supply – reliance on supply partners to clear content

Link to strategy

A B C

Risk description
The Company relies on its distribution partners to supply rights-cleared content that allows digital insertion.

Mitigation
The Company remains actively engaged with distribution partners to discuss clearance issues and focus initially on content owned and controlled by partners.

Change

Reduced risk

3

Supply partner dependency for revenue generation – revenues flow from supply partners

Link to strategy

A B C

Risk description
The Company uses an indirect sales model whereby broadcasters/distributors sell campaigns using the Company's technology, which the Company then fulfils.

Mitigation
The Company is investing more in its own sales staff and expanding into adjacent markets where it is directly responsible for the sale (for example in music).

Change

Reduced risk

Key to strategy links

- A Expansion
- B Adoption
- C Build scale

Principal risks continued

4

COVID-19 risk

Link to strategy

A B C

Risk description
COVID-19 has significantly disrupted both the supply and demand side of the market.

Mitigation
The Company has increased opportunity in some adjacent markets (music) and some potential markets (live material).

Change

New risk for 2020

5

Ability to attract and retain staff

Link to strategy

A B C

Risk description
Employee value proposition remains under strain in many areas. Staff turnover reduced due to COVID-19 but likely to pick up once economies recover.

Mitigation
The Company has adopted a retention strategy for key staff and has reviewed its culture and employee value proposition. The Company has a Home Office sponsorship licence to allow it to recruit staff from outside the UK.

Change

Reduced risk

6

Competitor risk

Link to strategy

A B C

Risk description
Competitors starting to emerge in some markets which could damage the business' growth prospects and/or disrupt pricing and business model.

Mitigation
The Company believes that no competitor can match its services in terms of capability. The Company continues to invest heavily in technology, developing its patents and know-how.

Change

Increased risk

7

Reputational risk – concern that advertising embedded in content may be further regulated

Link to strategy

A B C

Risk description
Given concerns over data privacy and the impact of advertising, there is a risk of further regulation affecting the Company's product which may either be direct or indirect.

Mitigation
It is essential to educate the market about the use and impact of the Mirriad product and why it is not "subliminal" advertising and poses no particular data risk to consumers. The Company will also continue to provide evidence of customer acceptance of this form of advertising.

Change

No change

8

Foreign exchange risk –
many costs and revenues transacted in foreign currencies

Link to strategy

A B C

Risk description
The Company is exposed to a variety of currencies and currently earns minimal revenue in Sterling. Brexit continues to cause fluctuations in the value of Sterling, making forecasting more difficult.

Mitigation
The Company has a range of natural hedges in place as it has revenue-generating units in most of the territories where it has cost exposure.

Change

Increased risk

9

Centralised production risk –
centralisation of production in India creates a single point of failure in the event of physical or other loss of facility

Link to strategy

A B C

Risk description
The Company has centralised production services in India for efficiency and cost reasons but this creates a single point of failure. In the event of loss this impacts the Company's ability to deliver revenues at scale.

Mitigation
Distribution of services in the cloud mitigates single point of failure and allows remote working in case of infrastructure issues. A second internet connection to the office is also being set up to mitigate connectivity concerns. Operational staff in other offices are receiving additional training so they can partly cover work currently done in India if required.

Change

No change

10

Working capital risk –
the business may need further capital to achieve break-even

Link to strategy

A B C

Risk description
Given the early stage of revenue development the Company may need to raise additional capital to achieve break-even.

Mitigation
The Company successfully raised fresh capital in 2020.

Change

Reduced risk

Key to strategy links

A Expansion

B Adoption

C Build scale

STAKEHOLDER ENGAGEMENT

This section sets out an overview of how the Directors have fulfilled their duties under s172 of the Companies Act 2006.

s172 requires that Directors act in a way that is most likely to promote the success of the Company for the benefit of its members as a whole.

The Directors have had training in their duties generally from the Company's solicitors, Osborne Clarke LLP, and from its NOMAD.

The Directors' engagement and interaction with shareholders and wider stakeholders is specifically covered on pages 28 to 29 of this Strategic Report.

The specific requirements of s172 are that Directors have regard to:

- the likely long-term consequences of their decisions;
- the interests of the Company's employees;
- the need to maintain business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and environment;
- the desirability of maintaining a reputation for good business ethics; and
- the need to act fairly between members of the Company.

Overview of how the Board performed its duties in relation to its wider stakeholder group

Shareholders

The key decision impacting shareholders during the year concerned the Board's decision to raise new capital. The fundraising activity concluded with the Company raising additional capital of £26.2 million (gross) in December 2020. The Directors spent considerable time in the second half of 2020 debating the Company's long-term working capital needs. The Company has focused on delivering against the strategy outlined to shareholders in 2019. This has been well received and the Company's share price increased during 2020. The Directors were aware that any capital increase would be dilutive to existing shareholders but concluded that, on balance, the Company would be able to maximise long-term shareholder value for all members by increasing its capital base, particularly given the opportunity afforded by the increased share price. The Directors believe that the actions they took will ultimately allow the Company to develop its business over the longer term for the benefit of all shareholders.

Employees

The Company has spent considerable time and effort engaging with staff throughout 2020 as COVID-19 necessitated a move to fully remote working. The Board debated what mitigating measures the Company should take in the face of this unprecedented pandemic and concluded that it was imperative that staff remain engaged and motivated. The Company took a decision not to furlough any staff during the pandemic and to instead reduce hiring and freeze recruitment of some roles which had been planned in the Company's 2020 budget. The Company also focused on communicating more frequently with staff and took steps to consult with staff on mental health and other issues which could have been impacted by the change in working practices. The Company also had requests from staff in India and China to review the provision of health related benefits in these territories and as a consequence we rolled out new health benefits to staff in these territories in early 2021. The Company also called for volunteers from its staff to be part of three task forces contributing to plans for future ways of working at the Company so that change was employee led rather than top down.

Customers

The Company contracts with large broadcasters and distributors to offer a managed service whereby content, over which the distributor has the right to make insertions, is analysed for advertising opportunities; the Company inserts brand imagery once a campaign is sold and returns it to the distributor. To support its customers the Board has authorised expenditure on market research and investment into sales staff to educate and evangelise the Company's product to the wider market. The objective of market research is to provide credible data to demonstrate that audiences welcome and accept the Company's form of advertising and that it is an effective marketing medium for brands. By taking a long-term approach to market development via this research and sales support, even though current revenues remain modest, the Board believes that the interests of its customers and shareholders are maximised. The Board also endorsed the decision of the Executive Directors to explore adjacent business areas with a particular focus on the music sector, which has been significantly impacted by the COVID-19 pandemic. This culminated in the launch of the Mirriad Music Alliance in November 2020, which aims to work with artists and their agents to monetise music content as more traditional avenues to revenue have been curtailed by the pandemic.

Overview of how the Board performed its duties with respect to decision making, governance and risk management

The Directors have set out how they make decisions and their approach to governance in the Corporate Governance section of this report on pages 34 to 52.

Overview of how the Board performed its duties with respect to culture and values

The Board's approach to culture and ethics is outlined in the Corporate Governance section of this report on pages 34 to 52. The Company's approach to dealing with colleagues is set out in the Sustainability section of this Strategic Report on pages 30 to 33.

PEOPLE, VALUES, VALUE

The Company published a new Environmental, Social and Governance Framework in November 2020. This was debated with the full Board before it was finalised.

The Company has historically focused its time on ensuring that there is a sound governance framework across the business and that it meets best practice for a business of its scale. In the social area the Company has spent considerable time and effort working with its teams as it has consistently stated that people are its most valuable resource.

For 2021 we expect to spend more time looking into our environmental impact and have committed to establish a base point for the Company's carbon footprint which will enable us to take steps to move to carbon neutrality over time.

The Company's governance framework is covered in more detail on pages 34 to 41 of this Annual Report. In the section below we talk in more detail about people and culture.

We will cover environmental impact in future Annual Reports.

A strong culture

2020 has been an enormously challenging year for our staff and we are proud of the way they have handled the COVID-19 pandemic as the entire Company moved to remote working.

Creating a culture of respect, parity, quality and pride is immensely important to Mirriad as we are a people-based business. This has been extremely tough when our teams have been unable to meet physically. At the time of drafting this Annual Report our team in Shanghai has returned to the office, some of our staff in Mumbai are working from the office with the majority continuing to work from home, and all our staff in London and New York are working remotely. We continue to have an active dialogue with our staff about when, and in what form, to return to the office. Our expectation is that we will agree new working patterns on an office by office basis.

We have worked extremely hard to communicate and bring our teams together while they have been working remotely by increasing the frequency of our regular Company Town Hall meetings so that they happen at least once every two weeks and often weekly. We continue to engage with staff on their physical and mental wellbeing and we established three working groups chaired and staffed by volunteers drawn from across the Company to consider:

1. Tracking performance – our aim is to develop a new way of working. We want to transition from a culture of presenteeism to a results-based performance culture. To do that this group was asked to explore and find effective ways/tools to drive, motivate and measure our collective performance.
2. Virtual collaboration and learning – our aim is to create effective and creative ways of collaborating and learning in a virtual/hybrid world of work. To do that this group was asked to research innovative ways of collaborating and working drawing on their own and others' experiences.
3. Supporting our teams – our aim is to find meaningful ways of supporting all employees now and in the future. To do that the group was asked to consider physical/mental wellbeing issues now and in the future.

The groups reported back to the Executive Directors in Q4 2020 and a number of initiatives have been taken forward and are being rolled out across the business during 2021.

During 2020 we also brought a new focus to issues related to diversity and inclusion. In 2020 we created the Company's first Diversity Manifesto, details of which are covered below. We remain committed to creating a single progressive and cohesive culture across our operating bases and to constantly assessing our structure and resourcing to ensure we allocate the right people to the right roles in the right geographies.

High and frequent engagement

We use a variety of methods to engage with our team:

- We hold multiple Town Hall meetings every month for the whole team. This allows us to share updates with the whole Company and to answer any questions.
- We conduct a staff survey annually.
- We have conducted pulse surveys to assess morale and wellbeing during 2020.

We ran our annual survey in December 2020 and again it produced extremely positive results despite the challenging working conditions as a result of COVID-19.

The engagement survey had a response rate of 87%, an increase of 4% over 2019. We are really pleased to report that 95% of our team report being proud to work for Mirriad.

106

people

97%

agreeing or strongly agreeing that "Mirriad enables me to balance my work and personal life"

Very strong results

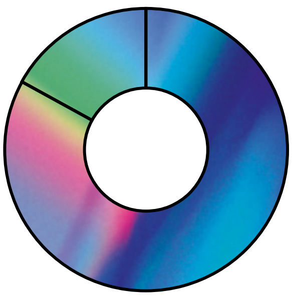
The main findings were that:

- Overall satisfaction was 91% which was in line with 2019 (92%). This is a remarkable result giving the significant changes in the way we work.
- The highest levels of satisfaction were for the statements:
  - Mirriad enables me to balance my work and personal life (97% agreeing or strongly agreeing) – this is a new question for 2020;
  - I am happy with the relationship between myself and my manager (96% agreeing or strongly agreeing);
  - I am inspired and motivated by my manager (95% agreeing or strongly agreeing); and
  - my colleagues are committed to doing quality work (96% agreeing or strongly agreeing).
- All results remain extremely positive. We will look to optimise the following areas in 2021:
  - my performance is measured against outcomes and metrics that are clearly explained (82% agreeing or strongly agreeing);
  - in my role there are ongoing opportunities to learn and grow (84% agreeing or strongly agreeing);
  - the mission, vision and values of the organisation are clearly defined and fulfilment of my job counts towards achieving them (86% agreeing or strongly agreeing); and
  - I am valued for my contribution (88% agreeing or strongly agreeing).

We are continuing to consider more innovative ways to measure performance and set individual goals for staff and have rolled out a new system to support objective setting in Q1 2021.

Board

Female **1 (17%)**



Male **5 (83%)**

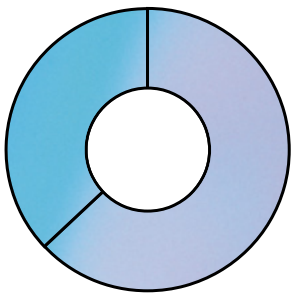
Employees

Female **32 (30%)**

Male **74 (70%)**

Management

Female **11 (37%)**



Male **19 (63%)**

Other employees

Female **21 (28%)**

Male **55 (72%)**

DIVERSITY AND INCLUSION

At the start of 2020 we had little data on the diversity of the organisation and so we asked staff, on a voluntary basis, to provide data on ethnicity across our operating businesses. We are gratified to see that this data supports our instinct that we are a diverse business with key statistics showing that our workforce is generally more diverse than the average in each of our markets. This exercise did highlight that, in common with many technology businesses, we need to work harder to achieve a more balanced gender profile amongst staff. We have a number of initiatives to encourage more female participation in the Mirriad workforce at all levels and this is a key objective for the Company going into 2021.

As part of that objective we have spent time talking to our female staff and present profiles of some of our female team in this report.

All of our leadership team attended a series of training seminars during the latter part of 2020 and Q1 2021 covering a range of Diversity & Inclusion ("D&I") related issues. We see it as critical that our senior leaders understand and recognise the issues related to D&I and can lead from the front as we take the Company culture forward.

Women at Mirriad

We believe that by demonstrating that Mirriad is a company where women can find a place and a voice we will encourage a more gender balanced profile. We are extremely proud to have appointed our first female Board member, Kelsey Lynn Skinner, who joined the Board in February 2021.

We believe that by showing profiles of some of our female staff and sharing their stories that we can encourage more women to want to work for the Company. In Q1 2021 two of our female staff invited their colleagues to participate in interviews profiling them and the work they do and what they value about working for the Company. A small selection of this work is shared on the next page.

CEO's Diversity Manifesto

We are firmly convinced that organisations that unite different cultures, viewpoints, orientations, genders and ethnicities create better and more successful teams who deliver work of greater meaning and value.

Our D&I strategy has no beginning or end: it is a daily task. Every individual at Mirriad has a responsibility to ensure that D&I is practised across all aspects of our business. Our leadership has a particular duty to anchor and disseminate these beliefs. Our leaders need to encourage curiosity and the exchange of ideas. Our leaders need to cultivate a working environment that promotes equality and respect, one that has zero tolerance of fear, discrimination and injustice.

Our D&I strategy is not limited to ourselves as a team: we need to apply our beliefs and principles to those we chose to work with and in how we deliver value.

In our D&I strategy we commit ourselves to contributing to the greater good in our environment, in our society, and making our world a better place.

Strategic pillars

Recruitment

We are committed to attracting and onboarding a diverse range of people.

Creating an inclusive culture

We will educate our teams to build an inclusive culture where we all get a sense of belonging, being heard, safe and recognised for our contribution.

Re-addressing the balance

We will build mixed teams, rich in diversity with a particular focus on gender. We will continue to measure and report on diversity within Mirriad.

Fair opportunity

We will ensure our people have the same opportunities irrespective of where they come from.

Laura Smith
Principal Developer, London

What attracted you to Mirriad?
I wanted to work with a more diverse workforce. Mirriad came up and I thought it was a great tech opportunity. The interview was really nice. Instead of a rigid tech interview, it was more of a discussion about how we could design solutions and solve problems, which is how I like to work. Mirriad tech is very forward thinking and there's a lot of cool stuff happening.

What do you like most about working for Mirriad?
I like the fact that we have an open discussion; ideas are welcomed from all levels and together we come up with really good solutions. We've got an open approach to technology, with the freedom to come up with new proposals and the possibility of implementing them if it works for us. We're constantly learning and pushing each other to be better. My own team is 50% women, which is pretty unheard of in tech. There's still a lot to be done in other teams and to maintain that level but it's a good feeling.

What advice would you give someone applying for a role in your team at Mirriad?
I would advise them to just go for it. Don't worry if you don't meet all the requirements, just be honest and come and talk to us; we may find there's a place for you.

Ping Jiang
Creative Support, Shanghai

What attracted you to Mirriad?
Mainly the tech – it's really impressive. I'm also very proud to work for Mirriad. When I first joined, I didn't know much about our tech, so I was flown to the Mumbai office for training and I was really impressed with how my team leader gave me very detailed training. We have our own technology here; we not only offer an advertising service, but we also have our own R&D in the London office, which I think extends our capabilities.

What do you like most about working for Mirriad?
I like the working atmosphere the most. Everyone at Mirriad is smart; for example in the Shanghai office, every single employee was selected very carefully. They're all highly educated; this is great because we all learn from each other.

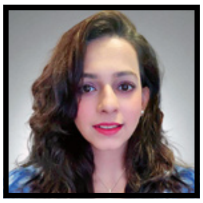
What advice would you give someone applying for a role in your team at Mirriad?
I would like to advise anyone applying for a role similar to mine to strengthen your skills in Photoshop and motion graphics and have enthusiasm about being in a creative environment. Also, it would be helpful if they enjoyed a fun company culture!

Maria Teresa Hernandez
VP, Sales and Brand Partnerships, New York

What attracted you to Mirriad?
I was working in traditional product placement and, though it was a great opportunity for brands to weave into content, there were so many challenges once you really got under the hood. Mirriad's post production tech had come up in some client conversations and it was serendipitous in some ways because once I fully understood what Mirriad's tech could do, it was the solution for so many of those challenges my clients were seeing in traditional product placement.

What do you like most about working for Mirriad?
I like that we are a pioneering and innovative technology that radicalises branded integration. By enabling brand scale, creative control and the ability to go live within weeks in upcoming programming, we're turning traditional product placement on its head and that's exciting!

What advice would you give someone applying for a role in your team at Mirriad?
You've made the right decision to apply! Mirriad is an amazing company, with co-workers who become family.



Bhavika Sarda
Regional Operation Lead, Mumbai

What attracted you to Mirriad?
Before I started at Mirriad I was doing a course, then I got hired as a Compositor. I really wanted to work and do the course at the same time and I thought it would be interesting to work for Mirriad and to gain more knowledge while I studied. Then I moved to being a Team Lead for the content analysts and more recently I have become the Regional Operational Lead for Client Services. I have worked in many roles to learn more skills; that's what's kept me hooked on Mirriad.

What do you like most about working for Mirriad?
There is a new challenge every day. I'm so grateful I have a good manager; he's given me loads of new opportunities. I also enjoy doing my job every day! I love a little bit of everything — the planning, the communication, the creative aspects, the cyclical nature of the job, and my co-workers.

What advice would you give someone applying for a role in your team at Mirriad?
They should be open to having lots of fun and learning new things and if they got the job, I'd say "Welcome on board!"

CHAIRMAN'S INTRODUCTION

On behalf of the Board, I am pleased to present our Corporate Governance Statement for the year ended 31 December 2020.

As previously reported the Company fully complies with the Quoted Companies Alliance Corporate Governance Code (the "QCA Code"). We have continued to work on the application of specific parts of the Code and have continued to monitor best practice developments in applying the Code.

A key part of my role is to ensure that the Company operates to high standards of governance and that we instil a sound attitude to governance throughout the Group, reacting to changes and making recommendations to improve governance. My Board colleagues and I continue to recognise the value and importance of high standards of corporate governance. The Company published a new Environmental, Social and Governance ("ESG") Framework in November 2020. In the ESG Framework we set out principles and highlighted areas for focus in 2021 particularly around the Company's impact on the environment and in the area of diversity. More detail on the Company's work in ensuring diversity is set out on pages 32 and 33 of this Annual Report.

Following the year end we announced that Mark Reilly would step down from the Board following many years of working with the Company and as Director since the Company's IPO in December 2017. I would like to thank Mark for his hard work and dedication to furthering the Company's development during his tenure.

We also announced that Kelsey Lynn Skinner would be joining the Board. Kelsey has extensive career experience with technology companies in both the USA and the UK. She studied engineering at Stanford University before joining a Palo Alto venture capital firm and quickly ascending to partner. After 12 years in Silicon Valley and several USA board roles, she relocated to London in 2012 and joined venture capital firm Touchstone Innovations (previously Imperial Innovations) which was later acquired by IP Group plc.

For the past nine years she has served as NED, chair and committee lead on a number of growing UK technology companies, contributing to strategic growth and value capture for shareholders and engaging USA co-investors. She was named to the Sunday Times finalist list for "Non-executive Director Awards" in 2018 and also named by Investment Week magazine as "Investment Woman of the Year."

Kelsey is a great appointment for Mirriad. Her wealth of experience in Silicon Valley and in London aligns perfectly with the renewed technology focus that will define Mirriad as the in-content solution for a new era in audience engagement. We look forward to drawing on her impressive technology and strategic growth credentials as Mirriad seeks to deliver further long-term scale.

My role as Chairman

My role is to ensure that the Board operates effectively in delivering the long-term success of the Company. In fulfilling this role, I seek to ensure that Board meetings are conducted to allow all Directors to have the opportunity to express their views openly and that, in particular, the Non-executive Directors are able to provide constructive support and challenge to the Executive Leadership Team.

Culture and business ethics

The Company has worked hard, as evidenced by its staff survey feedback, to ensure that it has established a culture in which staff feel comfortable raising concerns and issues as well as ideas and proposals that allow the business to innovate and develop. Given that most of the Company's staff have been working remotely for most of 2020 communication and a focus on mental wellbeing are more important now than ever. I am delighted that the staff survey results continue to demonstrate that the Company has been successful in this area despite the challenges we faced in 2020. We have provided more detail on this in the section on stakeholders and people earlier in this report.

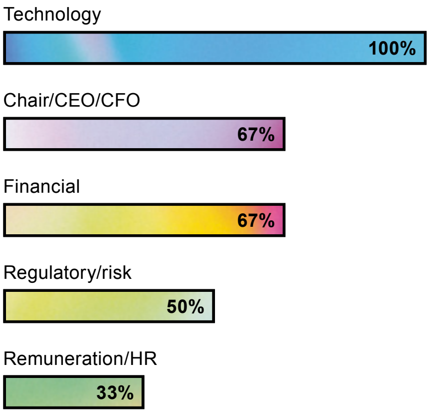
All of the Directors consider it essential that stakeholders continue to trust the way the Group operates and that it maintains a reputation for ethical business practices and high standards of integrity. This is particularly important given that the Group's business covers a range of territories where local requirements differ and where we require our local staff to adhere to UK statutory rules. We have reaffirmed our commitments in this area in the ESG Framework we published in November 2020.

We continue to insist on mandatory annual training covering anti-bribery and fraud and in addition have now included mental health and diversity and inclusion modules in our online training provision for all staff. It remains critical that senior managers are actively involved in ensuring our culture and ethical values are shared by all employees. Using online training also allows the Company to monitor completion of that training across the Group and address any areas of concern. We continue to insist that all staff undertake this training on an annual basis.

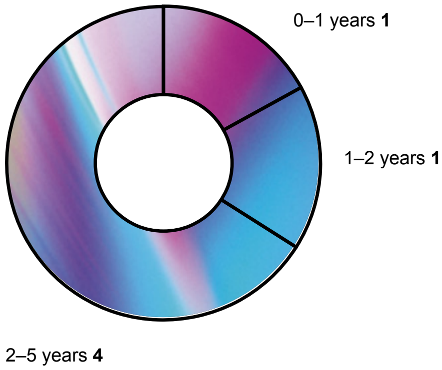
John Pearson
Non-executive Chairman
11 May 2021

COMPOSITION OF THE BOARD

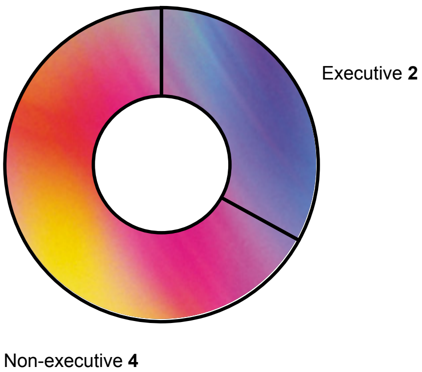
Board skills and experience



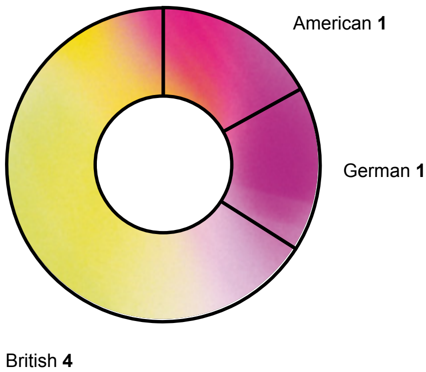
Directors' tenure



Balance of the Board



Board members by nationality



EXPERIENCE AND INSIGHT

John Pearson
Non-executive Chairman

Experience
Joined the Board in October 2017. On 30 April 2019 John Pearson took up the role of Non-executive Chairman. John Pearson has a long history in advertising and media along with commercialisation and general business development of rapidly growing companies. He brings plc board experience to the Company. John's role is to run the Board, ensure the correct corporate governance is in place, challenge the strategy proposed by Executive management and take into account the views of wider stakeholders.

Prior expertise
Former CEO of Virgin Radio and Virgin Radio International, director of Ginger Media, chairman of Shazam and co-founder of World Architecture News.com and food.com.

Sector experience
Advertising, marketing, technology, digital, corporate governance and M&A.

External appointments
Chairman of Imagen Video Asset Management Ltd and director of Classic Racing EGTS Ltd.

Stephan Beringer
Chief Executive Officer

Experience
Joined the Board in September 2018 to take on the role of Chief Executive Officer following a long career in the advertising industry where he covered a breadth of roles from creative to strategy to technology to data. Stephan Beringer has been tasked with renewing the Company's strategy and the way it operates to ensure that the Company is on a path to growth.

Prior expertise
President of data, technology and innovation at Publicis. CEO of VivaKi, driving the transformation of Publicis' programmatic buying and servicing model. He has worked with some of the world's biggest brands including McDonald's, Audi, Nissan, Asus, P&G and Michelin, and led key technology partnerships and initiatives with companies such as Adobe, Microsoft and Google.

Chief growth and strategy officer for the digital technologies division of Publicis Groupe, international CEO for Digitas and Razorfish, and global chief strategic officer and president of Tribal DDB EMEA.

Sector experience
Advertising, media and digital agencies, technology, business strategy and M&A.

External appointments
None.

David Dorans
Chief Financial Officer

Experience
Joined the Board in December 2017 following a career in the broadcasting and technology sector where his roles have included financial leadership and operational roles. David's task is to manage the financial and risk aspects of the Company as well as leading the human resources function.

Prior expertise
Chief financial officer at Mindshare UK, chief financial officer of YouView, head of distribution and broadcast technology at Channel 4 and general manager of UKTV. David Dorans is a Fellow of the Institute of Chartered Accountant in England & Wales having qualified with Coopers & Lybrand (now PricewaterhouseCoopers LLP).

Sector experience
Financial management, corporate governance, technology, media, advertising and HR.

External appointments
None.

A Audit Committee member

R Remuneration Committee member

Committee Chair

Bob Head
Non-executive Director

A R

Experience
Joined the Board in June 2019 following a career in senior financial roles across many sectors with a focus on technology.

Prior expertise
A qualified chartered accountant, an Associate of the Chartered Insurance Institute and a Fellow of the Institute of Bankers. A long career in financial services including tenure at Prudential (where he co-founded egg plc, the first UK internet bank) and the Co-operative Bank plc (where he was the first CEO of smile.co.uk) and nine years spent in various senior roles with Old Mutual. He has also spent time in South Africa where he was a member of the Executive Committee of the South African Revenue Service and interim chief financial officer at South African Airways.

Sector experience
Financial management, risk management, technology, corporate governance and HR.

External appointments
Non-executive director of Personal Group Holdings plc, Alexander Forbes International Limited, Personal Group Limited, Personal Assurance plc and Alexander Forbes Group Holdings Limited.

Alastair Kilgour
Non-executive Director

R

Experience
Joined the Board in December 2017 having been the representative of Parkwalk Advisors Limited prior to that. Alastair Kilgour has significant venture capital experience and adds expertise on fundraising and shareholder management to the Board.

Prior expertise
Possessing a depth of experience in the investment and fund management community, before founding Parkwalk Advisors Limited Alastair Kilgour was a partner of Lazard LLP, a director of BNP and a founder partner of Ark Securities.

Sector experience
Venture capital, banking, funding strategy and M&A.

External appointments
Chief investment officer at Parkwalk Advisors Limited, director of Albert Innovations Limited, Beatrice Innovations Limited and Victoria Innovations Limited. Director of the following companies via Parkwalk corporate directorships: PetMedix Ltd, Congenica plc, Predictimmune Ltd, Mogrify Ltd, Phoremost Ltd and GeoSpock Ltd.

Kelsey Lynn Skinner
Non-executive Director

A R

Experience
Joined the Board in February 2021. Kelsey is a partner in the technology team at IP Group plc, one of the UK's leading intellectual property commercialisation specialists. She has extensive venture capital experience gained in the UK and previously in Silicon Valley.

Prior expertise
After 12 years in Silicon Valley, Kelsey relocated to London in 2012 and joined venture capital firm Touchstone Innovations (previously Imperial Innovations) which was later acquired by IP Group plc. For the past decade she has served as NED, chair and committee lead on a number of growing UK technology companies. An engineer by training, Kelsey graduated in Mechanical Engineering and with an MBA from Stanford, where she played fullback for the national champion women's rugby team.

Sector experience
Technology, venture capital, funding and strategy.

External appointments
Aqdot Limited (representing director via IP2IPO Services Limited), Inflowmatix Limited (representing director via IP2IPO Services Limited) and Econic Technologies Ltd (representing director via IP2IPO Services Limited).

Corporate governance statement

Board effectiveness

The Board continued to monitor its own effectiveness during 2020. The Board undertook its third evaluation of its own performance led by the Chairman and Company Secretary at the end of 2020. This evaluation was, like the evaluations in 2018 and 2019, carried out using a questionnaire sent to all Directors, which was returned confidentially to the Company Secretary, who collated the findings. The full results of the evaluation, including verbatim comments from the Directors, were discussed at the Board meeting in January 2021 where actions to be taken during 2021 were agreed.

A summary of the key insights is set out below.

What is working well?

1. The Board has good insight into developments in the industry and strong understanding of strategy and the capability of the business.
2. There is a clear vision, priorities and values and understanding of risk appetite.
3. The Board felt assured that the vision and strategic priorities are being implemented.
4. The Company has a clear corporate governance structure and strong Board preparation and forward planning.
5. The Chair and CEO provide strong leadership and ensure effective operation as a Board.
6. There is healthy debate at Board meetings with appropriate challenge by NEDs.
7. There was positive feedback on the effectiveness of the Audit and Remuneration Committees.

Areas for future focus

1. The diversity of the Board remains a key concern for Directors. (The diversity of the Board was subsequently improved by the appointment of Kelsey Lynn Skinner in February 2021.)
2. COVID-19 has impacted the Board's engagement with staff.
3. Benchmarking the performance of the business against similar organisations is very difficult due to the lack of direct competitors.
4. More formality in Remuneration Committee and Audit Committee reporting to the Board should be considered.
5. The Board committed to review senior management capacity going forward as the Company grows.
6. The Board would like the Executive Directors to develop additional KPIs on the sales pipeline as the Company moves forward.

Board composition and responsibilities

The Board's primary role is to focus on building shareholder value by identifying and assessing business opportunities balanced against the associated risks.

The Group is controlled by a Board of Directors which, as at 31 December 2020, comprised a Non-executive Chairman, three other Non-executive Directors and two Executive Directors. The Board considers two of its members to be independent. The Chairman is John Pearson and the Chief Executive Officer is Stephan Beringer.

The overriding responsibility of the Board is to provide clear, entrepreneurial and responsible leadership to the Group within a framework of efficient and effective controls so as to allow the key risks and issues facing the business to be assessed and managed. The Board operates both formally, through Board and Committee meetings, and informally, through regular contact between the Directors and senior executives. There is a schedule of matters specifically reserved to the Board, including approval of interim and annual financial results, setting and monitoring of strategy and examining business expansion possibilities. The Board is supplied with sufficient information in a timely manner, in a form and quality appropriate to enable it to discharge its duties. The Directors can obtain independent professional advice at the Group's expense in the performance of their duties as Directors.

Senior executives below Board level attend Board meetings when appropriate to present business updates.

As a result of the impact of COVID-19 Board meetings moved to fully remote mode from March 2020 onwards and continue to be held by video conference. The Board intends to continue with this method of meeting until such time as it is deemed safe to return to some form of office working. As a result the level of interaction between the Board and Company staff was necessarily reduced during the year. Interaction with staff still continued via video conferencing but at a reduced level from prior years.

The roles of Chairman and Chief Executive are separate, and there is a clear division of responsibility at the head of the Group. The Chairman is responsible for running the business of the Board and for ensuring appropriate strategic focus and direction. The Chief Executive Officer is responsible for proposing business strategy and plans to the Board, implementing them once approved and overseeing the management of the Group with the Group's other senior executives.

Board independence, appointment and re-election

The Board considers both the Chairman and Bob Head, a Non-executive Director, to be independent. Both the Chairman and Bob Head were granted options to purchase shares in the Company during the year. In addition, all Directors except Mark Reilly invested in Company shares in the 2020 fundraising both to reflect their belief in the Company and to ensure their interests align with those of the wider investor base (see Directors' holdings in the Company in the Directors' Report). The Board is satisfied that both John Pearson and Bob Head are independent in character and judgement, and that there are no relationships or circumstances that would materially affect or interfere with the exercise of their independent judgement including the options held.

All Directors who held office during the year hold shares in the Company. On 24 February 2021 Mark Reilly stepped down from the Board and was replaced by Kelsey Lynn Skinner. Kelsey holds no shares in the Company. The Directors' interests in shares and options of the Company are shown in the Remuneration Committee Report (options) and the Directors' Report (shares).

Board and Committee meetings

The Board normally meets on a monthly basis and aims to meet a minimum of 10 times per year for formal Board meetings. It also arranges ad hoc meetings to consider strategic issues and approve key operational decisions as required.

The Executive Directors are responsible for carrying out decisions reached by the Board and, where appropriate, communicating the decisions of the Board and any necessary actions to be taken to the employees of the Company through the appropriate line management channels.

The Directors are expected to attend all meetings and receive appropriate and timely information from the Executive Directors ahead of each Board meeting.

The Board has reviewed its composition and is very pleased to welcome Kelsey Lynn Skinner to the Board based on her expertise in technology companies, early stage ventures and her breadth of experience. The Board remains satisfied with the balance between Executive and Non-executive Directors. The Board believes that the current composition allows it to exercise objectivity in decision making and properly control the Group's business activities and risks.

The Board notes the recommendations in the QCA Code that a company should have at least two independent non-executive directors and should not be dominated by one person or a group of people. The Board believes it meets this recommendation, except in respect to the holding of Ordinary Shares in the Company by the Directors. As Alastair Kilgour and Kelsey Lynn Skinner are substantively employed by Parkwalk Advisors Limited and IP Group plc respectively, they are not regarded as independent but bring significant skills to the Board as set out on page 37.

Each of the Directors is subject to retirement by rotation and re-election in accordance with the articles of association of the Company. All Directors appointed by the Board are subject to election by shareholders at the first Annual General Meeting after their appointment and generally serve terms of three years. Alastair Kilgour and Bob Head were re-appointed as Directors at the last Annual General Meeting. As Kelsey Lynn Skinner was appointed as a Director by the Board on 24 February 2021, after the last Annual General Meeting, she is offering herself for election at the forthcoming Annual General Meeting. In accordance with the Company's Articles John Pearson and David Dorans will also offer themselves up for re-election at the forthcoming Annual General Meeting of the Company.

Conflicts of interest

In accordance with an established procedure, all Directors are required to notify the Board of any conflicts of interest at the start of each Board meeting. This is formally recorded in the minutes by the Company Secretary, and any Director disclosing a conflict is required to excuse themselves from the matter on which they have a conflict. Any planned changes to their interests, including directorships outside the Group, are officially disclosed to the Board. There were no relationships declared in 2020 that were considered to conflict with the Company's business and therefore there was nothing that was deemed to affect the independence of the Directors.

Meeting attendance

Number of meetings and attendance while in post

Member	Board*	Audit Committee	Remuneration Committee
John Pearson	10/10	—	—
Stephan Beringer	10/10	—	—
David Dorans	10/10	—	—
Bob Head	10/10	3/3	4/4
Dr Mark Reilly	10/10	3/3	4/4
Alastair Kilgour	10/10	—	4/4

* These were the formally scheduled Board meetings. In addition to these there were a further 10 strategic Board meetings, most of them related to the 2020 fundraising, which were attended by all Board members.

Development, information and support

The Directors have unrestricted access to the Group's management and advisers. When new Directors are appointed, they receive an induction facilitated by the Chief Financial Officer. This induction includes meetings with key members of management and briefings on the Group's business, its industry and public company duties generally. Directors are generally able to visit the Group's operations overseas on request although this has not been possible during most of 2020. The Directors have continuous access to the knowledge and expertise of senior management, are free to meet with them at any time and can attend Executive management strategy and planning sessions. Directors are also able to get external advice at the expense of the Company should they feel this is necessary.

The Directors have a wide variety of expertise drawn from different industries and business functions. This diversity adds value to the Board as the Directors can draw on their deep and wide range of experiences in other international businesses and publicly listed companies. This means that, collectively, the Directors are able to bring significant expertise to the table, enabling them to make high quality, diverse and relevant contributions to Board discussions. This enriches debate and allows carefully considered judgements to be reached, consensus to be arrived at, and informed decisions then taken. The Non-executive Directors provide both support and constructive challenge to senior management when reviewing proposals. They then monitor performance against agreed strategy and plans over both the short and longer term.

Corporate governance statement continued

Development, information and support continued

All Non-executive Directors are appointed for an initial term of three years subject to satisfactory performance. Their contracts can be renewed for additional three-year terms following review by the Board and approval by shareholders at the next Annual General Meeting. All Non-executive Directors are expected to devote as much time as necessary for the proper performance of their duties, which is anticipated to be a minimum of two days per month on work for the Company for most Non-executive Directors and approximately five days per month for the Chairman. Directors are expected to attend all Board meetings and meetings of Committees of which they are members and any additional meetings as required.

Neither the Board nor any of its Committees felt it necessary to commission specific external advice on any areas during the year. The Board and Committees do place reliance on external advice commissioned directly by the Company and have direct access to it and the Company's advisers including the Company's NOMAD, who is available to all Directors to provide regulatory and other guidance. Specific advice has been received during the year on fundraising activities and strategic development of the business.

Succession planning

The Board continues to review its composition and debated it during 2020. The lack of reflective diversity among Board members was flagged in the Board evaluation work in both 2019 and 2020. The Board was therefore particularly pleased to add Kelsey Lynn Skinner on 24 February 2021. Kelsey brings a depth of experience in technology companies and venture businesses while at the same time adding to the Board's reflective diversity.

The Board currently considers its composition to be appropriate in view of the size and requirements of the Group's business and the need to maintain a practical balance between Executives and Non-executives.

The whole Board acts as the Company's Nomination Committee and the Company does not have a separate Nomination Committee. The appointment of any new Non-executive Directors is therefore subject to discussion and ratification by the full Board, as was the case with Kelsey Lynn Skinner. The Company will continue to monitor whether it would be useful and helpful to create a separate Nomination Committee.

At the end of 2020 Hannah Coote resigned as Company Secretary. The Board would like to extend a vote of thanks to Hannah for all her hard work for the Company over the last two years. Hannah has been replaced by Will Crompton, who took up his post in December 2020.

Board Committees

The Board has two Committees: the Audit Committee and the Remuneration Committee.

Audit Committee

During the year the Audit Committee had two Non-executive Director members: Bob Head (Chairman) and Mark Reilly. The Group's external auditors and the Chief Financial Officer are invited to attend Audit Committee meetings. Following Mark Reilly's resignation on 24 February 2021 Kelsey Lynn Skinner was appointed to the Audit Committee.

The Audit Committee has responsibility for, among other things, monitoring the financial integrity of the financial statements of the Group and the involvement of the Group's auditors in that process. It focuses on compliance with accounting policies and ensuring that an effective system of audit and financial control is maintained, including considering the scope of the annual audit, the extent of the non-audit work undertaken by the external auditors and advising on the appointment of the external auditors. The ultimate responsibility for reviewing and approving the Annual Report and Accounts and the half-yearly reports remains with the Board.

The Audit Committee meets at appropriate times in the financial reporting and audit cycle, and at least twice a year. The terms of reference of the Audit Committee cover issues such as membership and the frequency of meetings, together with requirements of any quorum for, and the right to attend, meetings. The responsibilities of the Audit Committee include the following: external audit, financial reporting, internal controls and risk management. The terms of reference also set out the authority of the Audit Committee to carry out its responsibilities.

Any non-audit services that are to be provided by the external auditors are reviewed in order to safeguard auditor objectivity and independence.

The external auditors have the opportunity during Audit Committee meetings to meet privately with Committee members in the absence of Executive management.

The Group continued to update its risk register during 2020, with the most recent register being compiled in Q4 2020. This register was presented for consideration, review and amendment at the Audit Committee. Not all risks can be mitigated or would be expensive to do so. The approach is very much one to optimise the net risk. Following approval, the risk register was recommended to and adopted by the full Board.

During 2020, the Audit Committee reviewed and debated the report of the Company's external auditors and requested appropriate follow-up by the Chief Financial Officer. The Committee also reviewed the terms of appointment of the external auditors and their proposed audit approach for the 2020 audit (undertaken in 2021).

At each meeting the Audit Committee reviews the progress to clear items noted by the auditors in their management letters.

The Committee has discussed the risk management model. At this stage of development the Committee considers the three lines of defence model premature. However, this will be kept under review.

In the second half of 2020 the Financial Reporting Council wrote to the Company to inform it that the Company's 2019 Annual Report and Accounts had been reviewed with a particular focus on the implementation of IFRS 15. More detail on this process and the findings of the review are reported under the Audit Committee Report on pages 42 to 44 of this Annual Report.

Remuneration Committee

During the year the Remuneration Committee had three Non-executive Director members. It is chaired by Bob Head and the other Committee members were Alastair Kilgour and Mark Reilly. Following Mark Reilly's resignation as a Director on 24 February 2021 Kelsey Lynn Skinner was appointed as the third Committee member.

The Company Chairman has a standing right to attend any Remuneration Committee meetings. The Committee meets periodically formally and informally as required and is responsible for overseeing the policy regarding staff and senior executive remuneration and for approving the remuneration packages for the Group's Executive Directors. It is also responsible for reviewing incentive schemes for the Group as a whole and reviewing performance against KPIs and approving payments under the Company short-term incentive scheme.

During 2020, the Remuneration Committee met to agree and sign off the incentive payments recommended by Executive management for the Company, agree and approve base salary changes, agree and approve share option/long-term incentive scheme awards, and review and approve new packages prior to offer for other senior staff appointments (senior staff are defined as those with starting salaries of more than £100,000).

Nomination Committee

Due to the size and state of development of the Company, the Directors do not consider it necessary to set up a separate Nomination Committee. Appointments are considered by the Board as a whole. In that sense the Board is the Nomination Committee.

Risk management and internal controls

The Directors are responsible for the Group's system of internal control and for reviewing its effectiveness; the role of management is to implement Board policies on risk management and control. The Group's system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve the Group's business objectives and can only provide reasonable, and not absolute, assurance against material misstatement or loss. The Group operates a series of controls to meet its needs. These controls include, but are not limited to, a clearly defined organisational structure, written policies, a comprehensive annual strategic planning and budgeting process, and detailed monthly reporting. The Group prepares quarterly forecasts, which are reviewed and approved by the Board as part of its normal responsibilities. The quarterly forecasting process facilitates the Board's understanding of the Group's overall position throughout the year. The Audit Committee receives reports from management and the external auditors concerning the system of internal control and any material control weaknesses.

During 2020, the Company maintained and reviewed its comprehensive risk register with input from all areas of the Group. This was reviewed and discussed by the Audit Committee and ultimately adopted by the full Board. It was agreed that this risk register will be updated quarterly and presented to the Audit Committee. Any significant risk issues will be referred to the Board for consideration. The Board has considered the need for an internal audit function, but has concluded that, at this stage in the Group's development, the internal control systems in place are appropriate for the size and complexity of the Group.

The Board has continued to review the system of internal controls periodically and has not identified, nor been informed of, any instances of control failings or significant weakness.

Relationship with stakeholders and shareholders

The Chairman, CEO and CFO are responsible for handling relationships with investors and analysts and regularly meet with institutional shareholders and potential investors to foster a mutual understanding of objectives. The Company continued its process of reinvigorating its investor relations activities during 2020. The Company continues to work with Charlotte Street Partners Limited as financial PR advisers.

The Company held a technology showcase event for investors and analysts in January 2020. In March 2020 the Company appointed Canaccord Genuity Limited as its broker and NOMAD and this led to additional research reports being published. Subsequently the impact of COVID-19 meant that no further face-to-face meetings were held with investors or analysts and activity continued via video conference and webinars. In May 2020 the Company entered into an agreement with Edison to further expand its research coverage and to expand activities in the USA market. The Company held a webinar for shareholders and analysts on 12 May 2020 to discuss business progress and the full year results for 2019. In August 2020 the CEO and CFO presented to a range of USA investors at the Canaccord Genuity Global Conference and this was followed up in early September with a non-transaction roadshow in the USA organised by Edison. In mid-September the Company conducted a roadshow for shareholders where the CEO and CFO presented an update of business progress and presented interim results for 2020. The Company and its brokers held an eight-day fundraising roadshow for existing and future potential shareholders in mid-November which culminated in the Company's successful placing and open offer which was announced on 26 November 2020.

The Chairman and the other Non-executive Directors are available to shareholders and other stakeholders to discuss strategy and governance issues. The Annual Report and Accounts and the strategy update are published on the Company's corporate website, www.mirriadplc.com, and can be accessed there by shareholders.

Open and transparent communication with our employees around the world is a critical element in driving the Group's success. The senior management team is committed to a culture that encourages all staff to contribute ideas and thoughts on how the Group can innovate and drive business. To that end the Group holds frequent video conference Town Hall meetings that all staff can access. Additionally, the Group runs a full employee survey with results and actions shared following the analysis of results. More details about this are covered in the earlier section on people.

By order of the Board

John Pearson
Non-executive Chairman
11 May 2021

MONITORING RISK AND REPORTING

Member	Number of meetings and attendance while in post
Bob Head (Chair)	3/3
Dr Mark Reilly	3/3

I am pleased to present the report for the Audit Committee for the year ended 31 December 2020.

The objective of the Audit Committee is to provide oversight and governance to the Group's financial reporting process on behalf of the Board of Directors. In this context we have done much the same as other years but a lot of work has been done by the Audit Committee to ensure we have carefully considered the impact of COVID-19 for the future of the business as well as producing a set of financial statements we can recommend to the Board and ultimately shareholders.

Mark Reilly and I were the two Non-executive Director members of the Committee during 2020. Mark Reilly resigned as a Director on 24 February and Kelsey Lynn Skinner was appointed to the Board and as a member of the Committee on the same day. Our qualifications and experience are documented on page 37.

The Group's Executive Directors attend meetings by invitation and other senior management are asked to attend meetings when relevant. The Committee meets a minimum of three times per year and at least twice a year with the external auditors present. We had three formal meetings during the year with 100% attendance. We also had a number of informal meetings dealing with audit issues, the financial statements and similar matters.

The Committee's responsibilities cover a range of areas. In summary, the Committee is responsible for:

1. Monitoring the integrity of the Group's financial statements, including its annual and half-yearly reports, ensuring that accounting policies have been fairly and consistently applied; that estimates and judgements used are reasonable; that, taken as whole, the Group's financial reports are clear and complete; and that all material information presented with the financial statements, such as the Business Review and the Corporate Governance Statements, are accurate.
2. Considering and approving the Group's risk register and discussing and agreeing the optimisation of risk with management.
3. Considering and making recommendations to the Board about the appointment, re-appointment and removal of the Group's external auditors and ensuring that at least once every 10 years the audit services contract is put out to tender; overseeing the relationship with the external auditors, including making recommendations on their fees; approving their terms of engagement, including the engagement letter and the scope of the audit; assessing their independence and objectivity, including the provision of any non-audit services; meeting regularly with the external auditors, including once at the planning stage before the audit and once at the reporting stage after the audit, and at least once a year and as required at other times, without management being present, to discuss the auditors' remit and any issues arising from the audit; and reviewing the findings of the audit with the external auditors.

Internal controls and risk management

The Board has overall responsibility for the system of internal controls and risk management. As a relatively small Group there is not the scope for the level of internal control that larger organisations facilitate. Much of the control environment relies on close supervision of subsidiary units and strict control of cash resources from the central finance team under the direction of the Chief Financial Officer. The Audit Committee, on behalf of the Board, has again reviewed the effectiveness of the internal controls and risk management. The Committee also discussed the internal control framework with the Group's external auditors and risks relating to fraud that the Group faces.

In time and as the Group becomes larger we will consider the need for an internal audit function and a dedicated risk function.

The Committee also received and considered reports from the external auditors, PricewaterhouseCoopers LLP, which included control findings relevant to their audit. The proper clearance of matters raised is monitored by the Committee.

There is an ongoing process to identify, evaluate and manage the risks faced by the Group. Each business unit or function reports quarterly on key risks identified and measures being taken to optimise those risks. These are summarised and reported to the Committee by the CFO before being passed to the full Board by the Committee.

The Strategic Report on pages 2 to 33 contains further details about the business risks identified and actions being taken.

Going concern review

The financial statements have been prepared on the going concern basis which assumes that the Group will have sufficient funds available to enable it to continue to trade for the foreseeable future. The Directors have prepared financial forecasts including stressed scenarios to estimate the likely cash requirements of the Group over the next 18 months from the date of approval of the financial statements. The Committee is satisfied going concern is an appropriate basis of preparation and appropriately disclosed in the financial statements.

Significant reporting issues and judgements

With the exception of COVID-19, the areas the Audit Committee has been concerned about are similar to prior years and are listed a little later in the report.

COVID-19 has had a significant impact both on the Group and its counterparties during 2020 as outlined earlier in this Annual Report.

Key Group issues included:

- The amount of new business that could be generated and whether this impacted our going concern assessment. I am pleased to report that, principally as a result of our contract with Tencent, sales held up well in a world where a lot of advertising was cut.
- With the offices closed for much of 2020 the Group successfully migrated to home working. Particular attention has been paid to cyber risks as well as operational resilience to deliver what we have promised our clients and customers.
- Particular attention has been applied to our counterparties to ensure we do not suffer financial loss or an operational failure. Thought has been given either by thinking through issues laterally or considering events which may potentially cost the Group (for example, when insurers lost the case on business interruptions, we reviewed all our insurance arrangements to ensure the Group did not suffer loss).

The Committee reviewed the following significant reporting matters and areas where judgement had been applied during the year; these are consistent with last year:

- The capitalisation of development costs and intangible assets as required under IAS 38 with a specific view to understand how management determined whether to capitalise internally developed software. Management reviewed whether there was any change in the financial circumstances of the business which warranted capitalisation of these costs. Given the continued uncertainty over future cash flows, management has determined that it would not be appropriate to capitalise any internally developed software. This was reviewed for both the interim accounts as at 30 June 2020 and for this set of financial statements for the year ended 31 December 2020. The Committee was in agreement with the assessment.
- The application of IFRS 15 on revenue recognition. The Committee has reviewed the application of the IFRS for both interim and final financial statements and is content with the application as applied by management.
- The application of IFRS 16 covering accounting for leases which the Company has applied to leases on properties in London, Mumbai and Shanghai. Again the Committee is content that management has correctly interpreted and applied the standards.

Audit Committee report continued

External audit

The Committee considered a number of areas when reviewing the external auditors' appointment, specifically their performance in undertaking the audit, the scope of the audit and terms of engagement, their independence and objectivity, and their re-appointment and remuneration.

The Committee reviews the objectivity and independence of the auditors when considering re-appointment. The Group has not used PricewaterhouseCoopers LLP for any non-audit services. The external auditors report to the Committee on actions taken to comply with professional and regulatory requirements. The Committee is satisfied with the independence, objectivity and effectiveness of PricewaterhouseCoopers LLP and has recommended to the Board that the auditors be re-appointed. There will be a resolution to this effect at the forthcoming Annual General Meeting.

Financial Reporting Council ("FRC") review of the 2019 Annual Report and Accounts

We were selected, at random, for a limited scope review[1] by the FRC's Corporate Reporting Review Team and received a letter in respect of certain disclosures in our 2019 Annual Report. The review was a helpful assessment of our IFRS 15 accounting and disclosures and we have made a number of modifications in our disclosures as a result of the review including clarification around the definition of "customers" under IFRS 15, the point in time at which a contract exists for the purposes of IFRS 15 and when revenue is recognised.

The Company's principal source of revenue during 2019 and 2020 has been Tencent Video. The Company has previously disclosed that this contract includes minimum guaranteed revenue in each of its two years in return for a grant of exclusivity over business in China, a commitment by Mirriad to maintain an operational team in Shanghai to service Tencent's business and arrangements to provide a volume of advertising up to a specified limit for no additional fees. The contract also provides for the revenue which could be generated for additional advertising bookings from Tencent.

In the first year of operation most of the advertising which could have been provided at no additional fee was provided. However, the impact of COVID-19 in 2020 has meant that volumes of advertising booked by Tencent have been low, partly as a result of delayed supply of content and partly due to an extreme drop in demand. While the minimum value of revenue under the contract is defined and, therefore, not a matter of debate, the point at which revenue is recognised by the Company was debated with the FRC.

The Company has recognised revenue from the contract over time on the basis of its obligation to "stand ready" to provide services to Tencent. An alternative method would be to recognise revenue at the point in time that advertising is booked. As the volume of bookings in 2020 was substantially lower than the parties anticipated when entering into the contract this would potentially lead to a very different profile of revenue recognition – though not in the total value covered by the contract. In discussion with the FRC it was noted that this alternative methodology would, however, need to reflect the expectation of the Company and customer that not all of the contracted volume of advertising will be taken ('breakage'). The accounting impact of taking this 'breakage' into account would be to substantially reduce any difference in the pattern of revenue recognition arising from this alternative methodology.

In order to further address this issue the Company has received binding legal clarification from Tencent that the parties have agreed to such a "stand ready" obligation which does then allow the Company to recognise revenue over time under the IFRS 15 standard.

The interaction with the FRC was helpful in clarifying our thinking and we have increased and improved our disclosures as a result of the discussions. There was no requirement to alter any of the reported numbers at the conclusion of the review.

Bob Head
Non-executive Director
11 May 2020

1 **Scope and limitations of our review**
Our review is based on your annual report and accounts and does not benefit from detailed knowledge of your business or an understanding of the underlying transactions entered into.

It is, however, conducted by staff of the FRC who have an understanding of the relevant legal and accounting framework. We support continuous improvement in the quality of corporate reporting and recognise that those with more detailed knowledge of your business, including your audit committee and auditors, may have recommendations for future improvement, consideration of which we would encourage.

This, and any subsequent letter, provides no assurance that your report and accounts are correct in all material respects; the FRC's role is not to verify the information provided but to consider compliance with reporting requirements.

SETTING AND REVIEWING REMUNERATION

Member	Number of meetings and attendance while in post
Bob Head (Chair)	4/4
Alastair Kilgour	4/4
Dr Mark Reilly	4/4

I am pleased to present the Remuneration Committee Report for the year ended 31 December 2020. This year we have addressed the updated Quoted Company Alliance's guidance on what is expected in a remuneration committee report.

The Remuneration Committee currently consists of three Non-executive Directors. Serving with me were Alastair Kilgour and Mark Reilly. The Terms of Reference for the Committee also allow the Company Chairman to attend Committee meetings. Our meetings have been both formal and informal over the course of 2020. We have had four formal meetings and attendance was 100%.

The Chief Executive Officer and Chief Financial Officer may be invited to attend meetings of the Committee, but no Director is involved in any decisions relating to their own remuneration. None of the Committee has any personal financial interest (other than as shareholders), conflicts of interests arising from cross directorships or day-to-day involvement in running the business.

The Committee's main responsibilities are to:

1. Set the remuneration policy for all Executive Directors and the Company's Chairman, including pension rights and any compensation payments. None of the Directors or senior managers are involved in any decision about their own remuneration.
2. Recommend and monitor the level and structure of remuneration for senior management. We have defined "senior management" as someone earning more than £100,000 per annum.
3. Review the ongoing appropriateness and relevance of overall remuneration policy.
4. Determine the individual remuneration packages of Executive Directors and other senior executives, including bonuses and incentive payments in consultation with the Chairman and/or CEO, as appropriate.
5. Obtain reliable, up-to-date information about remuneration in other companies of comparable scale, stage of development and complexity.
6. Approve the design of, and determine targets for, any performance related pay schemes and approve the total annual payments made under them.
7. Review the design of all share incentive plans and, if awards are made, the overall amount of those awards to Executive Directors and other senior executives along with any performance targets to be used.
8. Set the policy for, and scope of, pension arrangements for each Executive Director and other senior executives.
9. Oversee any major changes in employee benefit structures throughout the Group.

Remuneration policy

Our remuneration policy is set to attract, retain and motivate Executive management of the quality required to run the Company successfully without paying more than necessary. Our policy considers the Company's risk appetite and the Company's stage of development and is aligned with the Company's long-term strategic goals while ensuring that overall remuneration is consistent with the performance of the Group and retains a balance between remuneration and shareholder value.

The Remuneration Committee reviews the performance of the Executive Directors and makes recommendations to the Board on matters relating to remuneration, terms of service, granting of share options and other equity incentives.

The Quoted Company Alliance's guidance on the remuneration report asks for a table explaining the future policy providing detail by each component of the remuneration of the Executive Directors.

Component of remuneration	Purpose and how it supports the Company strategy	How the component operates	The maximum amount that can be paid out	Performance metrics
Basic pay	Recruit, retain and motivate. It therefore has to be competitive.	Monthly pay into a bank account.	The amount is fixed by the Remuneration Committee.	Performance in line with the contract and the expectations of the Board. If the individual persistently fails to deliver then the contract will be terminated.
Annual bonus	The Executive Directors' annual bonus is set out below and is designed to support the short-term achievements of our targets.	Metrics are set in advance by the Remuneration Committee for all employees.	The maximum amount payable to the CEO and CFO for 2020 are £207,500 and £62,280.	See opposite under Executive bonuses.
Long-term incentive payments	The current long-term incentive payments are share options. The better the performance of the Company then the better the share price.	The options are explained below.	The number of shares are fixed as explained below. The total amount that could be earned under the scheme is dependent on the share price.	For the CEO the bigger share of his option package vests only when certain share price trigger points are met. The exercise price of these options was set at market price on the date they were awarded. For the CFO options were granted at market price on the date of award and there are no further performance metrics.

The performance metrics of the annual bonus will change over time as the stage of development of the Company changes. For now the annual bonus focuses on establishing the business. As time moves on we will migrate to a mix of annual financial performance and indicators that measure the creation of value in future years. We will wish to create a balance between building a valuable business while at the same time meeting short-term targets. We believe that simple short-term financial targets are insufficient unless there are clear "business building" targets.

The share options are of standard construction though in the case of the CEO the number of options available is driven by targeted increases in the share price. In the short term we believe this is appropriate. In the longer term will review the form of the long-term incentive. The current arrangements run until H1 2023.

The difference between the arrangements for Executive Directors and other employees essentially relates to the long-term incentive element which is generally only granted to more senior employees. Both the CEO and CFO are part of the Company-wide short-term incentive scheme. This scheme is applied to all staff, other than designated sales staff, with the same KPIs in place. Maximum awards are defined as a percentage of salary which generally varies by level of seniority. In the case of the CEO the maximum award is 50% of basic salary and 30% in the case of the CFO.

There are provisions in the agreements for bad leavers and clawback. In addition, Board approval is required for any disposal of shares acquired under the Company's long-term incentive scheme.

Major decisions on Directors' remuneration

The changes to the CEO's long-term incentive arrangements were disclosed in last year's Remuneration Report. There have been no other adjustments to the long-term incentive arrangements.

We have discussed below a special bonus for the CEO and CFO together with an increase in fees for the Chairman following a review of the split in work between the CEO and Chairman.

It is not envisioned there will be a material change in fees of the Directors in the coming 12 months.

No other decisions are considered material.

Directors' service contracts

Under the terms of the service agreements in place with Executive Directors, six months' written notice must be given by either party to terminate those service agreements. Under the terms of the service agreements in place with Non-executive Directors, three months' written notice must be given by either party to terminate that appointment.

Compensation for early termination for Executive Directors is generally limited to six months' base salary and benefits. Any entitlements under incentive plans would ordinarily lapse in accordance with the terms of the relevant plan, unless the Remuneration Committee exercises its discretion as provided under the incentive scheme rules.

Executive bonuses

The Company operates a performance related bonus scheme for all staff, including Executive Directors, other than designated sales staff. For 2020 the performance conditions were set before the pandemic hit. The measures, their weighting and achievement were as follows:

Measure	% bonus pool	% achieved
Sales	40	—
Cost	20	20
Production efficiency	20	—
Supply pipeline	10	—
Demand pipeline	10	10
Total	100	30

The bonus expense under the Company scheme for 2020 was £244,662.

We expect to have a similar bonus structure for 2021.

Designated sales staff, of which the Company currently has five, have bespoke short-term bonus arrangements that are linked entirely to Company revenue performance. These arrangements are discussed and reviewed annually by the Remuneration Committee.

For 2020 the CEO and CFO were awarded bonuses totalling £62,280 and £18,684 respectively. These were triggered by meeting the above performance criteria in the financial year ended 31 December 2020. These payments are normally made in March of the following financial year.

In addition, the CEO and CFO received special discretionary bonuses amounting to £50,000 and £30,000 respectively for their effort and performance through the pandemic. There have been a number of specific achievements:

- Marketing budgets have been reduced or removed in virtually every company around the world. Competition from more traditional and established media has therefore been a lot more intense than we expected. Mirriad achieved its sales goals in a vastly different and difficult market to the one we were expecting.
- The sales capacity has been maintained and the pipeline of potential new business is encouraging for the future.

We did not think the success of the fundraise was a reason to pay a bonus taking the view that the fundraise enabled management to realise significant value through their long-term arrangements. However, the fundraise did take a significant amount of time but the Executive Directors did not allow that to distract from the development of the business.

We debated whether in the current environment the long hours and weekends should be rewarded or not. The view of all the Non-executive Directors (including the Chairman) was that some recognition of the commitment and success was also appropriate.

Pensions

The Company operates a defined contribution pension scheme open to all UK Executive Directors and employees. The Company also operates a 401k scheme for its USA staff. Arrangements in other markets are based on statutory requirements.

Non-executive Directors

Remuneration of the Non-executive Directors is determined by the Executive Directors with the exception of the Chairman whose remuneration is determined by the other Non-executive Directors. The Non-executive Directors, excluding the Chairman, did not receive an increase in their remuneration.

The Remuneration Committee has been reviewing the role of the Chairman and CEO and was concerned that the CEO spends a significant portion of his time managing investor relations, both existing shareholders and potential new investors. We attach great importance to having excellent relations with existing shareholders and potential investors and to that end it has been agreed that the Chairman will take on a larger role with respect to investor relations to allow the CEO to focus more on growing the business. We envision the Chairman's new and existing roles will take approximately 60 days per annum. The Chairman's remuneration was discussed with the CEO and the Non-executive Directors (excluding the Chairman) and it was agreed that Chairman's remuneration should be increased to £75,000 per annum from 1 January 2021.

Non-executive Directors are not entitled to pensions, annual bonuses or employee benefits. They are entitled to participate in share option arrangements relating to the Company's shares, and both the Chairman and independent Non-executive have share option arrangements that were explained in last year's report and are disclosed elsewhere. The Board does not consider that this compromises the independence of either of these Directors.

Non-executive Directors continued

The Non-executive Directors have also invested personally in the Company. The Board is very aware of its obligations to all stakeholders under s172. The Board does not believe their investment has compromised their independence.

Each of the Non-executive Directors has a contract stating their annual fee and that their appointment is initially for a term of three years from the date of admission, subject to re-election at the Company's Annual General Meeting. Their appointment may be terminated with three months' written notice at any time.

The annual fee for John Pearson as Chairman was £60,000 for 2020. My annual fee remained at £30,000 plus £5,000 for each Committee I chair. The remaining Non-executive Directors' annual fees are £20,000 per annum. There are no pension arrangements or short-term bonuses for Non-executive Directors.

Directors' share options

Aggregate emoluments disclosed below do not include any amounts for the value of options to acquire Ordinary Shares in the Company granted to or held by the Directors. Details of the option arrangements for the Chairman, independent Non-executive Director and CEO were disclosed in full in the 2019 Annual Report and Accounts.

The Remuneration Committee agreed a new three-year arrangement for the Company's senior staff, including the CFO in May 2020. Under this arrangement options were awarded at market price based on a multiple of salary and which vest monthly over the 36 months from May 2020 to May 2023. These options are only capable of exercise at the end of the 36-month period. Should an employee leave the Company for any reason, other than as a bad leaver, the vested options are retained by that employee and those vested options can be exercised at the end of the 36-month period. None of the Directors exercised any options during the year.

All vested options expire 10 years after the date of grant.

Details of options for Directors who served during the year are as follows:

	Options at 31 December 2020	Vesting dates	Exercise price
Executive			
Stephan Beringer	**2,102,454**	1 Oct 2019/20/21	£0.00001
	5,500,000	TBC*	£0.15
David Dorans	**394,210**	12 Nov 2019/20/21	£0.195
	1,660,800	18 May 2023	£0.15
Non-executive			
John Pearson	**225,000**	16 Oct 2018/19/20	£0.62
	1,250,600	2 Apr 2020/1 Oct 2020/21	£0.00001
	1,349,400	TBC*	£0.15
Bob Head	**400,000**	13 Jun 2020/21/22	£0.00001
	400,000	TBC*	£0.15
Dr Mark Reilly	**—**	—	—
Alastair Kilgour	**—**	—	—

* These options will only vest if certain share price targets are achieved. Two of the targets were met in 2020.

Directors' remuneration

	Salary/fees £000	Bonus £000	Employer's pension £000	Other benefits £000	Share-based payment £000	Total 2020 £000	Total 2019 £000
Executive							
Stephan Beringer	**415**	**90**	**25**	**—**	**173**	**703**	901
David Dorans	**208**	**42**	**11**	**—**	**51**	**312**	235
Non-executive							
John Pearson	**60**	**—**	**—**	**—**	**116**	**176**	65
Dr Mark Reilly	**20**	**—**	**—**	**—**	**—**	**20**	20
Alastair Kilgour	**20**	**—**	**—**	**—**	**—**	**20**	20
Bob Head	**40**	**—**	**—**	**—**	**30**	**70**	21
Roger Faxon	**—**	**—**	**—**	**—**	**—**	**—**	33
	763	**132**	**36**	**—**	**370**	**1,301**	1,295

There are no long-term employment benefit or incentive schemes in place other than share options. See note 20 to the financial statements to see the basis of calculation of this charge.

Subsequent to the year-end, on 24 February 2021, Mark Reilly stepped down from the Board and the Remuneration Committee. Kelsey Lynn Skinner was appointed to the Board and Remuneration Committee on the same day at the same remuneration.

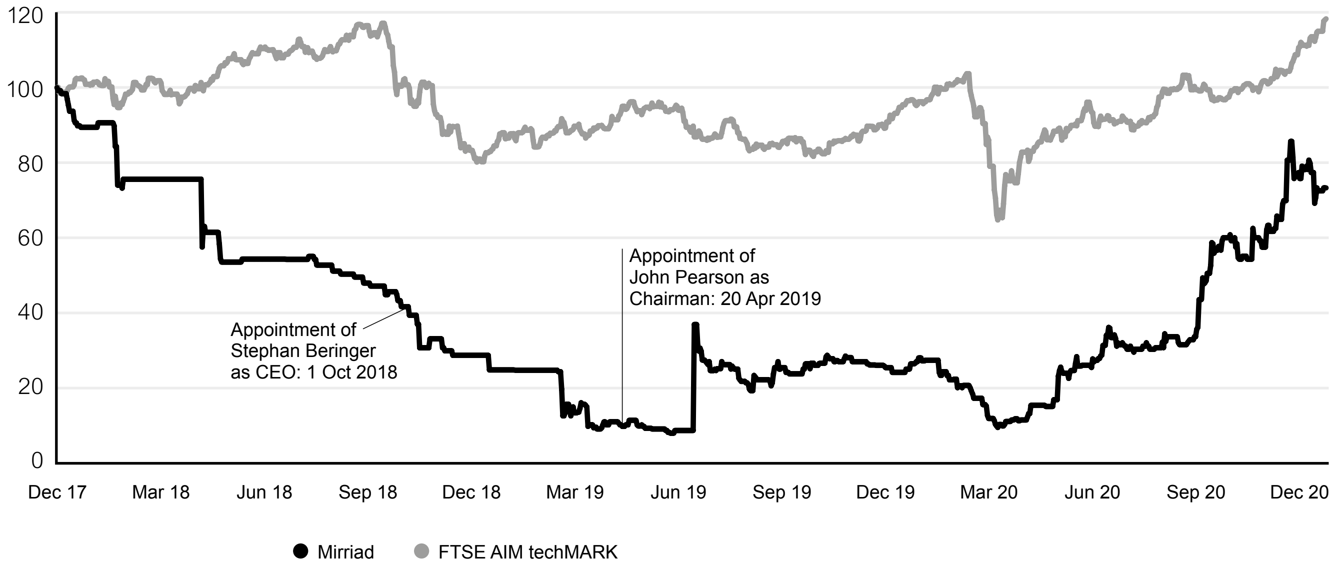
Following annual pay reviews and appraisals the CEO and CFO’s salaries were increased by 2% effective 1 January 2021 to £423,500 and £211,750 respectively.

Shareholder consultations were held on the CEO’s long-term incentives last year as reported in the 2019 accounts. There have been no other consultations this year.

There were no payments for loss of office.

We are required to disclose how Directors’ shareholdings at the end of the reported financial year compare to any shareholding guidelines in place. The Company does not have any shareholding guidelines in place. That said we believe that the existing shareholdings motivate the right performance and are aligned to the interests of shareholders.

We have included a line graph which shows the total shareholder return of the Company since the Company’s admittance to AIM and compared this to the AIM techMARK index over the same period.



Historical Chief Executive Officer pay

The table below details the Chief Executive Officer’s single total figure of remuneration and the short-term and performance long-term incentive outcomes for 2019 and 2020.

	2019	**2020**
Stephan Beringer		
Chief Executive Officer single figure (£’000)	901	**703**
Annual bonus (% of max)	20%	**30%**
LTIP performance options vesting (% of max)	0%	**22%**

There are no plans to alter materially the remuneration policy or practice in the coming year.

No external consultants have been used to advise the Remuneration Committee during 2020.

Bob Head
Non-executive Director
11 May 2021

Directors' report

Directors' report

The Directors present their Annual Report and the audited consolidated financial statements of the Group for the year ended 31 December 2020.

Country of incorporation

Mirriad Advertising plc is a public company limited by shares, listed on AIM and incorporated and registered in England and Wales. The registered office address is given on the information page inside the back cover of this document.

Review of business and future developments

The Chairman's Statement (pages 10 and 11), the Chief Executive's Statement (pages 12 and 13) and the Financial Review (pages 20 to 22) report on the performance of the Group during the year ended 31 December 2020 and its prospects for the future.

Directors

The Directors of the Group during the year and up to the date of signing the financial statements were:

- John Pearson – appointed 2 October 2017
- Stephan Beringer – appointed 1 October 2018
- David Dorans – appointed 19 December 2017
- Mark Reilly – resigned 24 February 2021
- Alastair Kilgour – appointed 19 December 2017
- Bob Head – appointed 13 June 2019
- Kelsey Lynn Skinner – appointed 24 February 2021

Significant shareholders

The Company is informed that, at 31 March 2021, individual registered shareholdings of more than 3% of the Company's issued share capital were as follows:

	Number of Ordinary Shares held	Percentage of issued Ordinary Share capital
M&G Investments	36,616,666	13.1%
Parkwalk Advisors	35,977,908	12.9%
IP Group*	34,393,570	12.3%
Investec Wealth & Investment	23,628,424	8.5%
Ninety One	12,415,369	4.5%
Chelverton Asset Management	11,750,000	4.2%
Janus Henderson Investors	10,626,485	3.8%
Hargreaves Lansdown	9,552,105	3.4%
Columbia Threadneedle Investments	8,556,924	3.1%

* Held by its subsidiary IP2IPO Portfolio LP acting by its general partner IP2IPO (GP) Limited.

Directors' shareholdings

The beneficial interests of the Directors in the share capital of the Company at 31 December 2020 and at 31 March 2021 were as follows:

	Number of Ordinary Shares held	Percentage of issued Ordinary Share capital
Executive Directors		
Stephan Beringer	358,333	0.13%
David Dorans	523,857	0.19%
Non-executive Directors		
John Pearson	191,666	0.07%
Alastair Kilgour	591,668	0.21%
Dr Mark Reilly	66,666	0.02%
Bob Head	183,333	0.07%
Kelsey Lynn Skinner	—	—

Employees

The Group's Executive management regularly delivers Company-wide "Town Hall" style briefings on the Group's strategy and performance. These briefings contain details of the Group's financial performance where appropriate. The Group remains committed to fair treatment of people with disabilities in relation to job applications, training, promotion and career development. Every effort is made to find alternative jobs for those who are unable to continue in their existing job due to disability. The Group takes a positive approach to equality and diversity. The Group promotes equality in the application of reward policies, employment and development opportunities, and aims to support employees in balancing work and personal lifestyles.

Financial instruments

Full details of the Group's risk management policies and its exposure to financial risk are set out in note 3 to the financial statements.

Directors' indemnities and Directors' and officers' liability insurance

The Company's articles of association permit the Company to indemnify Directors of the Company in accordance with the Companies Act 2006. Directors' and officers' liability insurance, which constitutes a qualifying third-party indemnity provision as defined by section 234 of the Companies Act 2006, was in place during the financial year and also at the date of approval of these financial statements.

Annual General Meeting

The Annual General Meeting of the Group is to be held on 14 June 2021. The notice of meeting appears on page 90 of these financial statements.

Political and charitable donations

During the year ended 31 December 2020 the Group made political donations of £nil (2019: £nil) and charitable donations of £nil (2019: £nil).

Supplier payment policy and practice

The Group does not operate a standard code in respect of payments to suppliers. The Group agrees terms of payment with suppliers at the start of business and then makes payments in accordance with contractual and other legal obligations.

Strategic Report

Pursuant to section 414c of the Companies Act 2006 the Strategic Report on pages 2 to 33 contains disclosures in relation to dividends, R&D activity and post balance sheet events.

Independent auditors

In accordance with section 489 of the Companies Act, a resolution for the re-appointment of PricewaterhouseCoopers LLP as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the Board

David Dorans
Director
11 May 2021

Statement of Directors' responsibilities

In respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and Company financial statements in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable International Accounting Standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

In the case of each Director in office at the date the Directors' Report is approved:

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

Independent auditors' report

To the members of Mirriad Advertising plc

Report on the audit of the financial statements

Opinion

In our opinion, Mirriad Advertising plc's group financial statements and parent company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2020 and of the group's loss and the group's and parent company's cash flows for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Consolidated and Company balance sheets as at 31 December 2020; the Consolidated statement of profit or loss, the Consolidated statement of comprehensive income, the Consolidated statement of changes in equity, the Company statement of changes in equity and the Consolidated and Company statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Our audit approach

Overview

Audit scope

There are five reporting units in the Group: Mirriad Advertising plc (which records the majority of Group activity), Mirriad Inc. (which records all of the activity in the USA), Mirriad Advertising Private Limited (India), Mirriad Software Science and Technology (Shanghai) Co. Ltd and Mirriad Ltd, a dormant entity. For each reporting unit we determined whether we required an audit of its complete financial information ("full scope") or whether specified procedures addressing specific risk characteristics or particular financial statement line items would be sufficient. It was assessed that Mirriad Advertising plc, Mirriad Inc. and Mirriad Software Science and Technology (Shanghai) Co. Ltd were the only reporting units that were required to be full scope, with the other reporting units contributing 8% to loss before tax and 2% of Group total assets. For the remaining reporting units that are not considered in scope we have performed procedures to identify any unusual or unexpected transactions or balances.

Independent auditors' report continued

To the members of Mirriad Advertising plc

Our audit approach continued

Overview continued

Key audit matters

- Fraud in revenue recognition (group and parent)
- COVID-19 (group and parent)

Materiality

- Overall group materiality: £454,400 (2019: £594,000) based on 5% of loss before tax.
- Overall parent company materiality: £408,000 (2019: £416,000) based on 5% of loss before tax.
- Performance materiality: £340,800 (group) and £306,000 (parent company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Capability of the audit in detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined in the Auditors' responsibilities for the audit of the financial statements section, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to data protection and the AIM listing rules, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to manipulate results. Audit procedures performed by the engagement team included:

- Held discussions with Mirriad Advertising plc's Group management, including consideration of known or suspected instances of noncompliance with laws and regulation and fraud.
- Understood management's controls designed to prevent and detect irregularities.
- Challenged assumptions and judgements made by management in their significant accounting estimates and judgements, particularly in relation to the key audit matters below.
- Identified and tested journal entries based on our risk assessment and evaluated whether there was any evidence of management bias that represents a risk of material misstatement due to fraud.
- Incorporated elements of unpredictability into the audit procedures performed.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Key audit matters

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

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Our audit approach continued

Key audit matters continued

Key audit matter	How our audit addressed the key audit matter
Fraud in revenue recognition (group and parent) Fraud in revenue recognition is considered a key audit matter given the inherent nature of the business, as a listed Technology company, with the primary objective to grow revenue and become profitable. The majority of revenue is recognised once the Native In Video Advertising ("NIVA") service (inserting advertising into content) has been provided to the customer. The timing of when the service is delivered, and therefore when revenue is recognised, is not typically complex or judgemental. The key risk is considered to be in relation to the existence of revenue – that a customer exists, and the service has been provided. There is one large customer contract that is recognised 'over time' because of the requirement for Mirriad to maintain a 'stand ready' team to deliver the insertion service over the term of the arrangement for which Mirriad are paid a fixed fee.	We have understood how management recognise and process revenue through performing a walkthrough of the revenue cycle; We have obtained detailed revenue listings for the UK, USA and China entities and agreed these to the general ledger; We have obtained 90% coverage over revenues through the following procedures; We have tested a sample of revenue transactions to sales invoices and also to customer buy (purchase) orders and/or contracts and/or written communications; We have agreed all sampled revenue transactions to subsequent customer cash receipts; We have tested the one off customer contract recognised overtime on a 'stand ready' basis, and we performed data analysis to identify potentially unusual journal entries impacting revenue and performed testing on those items. We found no material misstatements from our testing.
COVID-19 (group and parent) We focused on this area as a result of the ongoing pandemic and its impact across all businesses. Specifically, due to the historic losses and cash outflows incurred by the Group and Company and the possible negative impact of COVID-19 on 2020 and future operations. The Group has cash resources of £35.4 million at 31 December 2020 and no borrowing. Management have prepared detailed cash flow forecasts, based on a number of assumptions, through to 31 December 2022. The forecasted cash outflows include the results of ongoing operations including the possible negative impact from COVID-19. Management consider there to be sufficient cash for at least 12 months from the date of signing the financial statements. The potential impact of COVID-19 on the Group and Company going concern assumption is fundamental to the presentation of the financial statements and therefore a change in this assumption would alter their basis of presentation.	In November 2020 the group underwent a share issue which raised £26.2m cash. We have obtained and reviewed the relevant legal documents and agreed the amount to bank statements. We obtained management's cash flow forecasts, which covered a period of twelve months and beyond, from the date of approval of the financial statements and confirmed that the forecast indicated that the Group and Company would have sufficient cash to continue in operation for at least 24 months from the date of signing the financial statements. We have also reviewed the minutes of recent Board meetings, post year end management accounts and the amount of cash on hand at 30 April 2020 (£31.3m). We performed sensitivity analysis over the significant assumptions, including those related to COVID-19, both individually and collectively to ascertain the extent of change that would be required for the Group and Company to have insufficient cash flows to meet its ongoing liabilities as they fall due. We also considered the likelihood of such a movement arising. Our testing identified that given the cash injection prior to the year end, the combination of circumstances necessary to lead to the Group and Company having insufficient cash to meet their ongoing liabilities as they fall due appears highly unlikely to occur in the 12 month period from signing the financial statements. For example, based on zero revenues and a consistent cost base, there would still be sufficient cash resource to fund management's activities into the final quarter of FY22. Overall, we have concluded that the directors' use of the going concern basis is appropriate.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the parent company, the accounting processes and controls, and the industry in which they operate.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate. The Group's accounting process is structured around a central finance function based in the UK. The finance function has control and oversight of all overseas territories, even where the overseas territories have a small local finance function.

Independent auditors' report continued

To the members of Mirriad Advertising plc

Our audit approach continued

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – Group	Financial statements – parent company
Overall materiality	£454,400 (2019: £594,000).	£408,000 (2019: £416,000).
How we determined it	5% of loss before tax	5% of loss before tax capped at 90% of Group materiality
Rationale for benchmark applied	Based on the benchmarks used in the annual report, loss before tax is the primary measure used by the shareholders in assessing the performance of the Group, and is a generally accepted auditing benchmark. The materiality rule of thumb is consistent with the prior year.	Based on the benchmarks used in the annual report, loss before tax is the primary measure used by the shareholders in assessing the performance of the Company, and is a generally accepted auditing benchmark. The materiality rule of thumb is consistent with the prior year.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £355,500 and £173,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to £340,800 for the group financial statements and £306,000 for the parent company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above 19,750 (group audit) (2019: 29,700) and 17,775 (parent company audit) (2019: 20,800) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included:

- Testing the mathematical integrity of the cash flow forecasts and the models and reconciled these to Board approved budgets;
- Agreeing the cash on hand balance at 31 December 2020 to bank confirmations, bank statements and bank reconciliations; and
- Performing sensitivity analysis of a plausible downside scenario including if zero new revenues were obtained and/or costs increased by 5% per annum. In these scenarios, we concurred with management that there would still be sufficient cash to continue as a going concern.

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the parent company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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

Use of this report

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report continued

To the members of Mirriad Advertising plc

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Gareth Murfitt (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading
11 May 2021

Consolidated statement of profit or loss

For the year ended 31 December 2020

	Note	**Year ended 31 December 2020 £**	Year ended 31 December 2019 £
Revenue	5	**2,179,919**	1,139,538
Cost of sales		**(244,359)**	(178,091)
Gross profit		**1,935,560**	961,447
Administrative expenses	6	**(11,216,312)**	(13,159,812)
Other operating income	6	**188,306**	24,421
Operating loss		**(9,092,446)**	(12,173,944)
Finance income	8	**34,339**	46,436
Finance costs	8	**(30,702)**	(23,627)
Finance income – net		**3,637**	22,809
Loss before income tax		**(9,088,809)**	(12,151,135)
Income tax credit	10	**32,429**	56,231
Loss for the year		**(9,056,380)**	(12,094,904)
Loss per Ordinary Share – basic	11	**(4p)**	(8p)

All activities are classified as continuing.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 from presenting the parent company profit and loss account.

Consolidated statement of comprehensive income

For the year ended 31 December 2020

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Loss for the financial year	**(9,056,380)**	(12,094,904)
Other comprehensive (loss)/income		
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	**(646)**	136,179
Total comprehensive loss for the year	**(9,057,026)**	(11,958,725)

Items in the statement above are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in note 10.

Consolidated and Company balance sheets

At 31 December 2020

	Note	Group		Company	
		As at 31 December 2020 £	As at 31 December 2019 £	**As at 31 December 2020 £**	As at 31 December 2019 £
Assets					
Non-current assets					
Property, plant and equipment	12	**636,543**	912,983	**465,626**	769,509
Intangible assets	13	**—**	—	**—**	—
Investments	9	**—**	—	**420,907**	410,015
Trade and other receivables	14	**186,021**	212,143	**162,962**	162,962
		822,564	1,125,126	**1,049,495**	1,342,486
Current assets					
Trade and other receivables	14	**1,475,785**	1,024,996	**485,475**	455,890
Other current assets		**72,993**	76,754	**72,993**	76,754
Cash and cash equivalents		**35,421,396**	19,091,613	**34,727,579**	18,542,360
		36,970,174	20,193,363	**35,286,047**	19,075,004
Total assets		**37,792,738**	21,318,489	**36,335,542**	20,417,490
Liabilities					
Non-current liabilities					
Lease liabilities	24	**204,437**	423,328	**152,340**	407,634
		204,437	423,328	**152,340**	407,634
Current liabilities					
Trade and other payables	15	**1,913,845**	1,297,624	**1,190,257**	1,029,580
Current tax liabilities		**13,361**	24,809	**—**	—
Lease liabilities	24	**390,220**	373,227	**271,600**	271,600
		2,317,426	1,695,660	**1,461,857**	1,301,180
Total liabilities		**2,521,863**	2,118,988	**1,614,197**	1,708,814
Net assets		**35,270,875**	19,199,501	**34,721,345**	18,708,676
Equity and liabilities					
Equity attributable to owners of the parent					
Share capital	17	**52,688**	52,029	**52,688**	52,029
Share premium	17	**65,710,297**	40,932,183	**65,710,297**	40,932,183
Share-based payment reserve	18	**2,850,571**	2,500,944	**2,850,571**	2,500,944
Retranslation reserve	19	**(143,298)**	(142,652)	**—**	—
Accumulated losses		**(33,199,383)**	(24,143,003)	**(33,892,211)**	(24,776,480)
Total equity		**35,270,875**	19,199,501	**34,721,345**	18,708,676

The Company loss for the year is £9,115,731 (2019: £12,037,026). The financial statements on pages 59 to 89 were approved by the Board of Directors on 11 May 2021 and signed on its behalf by:

David Dorans
Chief Financial Officer

Mirriad Advertising plc

Company number: 09550311

Consolidated statement of changes in equity

For the year ended 31 December 2020

		Year ended 31 December 2019					
	Note	Share capital £	Share premium £	Share-based payment reserve £	Retranslation reserve £	Accumulated losses £	Total equity £
Balance at 1 January 2019		50,949	25,643,192	2,141,094	(278,831)	(12,048,099)	15,508,305
Loss for the financial year		—	—	—	—	(12,094,904)	(12,094,904)
Other comprehensive income for the year	19	—	—	—	136,179	—	136,179
Total comprehensive loss for the year		—	—	—	136,179	(12,094,904)	(11,958,725)
Proceeds from shares issued	17	1,080	16,196,750	—	—	—	16,197,830
Share issue costs	17	—	(907,759)	—	—	—	(907,759)
Share-based payments recognised as expense	18	—	—	359,850	—	—	359,850
Total transactions with shareholders recognised directly in equity		1,080	15,288,991	359,850	—	—	15,649,921
Balance at 31 December 2019		52,029	40,932,183	2,500,944	(142,652)	(24,143,003)	19,199,501

		Year ended 31 December 2020					
	Note	Share capital £	Share premium £	Share-based payment reserve £	Retranslation reserve £	Accumulated losses £	Total equity £
Balance at 1 January 2020		52,029	40,932,183	2,500,944	(142,652)	(24,143,003)	19,199,501
Loss for the financial year		—	—	—	—	(9,056,380)	(9,056,380)
Other comprehensive loss for the year	19	—	—	—	(646)	—	(646)
Total comprehensive loss for the year		—	—	—	(646)	(9,056,380)	(9,057,026)
Proceeds from shares issued	17	659	26,228,815	—	—	—	26,229,474
Share issue costs	17	—	(1,450,701)	—	—	—	(1,450,701)
Share-based payments recognised as expense	18	—	—	349,627	—	—	349,627
Total transactions with shareholders recognised directly in equity		659	24,778,114	349,627	—	—	25,128,400
Balance at 31 December 2020		**52,688**	**65,710,297**	**2,850,571**	**(143,298)**	**(33,199,383)**	**35,270,875**

Company statement of changes in equity

For the year ended 31 December 2020

		Year ended 31 December 2019				
	Note	Share capital £	Share premium £	Share-based payment reserve £	Accumulated losses £	Total equity £
Balance at 1 January 2019		50,949	25,643,192	2,141,094	(12,739,454)	15,095,781
Loss for the financial year		—	—	—	(12,037,026)	(12,037,026)
Total comprehensive loss for the year		—	—	—	(12,037,026)	(12,037,026)
Proceeds from shares issued	17	1,080	16,196,750	—	—	16,197,830
Share issue costs	17	—	(907,759)	—	—	(907,759)
Share-based payments recognised as expense	18	—	—	359,850	—	359,850
Total transactions with shareholders recognised directly in equity		1,080	15,288,991	359,850	—	15,649,921
Balance at 31 December 2019		52,029	40,932,183	2,500,944	(24,776,480)	18,708,676

		Year ended 31 December 2020				
	Note	Share capital £	Share premium £	Share-based payment reserve £	Accumulated losses £	Total equity £
Balance at 1 January 2020		52,029	40,932,183	2,500,944	(24,776,480)	18,708,676
Loss for the financial year		—	—	—	(9,115,731)	(9,115,731)
Total comprehensive loss for the year		—	—	—	(9,115,731)	(9,115,731)
Proceeds from shares issued	17	659	26,228,815	—	—	26,229,474
Share issue costs	17	—	(1,450,701)	—	—	(1,450,701)
Share-based payments recognised as expense	18	—	—	349,627	—	349,627
Total transactions with shareholders recognised directly in equity		659	24,778,114	349,627	—	25,128,400
Balance at 31 December 2020		**52,688**	**65,710,297**	**2,850,571**	**(33,892,211)**	**34,721,345**

Consolidated and Company statement of cash flows

For the year ended 31 December 2020

		Group		Company	
	Note	**2020** **£**	2019 £	**2020** **£**	2019 £
Cash flow used in operating activities	21	**(8,146,368)**	(11,222,098)	**(8,425,185)**	(11,224,623)
Tax credit received		**99,886**	291,502	**99,886**	291,502
Taxation paid		**(17,697)**	(43,288)	**—**	—
Interest received		**34,339**	46,436	**32,698**	44,664
Lease interest paid		**(30,702)**	(23,627)	**(16,305)**	(26,124)
Net cash used in operating activities		**(8,060,542)**	(10,951,075)	**(8,308,906)**	(10,914,581)
Cash flow from investing activities					
Investment in subsidiaries		**—**	—	**(10,892)**	(170,652)
Purchase of tangible assets	12	**(25,202)**	(62,484)	**(18,561)**	(39,053)
Proceeds from disposal of tangible assets		**100**	236	**100**	100
Net cash used in investing activities		**(25,102)**	(62,248)	**(29,353)**	(209,605)
Cash flow from financing activities					
Proceeds from issue of Ordinary Share capital (net of costs of issue)	17	**24,778,773**	15,290,071	**24,778,773**	15,290,071
Payment of lease liabilities		**(363,346)**	(389,055)	**(255,295)**	(245,476)
Net cash generated from financing activities		**24,415,427**	14,901,016	**24,523,478**	15,044,595
Net increase in cash and cash equivalents		**16,329,783**	3,887,693	**16,185,219**	3,920,409
Cash and cash equivalents at the beginning of the year		**19,091,613**	15,203,920	**18,542,360**	14,621,951
Cash and cash equivalents at the end of the year		**35,421,396**	19,091,613	**34,727,579**	18,542,360
Cash and cash equivalents consists of:					
Cash at bank and in hand		**35,421,396**	19,091,613	**34,727,579**	18,542,360
Cash and cash equivalents		**35,421,396**	19,091,613	**34,727,579**	18,542,360

Notes to the consolidated financial statements

For the year ended 31 December 2020

1. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

1.1 Basis of preparation

The financial statements of Mirriad Advertising plc have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee ("IFRS IC") interpretations in conformity with the requirements of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

1.1.1 Going concern

The financial statements have been prepared on the going concern basis. After making enquiries and producing cash flow forecasts, the Directors have reasonable expectations, as at the date of approving the financial statements, that the Company and the Group have adequate resources to fund the Company and the Group for the next 12 months. This is supported by the Company's successful fundraise in December 2020, where an additional £26.2m (gross) proceeds were raised, the substantial cash balance of £35.42m at the year end, the fact that the Company is debt free with no external borrowing and the Company's net cash outflow of £8.09m for 2020.

2. Accounting policies

2.1 Changes in accounting policy and disclosures

(a) New standards, amendments and interpretations

The Group has applied the following standards and amendments for the first time for the annual reporting period commencing 1 January 2020:

- Definition of Material – Amendments to IAS 1 and IAS 8;
- Definition of a Business – Amendments to IFRS 3;
- Interest Rate Benchmark Reform – Amendments to IFRS 7, IFRS 9 and IAS 39; and
- Revised Conceptual Framework for Financial Reporting.

(b) New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2021, and have not been applied in preparing these financial statements. These standards are not expected to have a material impact on the entity in the current or future reporting periods or on foreseeable future transactions.

2.2 Business combinations

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

2.3 Consolidation

The Group consolidated financial statements include the financial statements of the Company and all of its subsidiary undertakings made up to 31 December 2020, and the prior year to 31 December 2019.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Any subsidiary undertakings or associates sold or acquired during the year are included up to, or from, the dates of change of control or change of significant influence respectively.

2. Accounting policies continued
2.3 Consolidation continued
Where control of a subsidiary is lost, the gain or loss is recognised in the consolidated income statement. The cumulative amounts of any exchange differences on translation, recognised in equity, are not included in the gain or loss on disposal and are transferred to retained earnings. The gain or loss also includes amounts included in other comprehensive income that are required to be reclassified to profit or loss but excludes those amounts that are not required to be reclassified.

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the profit or loss arising on transactions with associates to the extent of the Group's interest in the entity.

2.4 Foreign currency translation
(i) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates (the "functional currency"). The consolidated financial statements are presented in Pound Sterling, which is the functional and presentational currency of the Company and the presentation currency of the Group.

(ii) Transactions and balances
Transactions in foreign currencies are translated into Sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transactions is included as an exchange gain or loss in the profit and loss account.

Non-monetary items measured at historical costs are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within "Finance income or finance costs". All other foreign exchange gains and losses are presented in the profit and loss account within "Administrative expenses".

(iii) Group companies
The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(b) income and expenses for each income statement 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 rate on the dates of each transaction); and

(c) all resulting exchange differences are recognised in other comprehensive income.

2.5 Revenue recognition
In general the Company recognises revenue at a point in time. Specifically, revenue is recognised in accordance with the requirements of IFRS 15 "Revenue from contracts with customers". The Company recognises revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework:

(1) identify the contract(s) with the customer;

(2) identify the performance obligations in the contract;

(3) determine the transaction price;

(4) allocate the transaction price to the performance obligations in the contract; and

(5) recognise revenue when (or as) the entity satisfies a performance obligation.

All Group revenue comes from the primary business activity of providing in-video advertising services to broadcasters, advertisers, brand owners and their agencies. This involves the insertion by the Group of a product, signage or video into existing content. In accordance with IFRS 15 revenue is recognised at a point in time, when the services have been delivered and the "asset" transferred to customers in accordance with contractual terms and conditions and there are no further obligations attached. There is only ever one party in our agreements (our "customer") and this is the party we will invoice for the campaign. The customers are generally broadcasters and online distributers of content as they provide content to the end viewer and sell the advertising in and around that content. However, as the Group develops its business other parties in the value chain may become customers in the case where the Group is selling campaigns directly to media agencies or brands. In these circumstances the media agency or brand will be the customer for the purposes of IFRS 15.

2. Accounting policies continued

2.5 Revenue recognition continued

Most of the Group's revenue generating contracts do not specify revenue values but provide a framework, and normally specify a share of customer revenue, within which individual work to produce campaigns and revenues are agreed and executed. As Mirriad is not usually responsible for selling campaigns to advertisers or their media agencies, we are remunerated on the basis of the amounts charged by our customers to advertisers and media agencies. Typically we earn between 20% and 35% of the amount charged to an advertiser or media agency by our customer. For the purposes of IFRS 15 each of the individual campaigns becomes a "contract".

The exact revenue for each campaign is set out in the relevant insertion (purchase) order and is calculated by reference to the rates agreed in the framework contract. The insertion order shows the agreed number of advertising units or insertions to be delivered and the amount to be charged to the customer upon completion of the campaign. It is these insertion orders that are considered by management to be customer contracts under IFRS 15 since they create the contractual performance obligations within the context of the framework agreement.

The revenue on such campaigns is recognised at a point in time. That point in time is either on completion, for campaigns lasting less than a month or where a campaign spans more than one month, on a monthly basis depending on campaign progress and advertising units delivered to the customer, as a proportion of the total campaign goals or agreed fee. This matches the process of the "assets" generated for the campaigns being transferred to the customer, for which the Group is entitled to revenue as the "assets" are produced. Where a campaign is part-completed at the end of a reporting period we look at how much of the campaign has been delivered to the customer and whether we have an enforceable right to payment for performance completed to date as per the agreed contract or insertion order. If that is the case then we book the associated revenue at a point in time, i.e. the end of that month and record this as accrued revenue on the balance sheet until the campaign can be invoiced. The revenue to be recognised is calculated as the proportion of the total campaign delivered in that particular month multiplied by the value of the overall insertion order.

Customers are usually invoiced at the completion of each campaign and then pay on their negotiated terms which vary from 30 to 90 days.

During the year there was one customer contract with Tencent which included a minimum revenue guarantee. We have therefore treated this contract differently to the standard policy outlined above. For Tencent we consider that it is the contract itself which forms the basis of the IFRS 15 contract and not the individual insertion orders received from Tencent. For this contract revenue has been recognised over time rather than at a point in time.

This different basis of revenue recognition has been adopted as the Company considers that it has an obligation to "stand ready" to provide services to Tencent. In the Company's view this obligation was created by the Company giving assurances to Tencent during contractual negotiations that it would stand ready to service the Tencent business over the two years of the contract. This obligation was further clarified legally by the Company with Tencent by both parties signing an addendum to the original contract in March 2021. Under IFRS 15 where a stand ready obligation exists the appropriate accounting treatment is to recognise revenue over time.

The two-year contract with Tencent, which ran from April 2019 to March 2021, imposed a stand ready obligation for Mirriad to maintain a team in Shanghai which was ready to service the Tencent business at any time on an exclusive basis. The contract also specified a maximum number of advertising units that could be delivered to Tencent before any additional fees beyond the minimum guarantee would be charged. The contract included a mechanism for up to 20% of the maximum advertising units, which could have been delivered in each year of the arrangement for no additional fee, to be rolled forward for up to three months after the end of each contractual year if not fully utilised during the relevant contractual year. Based on this stand ready obligation and the contractual roll-forward mechanism, the Company has recognised 80% of the minimum guaranteed revenue evenly over time in equal monthly instalments with the remaining 20% being treated as deferred revenue and being included on the balance sheet as a contractual liability. This deferred revenue is recognised over time and spread over the 3 month period from the end of the contractual years, to either 30 June 2020 being three months after the end of the first contractual year or 30 June 2021, being three months after the end of the second contractual year and the date at which all contractual obligations have been satisfied.

The minimum revenue under this contract was invoiced bi-monthly in arrears and paid within 33 business days of the invoice date.

As at 31 December 2020 the total accrued revenue balance related to contract assets was £168,501 (2019: £121,262). This balance was fully invoiced to customers by the end of February 2021.

As at 31 December 2020 the total deferred revenue balance (contract liabilities) all related to Tencent and was £160,666 (2019: £nil). This will all be recognised in 2021.

2. Accounting policies continued

2.6 Cost of sales

Cost of sales comprises costs directly related to the ad delivery team in India, which performs the integration work of the creative imagery into the original content and quality control of the end result. All other staff costs are included in administrative costs below gross profit.

2.7 Other operating income

Other operating income for the Group relates to income received from government grants and research and development expenditure credits.

2.8 Government grants

Grant income represents amounts received from the government to assist with the funding of research and development activities carried out by the Group. Government grant income is recognised at fair value in the profit and loss account at the point that there is reasonable assurance that the Group has complied with the conditions attaching to them and the grants will be received. Government grants are recognised in the income statement on a systematic basis over the periods in which the related costs towards which they are intended to compensate are recognised as expenses. Where grant related costs relate to staff expenses which are being capitalised as development costs the related grant income is not recognised in the income statement but is instead deducted in arriving at the intangible asset being recognised.

2.9 Interest income

Interest income is recognised using the effective interest rate method.

2.10 Current and deferred tax

Taxation expense for the year comprises current and deferred tax recognised in the reporting period. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the amount of income tax payable or receivable in respect of the taxable profit or loss for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Deferred tax is the timing difference between the tax base and the carrying value in the balance sheet. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Research and development tax credits are recognised as an income tax credit in the income statement, with a corresponding asset recognised until the amounts are received. Such amounts are only recognised at the year end based on an assessment of relevant time spent by employees on research and development activities. Where government grants have been received against the same employee costs, such amounts are removed from the R&D tax credit calculations.

Research and development expenditure credits ("RDEC") are recognised as other operating income in the income statement with a corresponding tax charge recognised as an income tax charge in the income statement.

2.11 Leases

The Group leases offices in the countries where it operates, and rental contracts are typically made for fixed periods of 1 to 10 years but may be extended in some cases. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

2. Accounting policies continued

2.11 Leases continued

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

As all the right-of-use assets held by the Group are property leases these are depreciated over the non-cancellable portion of the lease term.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment.

The depreciation charge related to right-of-use lease assets, additions to right-of-use assets and the carrying amount of right-of-use assets at the end of the reporting period are all presented in note 12. The interest expense on lease liabilities is shown in note 8.

2.12 Employee benefits

(i) Pension

The Company operates defined contribution pension schemes for UK and USA employees. The contributions are recognised as an employee benefit expense when they are due. Differences between contributions payable in the year and contributions actually paid are shown as accruals in the consolidated statement of financial position. The Company has no further payment obligation once the contributions have been made.

(ii) Annual bonus plan

The Company operates an annual bonus plan for all employees. An expense is accrued over the related service period and recognised in the profit and loss account when the Company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

2.13 Share-based payments

The Group operates a number of equity-settled, share-based compensation schemes to certain key employees. The fair value of share-based payments under such schemes is expensed on a straight line basis over the vesting period, based on the Group's estimate of shares that will eventually vest, with a corresponding entry to equity. In arriving at this estimate the Company takes into account non-market-based factors and the expected attrition of employees over the year.

Fair value is generally determined using the Black-Scholes model and requires several assumptions and estimates as disclosed in note 20. For options with market performance conditions the fair value and estimated vesting period are determined using a combination of Binomial and Monte Carlo methods as disclosed in note 20.

2. Accounting policies continued

2.14 Property, plant and equipment

Tangible fixed assets are stated at historic purchase cost, net of accumulated depreciation and any provision for impairment. Cost includes the original purchase price of the asset and costs attributable to bringing the asset into its working condition for its intended use.

Depreciation and residual values

The fixed assets have been depreciated on a straight line basis at rates calculated to reduce the net book value of each asset to its estimated residual value by the end of its expected useful economic life in the Company's business, and the rates are as follows:

- Fixtures, fittings and computer equipment – 3 years
- Leasehold improvements – 5 years (based on length of current lease)
- Right-of-use assets – 2-5 years based on non-cancellable portion of current leases

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in "Administrative expenses".

2.15 Intangible assets

Computer software

Costs associated with maintaining computer software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the development employee costs and the fees of any contractors directly involved in the project.

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

Computer software development costs recognised as assets are amortised over their estimated useful life, which does not exceed three years.

2. Accounting policies continued

2.15 Intangible assets continued

Intellectual property and patents

Patents and brand assets acquired were valued based on a relief from royalty approach, and are amortised over their useful economic life of four years. Brand assets are included in “Other intangible assets”.

Intangible assets are stated at cost or valuation less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

- Patents – 4 years
- Internally generated software development costs – 3 years
- Other intangible assets – 4 years

Amortisation is charged to administrative expenses in the profit and loss account.

Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

2.16 Trade receivables

Trade receivables are amounts due from customers for services rendered in the ordinary course of business. If collection is expected in one year or less they are classified as current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less expected credit losses in accordance with IFRS 9.

2.17 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits held at call with banks with original maturities of three months or less.

2.18 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.19 Share capital

Ordinary Shares, preference shares and deferred shares are classified as equity. Incremental costs directly attributable to the issue of new Ordinary and preference shares or options are shown in equity as a deduction, net of tax, from the proceeds, and taken against the share premium account.

2.20 Related party transactions

The Group discloses transactions with Directors and related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the Directors, separate disclosure is necessary to understand the effect of the transactions on the Group historical financial information. It does not disclose transactions with members of the same Group that are wholly owned.

3. Financial risk management

3.1 Group financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk and liquidity risk. The Group's overall risk management programme is focused on operating cost and cash management.

(a) Currency risk

The Group operates internationally and is exposed to foreign exchange risk from various currency exposures, primarily with respect to the USA Dollar, Indian Rupee and Chinese Yuan. Foreign exchange risk arises from commercial transactions and investments in foreign subsidiaries.

The Group has certain investments in foreign subsidiaries, whose net assets are exposed to foreign currency translation risk. There are currently no measures in place to manage currency exposure arising from the net assets of the Group's foreign operations. Such movements are recognised in the income statement and statement of comprehensive income. For the year ended 31 December 2020 the revaluation loss on foreign subsidiary net assets recognised in the statement of comprehensive income was £646 (2019: gain of £136,179).

Where there are fluctuations in the value of Sterling, whether caused by Brexit or other factors, there has been mixed impact on the Group. When Sterling depreciates the Group's overseas income increases but the cost base rises. Conversely when Sterling appreciates, revenues are reduced but costs also decrease. As the Group is currently loss making, any appreciation in Sterling has a beneficial impact on the net loss.

(b) Credit risk

In common with most businesses, the Group extends credit to its customers. The credit risk on this activity is judged as low and the Group has not experienced significant bad debt. Most clients are large blue-chip organisations and further credit checks are not carried out before entering into commercial arrangements. Standard credit terms offered are 30 days but this can vary depending on the commercial agreement reached. See note 16 for further disclosures on credit risk.

(c) Liquidity risk

Cash flow forecasting is performed centrally on a rolling basis for the Group as a whole and the Company ensures that the subsidiaries have sufficient cash to meet their local operational needs.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings, based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year £	Between 1 and 2 years £	Between 2 and 5 years £	Over 5 years £
As at 31 December 2020				
Trade and other payables	**865,810**	**211,604**	**—**	**—**
As at 31 December 2019				
Trade and other payables	703,186	293,016	158,433	—

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Group considers capital to be its equity reserves, further details of which can be found in note 17.

The Group ensures it is meeting its objectives by reviewing its key performance indicators ("KPIs") to ensure cash consumption and costs are controlled, revenues are in line with expectations and key customers are under contract.

There is no debt in the Group and to date no dividends have been paid.

The Company's capital management objectives and strategy are the same as the Group's described above.

4. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The critical estimates are considered by management to be the same for both the Group and the Company so there are no separate estimates and judgements presented for the Company. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

4. Critical accounting estimates and judgements continued

(a) Critical accounting estimates and assumptions continued

(i) Revenue recognition

There is judgement as to how we could have accounted for the revenue contract with Tencent. We have judged that we have a stand ready obligation under IFRS 15 and therefore recognised revenue over time. We could have applied point in time revenue recognition on individual insertions with the minimum guarantee recognised at the end of each contract year. However, under this point in time method, the ‘breakage’ provisions under IFRS 15 would substantially reduce any difference in the pattern of revenue recognition arising from that applied under the stand ready basis.

(ii) Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Group will have sufficient funds available to enable it to continue to trade for the foreseeable future. Please refer to section 1.1.1 under basis of preparation above for more details on the judgements involved.

(iii) Share-based payments

The Group records charges for share-based payments. For option-based share-based payments management estimates certain factors used in the option pricing model, including volatility, vesting date of options and number of options likely to vest. If these estimates vary from actual occurrence, this will impact the value of the equity carried in reserves. The main area of judgement related to the estimated vesting period over which to spread the share based payment charge for the market performance options issued in the year. After reviewing data from Binomial modelling and uncertainty over whether price triggers for the vesting of the options would be met it was decided to spread the share based payment charge for these options over their full 10 year lifespan with true-ups when bands of options actually vested. An estimated vesting period of less than 10 years would have led to the share based payment charge for these options being recognised over a shorter time period. Further details of the Group’s estimation of share-based payments are disclosed in note 20.

5. Segment information

Management mainly considers the business from a geographic perspective since the same services are effectively being sold in every Group entity. Therefore regions considered for segmental reporting are where the Company and subsidiaries are based, namely the UK, the USA, India and China. The Singapore office was closed in early 2020. The revenue is classified by where the sales were booked not by the geographic location of the customer. For this reporting purpose the Singapore and China entities are considered together.

The only income outside of the primary business activity relates to income received from grants which is recognised in other operating income.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions. The steering committee is made up of the Board of Directors. There are no sales between segments. The revenue from external parties reported to the strategic steering committee is measured in a manner consistent with that in the income statement.

The parent company is domiciled in the United Kingdom. The amount of revenue from external customers by location of the Group billing entity is shown in the tables below.

Revenue	**2020 £**	2019 £
Turnover by geography		
China and Singapore	**1,765,196**	776,115
USA	**313,967**	160,432
UK	**100,756**	139,735
India	**—**	38,549
Brazil	**—**	24,707
Total	**2,179,919**	1,139,538

	2020 £	2019 £
Turnover by category		
Rendering of services	**2,179,919**	1,139,538
Total	**2,179,919**	1,139,538

5. Segment information continued

Revenues from external customers by country, based on the destination of the customer	**2020 £**	2019 £
China	**1,780,905**	834,887
USA	**313,967**	160,432
France	**31,559**	9,633
Turkey	**22,010**	—
UK	**21,700**	56,500
India	**—**	38,549
Brazil	**—**	24,707
Ireland	**—**	7,750
Germany	**—**	7,080
Other	**9,778**	—
Total	**2,179,919**	1,139,538

Revenues of £1,765,196 (2019: £765,435) are derived from a single external customer. These revenues are generated in China. The next largest customer, based in the USA, had revenues of £119,464 (2019: £80,720). Of the total revenue recognised for the year £1,765,196 was recognised over time (2019: £765,435) and £414,723 was recognised at a point in time (2019: £374,103).

Loss before tax

The EBITDA is the loss for the year before depreciation, amortisation, interest and tax. The loss before tax is broken down by segment as follows:

	2020 £	2019 £
UK	**(6,683,801)**	(8,261,267)
USA	**(1,412,955)**	(1,970,752)
India	**(649,208)**	(502,768)
China and Singapore	**119,615**	(409,365)
Brazil	**—**	(361,328)
Total EBITDA	**(8,626,349)**	(11,505,480)
Depreciation	**(466,097)**	(498,411)
Amortisation	**—**	(170,053)
Finance income net	**3,637**	22,809
Loss before tax	**(9,088,809)**	(12,151,135)

2019	Depreciation £	Amortisation £	Income tax credit/(charge) £	Finance income net £
UK	(320,274)	(170,053)	80,077	18,540
USA	(118)	—	—	—
India	(84,834)	—	(26,214)	1,772
China and Singapore	(91,354)	—	—	1,236
Brazil	(1,831)	—	2,368	1,261
Total	(498,411)	(170,053)	56,231	22,809

2020	**Depreciation £**	**Amortisation £**	**Income tax credit/(charge) £**	**Finance income/ (charge) net £**
UK	**(322,443)**	**—**	**55,209**	**16,393**
USA	**(1,019)**	**—**	**—**	**—**
India	**(62,728)**	**—**	**(22,780)**	**126**
China and Singapore	**(79,907)**	**—**	**—**	**(12,882)**
Total	**(466,097)**	**—**	**32,429**	**3,637**

5. Segment information continued
Loss before tax continued

Non-current assets	2020 £	2019 £
UK	**628,588**	932,471
USA	**2,327**	3,346
India	**31,531**	113,755
China and Singapore	**160,118**	75,554
Total	**822,564**	1,125,126

The main non-current asset balances in the UK relate to right-of-use assets and leasehold improvements.

Total assets	2020 £	2019 £
UK	**35,729,924**	19,892,997
USA	**826,715**	475,990
India	**334,328**	378,687
China and Singapore	**901,771**	570,815
Total	**37,792,738**	21,318,489

The main asset balance in the UK is the cash balance which is used to fund the business and support the subsidiary entities.

Liabilities	2020 £	2019 £
UK	**1,540,359**	1,657,544
USA	**380,314**	135,577
India	**260,544**	238,072
China and Singapore	**340,646**	87,795
Total	**2,521,863**	2,118,988

6. Operating loss
The Group operating loss is stated after charging/(crediting):

	Note	2020 £	2019 £
Employee benefits	7	**7,559,195**	8,123,117
Depreciation of property, plant and equipment	12	**466,097**	498,411
Amortisation and impairment of intangible assets	13	**—**	170,053
Foreign exchange movements		**28,040**	168,319
Other general and administrative costs		**3,407,339**	4,378,003
Other operating income		**(188,306)**	(24,421)
Total cost of sales, administrative expenses and other operating income		**11,272,365**	13,313,482

Other operating income includes income received from government grants and research and development expenditure credits. The Group has complied with all the conditions attached to these grant awards.

During the years indicated the Group obtained the services from and paid the fees of the Group's auditors as detailed below:

	2020 £	2019 £
Audit fees	**80,000**	65,000
Audit related assurance services	**—**	3,800
Total	**80,000**	68,800

Non-audit fees payable to PricewaterhouseCoopers LLP were £nil (2019: £3,800). The prior year audit related assurance services related to a review of IFRS 16 implementation.

7. Employees
7.1 Employee benefit expense

	Group		Company	
	2020 £	2019 £	**2020 £**	2019 £
Wages and salaries	**6,441,325**	6,907,420	**4,493,953**	4,265,211
Social security costs	**552,216**	657,281	**451,211**	507,971
Share options granted to Directors and employees	**349,627**	359,850	**349,627**	359,850
Other pension costs	**216,027**	198,566	**214,530**	198,566
Total	**7,559,195**	8,123,117	**5,509,321**	5,331,598

All pension costs relate to the defined contribution scheme.

The key management are considered to be the Directors of the Company. Remuneration of Directors including aggregate emoluments, details of any contributions made in respect of money purchase schemes, and whether the highest paid director exercised any share options is disclosed in the Remuneration Report on page 48.

7.2 Average number of people employed

	Group		Company	
By activity	**2020 Number**	2019 Number	**2020 Number**	2019 Number
Average monthly numbers of persons employed (including Directors) by the Company during the year was:				
Sales and account management	**8**	9	**3**	2
Ad operations and delivery	**41**	37	**6**	5
Research and development	**35**	30	**31**	27
Marketing, product and research	**7**	10	**6**	7
Management and administration	**9**	9	**9**	9
	100	95	**55**	50

8. Finance income and costs

Finance income	**2020 £**	2019 £
Interest on short-term deposit	**34,339**	46,436
Finance income	**34,339**	46,436

Finance costs		
Interest and finance charges paid for lease liabilities	**(30,702)**	(23,627)
Finance costs	**(30,702)**	(23,627)
Net finance income	**3,637**	22,809

9. Investments
The amounts recognised in the Company balance sheet are as follows:

	2020 £	2019 £
At 1 January	**410,015**	239,363
Additions	**10,892**	170,652
Impairments	**—**	—
Total investments at 31 December	**420,907**	410,015

The investments number above is stated after an impairment loss of £nil (2019: £nil). During the year Mirriad (Singapore) Pte Ltd was closed and liquidated; there was no carrying value recognised in the Company balance sheet at the date of liquidation.

9. Investments continued

During the year the Company had interests in the following investments, all of which are consolidated in the Group historical financial information. There are no capital contributions related to share-based payments. The subsidiaries as listed below have share capital consisting solely of Ordinary Shares, which are held directly by the Group; the country of incorporation or registration is also their principal place of business.

Name of subsidiary or Group undertaking	Registered address	Nature of business	Country of registration and operation	Proportion of nominal value of shares and voting rights held
Mirriad Advertising Private Limited	Offices Nos. 401 & 402 Palm Spring Centre, Link Road, above Croma, Malad (w), Mumbai-400 064	Provision of embedded advertising into video	India	100%
Mirriad Inc.	4th Floor 19 W24th Street, New York, NY 10001	Provision of embedded advertising into video	USA	100%
Mirriad Software Science and Technology (Shanghai) Co. Ltd.	Rm 1328, 2nd Floor, No.148, Lane 999, Xin Er Road, Shanghai	Provision of embedded advertising into video	China	100%
Mirriad Limited	6th Floor, One London Wall, London EC2Y 5EB, United Kingdom	Dormant	UK	100%

The nominal value of issued shares for the companies is as follows:

- Mirriad Advertising Private Limited: 10,000 class A shares of 10 INR and 2,196,350 class B shares of 10 INR;
- Mirriad Inc.: 1,000 shares of 0.001 USD;
- Mirriad Software Science and Technology (Shanghai) Co. Ltd: registered capital is 3,600,000 CNY; and
- Mirriad Limited: 1 share of 0.01 GBP.

10. Income tax credit

Tax credit included in profit and loss	**2020 £**	2019 £
Current tax		
Research and development tax credit for the year	**(62,983)**	(76,754)
Tax charge on research and development expenditure credit	**2,348**	—
Adjustment in respect of prior years	**5,426**	(3,323)
Foreign tax payable	**22,780**	24,809
Adjustment in respect of prior years – foreign tax	**—**	(963)
Total current tax	**(32,429)**	(56,231)
Deferred tax		
Origination and reversal of timing differences	**—**	—
Total deferred tax	**—**	—
Tax on loss	**(32,429)**	(56,231)

UK corporation tax credit relates to R&D tax credits received by the Group.

10. Income tax credit continued

Reconciliation of tax credit

The tax assessed for the year is based on the standard rate of corporation tax in the UK of 19%. The differences are outlined below:

	2020 £	2019 £
Loss before tax	**(9,088,809)**	(12,151,135)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2019: 19%)	**(1,726,874)**	(2,308,716)
Effects of:		
Fixed asset timing differences	**4,021**	304
Expenses not deductible for tax purposes	**91,774**	79,540
Adjustments to tax credit in respect of previous years	**5,426**	(3,323)
Adjustment in respect of prior years – foreign tax	**—**	(963)
Share scheme deductions	**(24,412)**	—
Enhanced R&D deduction	**(46,647)**	(56,846)
R&D tax credit receivable	**(62,983)**	(76,754)
Additional tax arising on RDEC	**2,348**	—
Surrender of losses for R&D tax credit	**82,529**	100,575
Deferred tax not recognised on unutilised losses	**1,642,389**	2,209,952
Total tax credit for the year	**(32,429)**	(56,231)

The tax (charge)/credit relating to components of other comprehensive (loss)/income is as follows:

	2020		
	Before tax £	**Tax (charge)/ credit £**	**After tax £**
Fair value income			
Currency translation differences	**(646)**	**—**	**(646)**
Other comprehensive loss	**(646)**	**—**	**(646)**

	2019		
	Before tax £	Tax (charge)/ credit £	After tax £
Fair value income			
Currency translation differences	136,179	—	136,179
Other comprehensive income	136,179	—	136,179

Deferred tax

The following tables represent deferred tax balances recognised in the consolidated balance sheet, and the movements in both the deferred tax asset and the deferred tax liability.

There is a deferred tax liability of £346,910 (2019: £346,910) in respect of the intangible asset acquired on acquisition of the trade and assets of Mirriad Limited in 2015, which has been immediately offset against the acquired unrecognised deferred tax asset in relation to trading losses carried forward.

	2020 £	2019 £
Deferred tax assets	**346,910**	346,910
Deferred tax liabilities	**(346,910)**	(346,910)
Net balances	**—**	—

10. Income tax credit continued

Movements on the deferred tax asset

	2020 £	2019 £
At 1 January	**346,910**	346,910
Acquisition during the year	**—**	—
Impact of rate changes	**—**	—
At 31 December	**346,910**	346,910

Movements on the deferred tax liability

	2020 £	2019 £
At 1 January	**(346,910)**	(346,910)
Acquisition during the year	**—**	—
Impact of rate changes	**—**	—
At 31 December	**(346,910)**	(346,910)

There is an unrecognised deferred tax asset of £12,443,360 (2019: £9,725,202) in relation to the trading losses carried forward, provisions and future exercisable shares.

Unrecognised deferred tax has been calculated at 19% (2019: 17%), reflecting the latest enacted rate for UK deferred tax balances and the prevailing domestic tax rate in each country for the deferred tax balances of the foreign subsidiaries.

The unrecognised deferred tax asset would be recovered against future Company taxable profits. In the opinion of the Directors, there is insufficient evidence that the asset will be recovered; as such the deferred tax asset has not been recognised in the financial statements.

Factors that may affect future tax charges

A change to the UK corporation tax rate was enacted as part of the Finance Act 2016, which received royal assent on 15 September 2016. This was a reduction to the main rate of corporation tax from 19% to 17% from 1 April 2020. This rate reduction has been reflected in the calculation of deferred tax at 31 December 2019. However, this planned 2% reduction was reversed in the Finance Act 2020, which received royal assent on 22 July 2020, and the main rate of corporation tax will remain at 19% from 1 April 2020. This abandonment of the planned 2% reduction has been reflected in the calculation of deferred tax at 31 December 2020. In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

11. Loss per share

(a) Basic

Basic loss per share is calculated by dividing the loss for the year by the weighted average number of Ordinary Shares in issue during the year. Potential Ordinary Shares are not treated as dilutive as the Group is loss making and such shares would be anti-dilutive.

Group	2020	2019
Loss attributable to owners of the parent (£)	**(9,056,380)**	(12,094,904)
Weighted average number of Ordinary Shares in issue (number)	**215,687,030**	150,165,094

The loss per share for the year was 4p (2019: 8p).

No dividends were paid during the year (2019: £nil).

(b) Diluted

Potential Ordinary Shares are not treated as dilutive as the Group is loss making and such shares would be anti-dilutive.

12. Property, plant and equipment
Group

	Fixtures, fittings and computer equipment £	Right-of-use assets £	Leasehold improvements £	Total £
At 1 January 2019				
Cost or valuation	317,991	950,330	350,090	1,618,411
Accumulated depreciation	(151,766)	—	(102,253)	(254,019)
Net book amount	166,225	950,330	247,837	1,364,392
Year ended 31 December 2019				
Opening net book amount	166,225	950,330	247,837	1,364,392
Additions	55,064	—	7,420	62,484
Disposals	(19,598)	—	—	(19,598)
Depreciation charge	(94,732)	(330,257)	(73,422)	(498,411)
Depreciation on disposals	4,116	—	—	4,116
Closing net book amount	111,075	620,073	181,835	912,983
At 31 December 2019				
Cost or valuation	353,457	950,330	357,510	1,661,297
Accumulated depreciation	(242,382)	(330,257)	(175,675)	(748,314)
Net book amount	111,075	620,073	181,835	912,983
Year ended 31 December 2020				
Opening net book amount	111,075	620,073	181,835	912,983
Additions	25,202	164,455	—	189,657
Disposals	(9,067)	—	—	(9,067)
Depreciation charge	(71,275)	(315,852)	(78,970)	(466,097)
Depreciation on disposals	9,067	—	—	9,067
Closing net book amount	**65,002**	**468,676**	**102,865**	**636,543**
At 31 December 2020				
Cost or valuation	369,592	1,114,785	357,510	1,841,887
Accumulated depreciation	(304,590)	(646,109)	(254,645)	(1,205,344)
Net book amount	**65,002**	**468,676**	**102,865**	**636,543**

As at 31 December 2020 there were no contractual commitments to purchase any further property, plant and equipment (2019: none).

12. Property, plant and equipment continued
Company

	Fixtures, fittings and computer equipment £	Right-of-use assets £	Leasehold improvements £	Total £
At 1 January 2019				
Cost or valuation	271,425	721,888	348,022	1,341,335
Accumulated depreciation	(190,207)	—	(100,398)	(290,605)
Net book amount	81,218	721,888	247,624	1,050,730
Year ended 31 December 2019				
Opening net book amount	81,218	721,888	247,624	1,050,730
Additions	31,633	—	7,420	39,053
Disposals	(1,805)	—	—	(1,805)
Depreciation charge	(47,307)	(201,457)	(71,510)	(320,274)
Depreciation on disposals	1,805	—	—	1,805
Closing net book amount	65,544	520,431	183,534	769,509
At 31 December 2019				
Cost or valuation	301,253	721,888	355,442	1,378,583
Accumulated depreciation	(235,709)	(201,457)	(171,908)	(609,074)
Net book amount	65,544	520,431	183,534	769,509
Year ended 31 December 2020				
Opening net book amount	65,544	520,431	183,534	769,509
Additions	18,561	—	—	18,561
Disposals	(1,108)	—	—	(1,108)
Depreciation charge	(43,125)	(201,457)	(77,861)	(322,443)
Depreciation on disposals	1,107	—	—	1,107
Closing net book amount	**40,979**	**318,974**	**105,673**	**465,626**
At 31 December 2020				
Cost or valuation	318,706	721,888	355,442	1,396,036
Accumulated depreciation	(277,727)	(402,914)	(249,769)	(930,410)
Net book amount	**40,979**	**318,974**	**105,673**	**465,626**

13. Intangible assets
Group and Company

	Patents £	Internally generated software development costs £	Other £	Total £
Cost				
At 1 January 2019 and 31 December 2020	1,688,712	2,240,884	351,935	4,281,531
Accumulated amortisation and impairment				
At 1 January 2019	(1,547,986)	(2,240,884)	(322,608)	(4,111,478)
Amortisation charge	(140,726)	—	(29,327)	(170,053)
At 31 December 2019	(1,688,712)	(2,240,884)	(351,935)	(4,281,531)
Amortisation charge	—	—	—	—
At 31 December 2020	**(1,688,712)**	**(2,240,884)**	**(351,935)**	**(4,281,531)**
Net book value				
Cost	1,688,712	2,240,884	351,935	4,281,531
Accumulated amortisation and impairment	(1,688,712)	(2,240,884)	(351,935)	(4,281,531)
At 31 December 2019	—	—	—	—
Cost	1,688,712	2,240,884	351,935	4,281,531
Accumulated amortisation and impairment	(1,688,712)	(2,240,884)	(351,935)	(4,281,531)
At 31 December 2020	**—**	**—**	**—**	**—**

Intangible assets comprise two patents acquired from Mirriad Limited in 2015 which were amortised on a straight line basis over four years.

Other intangibles above include the technology acquired from Mirriad Limited, which has a carrying net book value of £nil (2019: £nil) and the Mirriad brand acquired as part of the same transaction, which has a carrying value of £nil (2019: £nil). These items were amortised on a straight line basis over four years.

The internally generated software costs reflect staff time incurred on two main products for internal use which underpin the business processes. These development costs have been offset by grant income received for the same staff costs over the year. To the extent that work on the products reflects research or maintenance activities, such related costs have not been capitalised. The capitalised software development costs are being amortised on a straight line basis over three years.

In 2018 management determined that the lower than expected revenue growth and the decline in market capitalisation constituted triggering events in accordance with IAS 36, and hence an impairment of the internally generated software costs was required. While management believes the software remains critical to the future success of the business and the software continues to be used with the Group's clients, the uncertainty over future cash flows resulting from slower than anticipated revenue growth meant that in 2018 management believed it was appropriate to take an impairment charge against the asset and write the carrying value down to zero. For the current year management maintains the above view and as a result has taken the decision to not capitalise any development costs in 2020.

Neither the patents nor the other intangible assets were deemed to be impaired as part of the review mentioned above and were fully written down in 2019.

14. Trade and other receivables

	Group		Company	
	2020 £	2019 £	**2020 £**	2019 £
Trade receivables – net	**804,327**	293,434	**13,450**	11,553
Other debtors	**343,057**	359,725	**202,788**	282,119
Accrued income	**168,501**	121,262	**5,400**	7,190
Intercompany balances	**—**	—	**184,708**	114,478
Prepayments	**345,921**	462,718	**242,091**	203,512
	1,661,806	1,237,139	**648,437**	618,852
Less non-current portion: other debtors	**(186,021)**	(212,143)	**(162,962)**	(162,962)
Current portion	**1,475,785**	1,024,996	**485,475**	455,890

As at 31 December 2020 the total accrued revenue balance related to contract assets was £168,501 (2019: £121,262). This balance was fully invoiced to customers by the end of February 2021. Trade receivables are stated after an expected credit loss reserve, as required by IFRS 9, of £45,952 (2019: £37,568). As of 31 December 2020, trade receivables of £55,451 (2019: £15,773) were past due but not impaired. These relate to three customers none of which have a recent history of default. The ageing history of these trade receivables is as follows:

	2020 £	2019 £
Up to three months	**17**	—
Three to six months	**55,434**	6,549
Over six months	**—**	9,224
Total	**55,451**	15,773

15. Trade and other payables

	Group		Company	
	2020 £	2019 £	**2020 £**	2019 £
Trade creditors	**276,870**	157,929	**233,893**	157,929
Current tax liabilities	**13,361**	24,809	**—**	—
Deferred income	**160,666**	—	**—**	—
Other taxation and social security	**207,896**	172,030	**200,728**	168,840
Accruals	**1,268,413**	967,665	**755,636**	702,811
Total	**1,927,206**	1,322,433	**1,190,257**	1,029,580

As at 31 December 2020 the total deferred revenue balance (contract liabilities) all related to Tencent and was £160,666 (2019: nil). This will all be recognised in 2021.

16. Financial instruments

The Group has the following financial instruments:

	2020 £	2019 £
Financial assets that are debt instruments measured at amortised cost:		
– Trade debtors	**804,327**	293,434
– Other debtors	**437,288**	351,956
Total	**1,241,615**	645,390
Financial liabilities measured at amortised cost:		
– Trade creditors	**276,870**	157,929
– Lease liabilities	**594,657**	796,555
– Other taxation and social security	**207,896**	172,030
Total	**1,079,423**	1,126,514

16. Financial instruments continued

None of the financial assets are considered to be impaired.

The Group has no financial assets at fair value through the income statement (2019: nil) and no financial assets that are equity instruments measured at cost less impairment (2019: nil).

Derivative financial instruments

The Group has no interest rate derivative financial instruments.

Interest on bank loans and overdrafts is disclosed in note 8.

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	2020 £	2019 £
Trade receivables		
Counterparties without external credit rating:		
Group 1	**292,504**	—
Group 2	**511,823**	293,434
Group 3	**—**	—
Total unimpaired trade receivables	**804,327**	293,434
Cash at bank and short-term bank deposits:		
A1	**34,727,567**	18,553,726
A3	**394,826**	272,686
Baa2	**—**	52,554
Baa3	**298,929**	212,260
	35,421,322	19,091,226
Cash in hand	**74**	387
Total cash and cash equivalents	**35,421,396**	19,091,613

Group 1 – new customers (less than six months).

Group 2 – existing customers (more than six months) with no defaults in the past.

Group 3 – existing customers (more than six months) with some defaults in the past.

17. Share capital and premium

Share premium and nominal value of share capital

	Ordinary Shares £	Deferred shares £	Total share capital £	Share premium £	Total £
At 1 January 2019	1,051	49,898	50,949	25,643,192	25,694,141
Proceeds from shares issued	1,080	—	1,080	16,196,750	16,197,830
Share issue costs	—	—	—	(907,759)	(907,759)
At 31 December 2019	2,131	49,898	52,029	40,932,183	40,984,212
Proceeds from shares issued	659	—	659	26,228,815	26,229,474
Share issue costs	—	—	—	(1,450,701)	(1,450,701)
At 31 December 2020	**2,790**	**49,898**	**52,688**	**65,710,297**	**65,762,985**

Ordinary Shares of £0.00001 each

Allotted and fully paid	Number
At 1 January 2020	213,108,250
Issued during the year	65,883,641
At 31 December 2020	**278,991,891**

17. Share capital and premium continued

Share premium and nominal value of share capital continued

On 28 September 2020 253,576 Ordinary Shares were issued for 30p per share following an exercise of options under the Company's Unapproved Share Option Scheme.

In December 2020 65,220,065 Ordinary Shares were issued for 40p per share as part of a £26.2 million fundraise from new and existing shareholders. This was split as follows:

- 6,350,000 Ordinary Shares issued to Enterprise Investment Scheme ("EIS") investors on 16 December 2020 from the placing exercise;
- 51,250,000 Ordinary Shares issued on 17 December 2020 from the placing exercise;
- 7,620,065 Ordinary Shares issued on 17 December 2020 from an open offer to existing shareholders on the basis of 1 new share for every 28 existing Ordinary Shares held.

On 30 December 2020 410,000 Ordinary Shares were issued following an exercise of options under the Company's EMI Share Option Scheme. The exercise price of these options was as follows:

- 300,000 Ordinary Shares at 19.5p per share
- 110,000 Ordinary Shares at 6.25p per share.

There is a single class of Ordinary Shares. There are no restrictions on the distribution of dividends and the repayment of capital.

Deferred shares of £0.025 each

Allotted and fully paid	Number
At 1 January 2020	1,995,936
Issued during the year	—
At 31 December 2020	**1,995,936**

The deferred shares do not have any voting rights attached and no entitlement to receive any dividend or other distribution. On a return of assets in a winding-up or otherwise the holders of deferred shares will only be entitled to repayment of the amounts paid up on such shares after repayment of £10 million per Ordinary Share. The Company may, subject to appropriate shareholder approval, elect to buy back the deferred shares at a later date for an aggregate amount of £0.01 for each holder's total holding of deferred shares.

The share capital reserve consists of shares issued to the Group's investors.

The number of authorised shares is uncapped.

The share premium reserve consists of amounts paid in addition to the nominal value of the Ordinary Shares, less any direct costs and fees incurred during the investment.

The profit and loss account consists of accumulated losses.

18. Share-based payment reserve

	Group and Company £
At 1 January 2019	2,141,094
Share-based payments recognised as expense	359,850
At 31 December 2019	2,500,944
At 1 January 2020	2,500,944
Share-based payments recognised as expense	349,627
At 31 December 2020	**2,850,571**

The cost of equity-settled share-based payments are recognised in the income statement, together with a corresponding increase in equity in this share-based payment reserve during the vesting period. Note 20 explains the employee option schemes in more detail.

19. Retranslation reserve

	Group £
At 1 January 2019	(278,831)
Translation gain for the year	136,179
At 31 December 2019	(142,652)
At 1 January 2020	(142,652)
Translation loss for the year	(646)
At 31 December 2020	**(143,298)**

The other reserve contains the translation losses for the year which result from the revaluation of subsidiary opening net assets and reserves. Such translation movements are recorded in the statement of comprehensive income and this reserve.

20. Share-based payments

Certain employees participate in the employee share option scheme, which provides additional remuneration for those employees who are key to the operations of the Group. In accordance with IFRS 2 "Share-based payments" the cost of the equity-settled transactions is measured by reference to their fair value at the date at which they are granted. For options with a time-based vesting under the Unapproved and EMI option schemes fair value is determined using the Black-Scholes model. For options that have a market performance element the fair value and estimated vesting period are determined using a combination of Binomial and Monte Carlo methods. The cost of equity-settled transactions is recognised over the period until the award vests. No expense is recognised for awards that do not ultimately vest. At each reporting date, the cumulative expense recognised for equity-based transactions reflects the extent to which the vesting period has expired and the number of awards that, in the opinion of the Directors at that date, will ultimately vest.

The cost of equity-settled share-based payments are recognised in the income statement, together with a corresponding increase in equity during the vesting period – please see note 18 for details of the share-based payment reserve. During the 12 months ended 31 December 2020, the Group recognised a share-based payment expense of £349,627 (2019: £359,850). The charge is included within administrative expenses.

The Company grants share options under an Unapproved Share Option Scheme (the "Unapproved Scheme") and under its tax efficient EMI Option Scheme (the "EMI Scheme"). More details on the two schemes can be found below.

Unapproved Scheme

Under the Unapproved Scheme, options are granted to non-UK-based employees or UK-based employees who have exceeded their EMI limits, usually at an exercise price deemed to be market value of the shares at the date of grant. The vesting conditions for the options in issue during the year are as follows:

- 4,161,783 options at market value with one-third exercisable on the first anniversary of the grant, a further third exercisable on the second anniversary of the grant and the remainder exercisable three years after the date of grant. 253,576 of these options were exercised during the year and 979,836 lapsed.
- 1,269,121 options at nominal value with one-third exercisable on the first anniversary of the grant, a further third exercisable on the second anniversary of the grant and the remainder exercisable three years after the date of grant.
- 2,268,068 options at market value set to vest over four years, with one-third exercisable on the second anniversary of the grant, a further third exercisable on the third anniversary of the grant and the remaining amount exercisable four years after the date of grant. These options could only be exercised if market performance conditions are met. All of these options were forfeited and cancelled during the year and replaced with new market performance options.
- 3,802,453 options at market value which vest three years from the date of grant. These new options were authorised in May 2020 by the Company's Remuneration Committee and granted to a number of the Company's senior staff. Unlike most of the options issued historically these options vest monthly over the 36 months of the scheme and are only capable of exercise at the end of that 36-month period.
- 7,249,400 options at market value which only vest if specified market performance conditions are met. The Binomial model was used initially to estimate when these options were likely to vest based on the share price targets specified in the option agreements. Due to a low share price at the date the options were granted and a high historic share price volatility the Binomial model predicted that the options would never vest. However, management believed that there was a value attached to these options and a corresponding share-based payment charge should be recognised, and subsequently took the decision to spread the cost over the full 10-year lifespan of the options. This charge was trued up at the year end to reflect the two share price targets met during the year and the actual number of options that vested in the year.

20. Share-based payments continued

Unapproved Scheme continued

- 400,000 options at nominal value with one-third exercisable three months after the grant date, a further third exercisable 15 months after grant date and the remainder exercisable 27 months after the date of grant.
- 1,250,600 options at nominal value with one-third vesting immediately upon grant, a further third exercisable six months after grant date and the remainder exercisable 18 months after the date of grant.
- 750,000 options at market value with one-half exercisable on the first anniversary of the grant and the remainder exercisable two years after the date of grant.

All vested options expire 10 years after the date of grant.

In the year ended 31 December 2020, the Company granted 13,452,453 (2019: 690,000) share options under the Unapproved Scheme.

253,576 Unapproved options were exercised during the year (2019: nil).

2,268,068 Unapproved options were cancelled during the year (2019: nil).

EMI Scheme

Under the EMI Scheme options are granted to UK-based employees at a fair value. Historically, for options granted, one-third are exercisable on the first anniversary of the grant, a further third are exercisable on the second anniversary of the grant and the remainder are exercisable three years after the date of grant. All vested options expire 10 years after the date of grant. The options issued in 2015 vested immediately. In May 2020 the Company's Remuneration Committee authorised the grant of new options to a number of the Company's senior staff. Unlike the options issued historically these options vest monthly over the 36 months of the scheme and are only capable of exercise at the end of that 36-month period. Employees are not entitled to dividends until the share options are exercised. Vesting of the options is subject to continued employment within the Group.

In the year ended 31 December 2020, the Company granted 6,135,982 (2019: 330,000) share options under the EMI Scheme.

410,000 EMI options were exercised during the year (2019: nil).

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2020		2019	
	Weighted average exercise price in £ per share option	**Share options Number**	Weighted average exercise price in £ per share option	Share options Number
EMI Scheme				
Outstanding at 1 January	**0.12**	**2,316,460**	0.17	2,814,880
Granted	**0.15**	**6,135,982**	0.06	330,000
Exercised	**(0.16)**	**(410,000)**	—	—
Forfeited	**—**	**—**	(0.29)	(828,420)
At 31 December	**0.14**	**8,042,442**	0.12	2,316,460
Unapproved Scheme				
Outstanding at 1 January	**0.35**	**7,698,972**	0.40	8,469,347
Granted	**0.13**	**13,452,453**	0.06	690,000
Exercised	**(0.30)**	**(253,576)**	—	—
Forfeited	**(0.43)**	**(3,247,904)**	(0.52)	(1,460,375)
At 31 December	**0.17**	**17,649,945**	0.35	7,698,972

Out of the 8,042,442 outstanding EMI Scheme options (2019: 2,316,460), 1,024,258 options (2019: 662,124) were exercisable. The weighted average exercise price of the outstanding share options under the EMI Scheme at 31 December 2020 was £0.14 (2019: £0.12).

Out of the 17,649,945 outstanding Unapproved Scheme options (2019: 7,698,972), 5,599,568 options (2019: 3,819,823) were exercisable. The weighted average exercise price of the outstanding share options under the Unapproved Scheme at 31 December 2020 was £0.17 (2019: £0.35).

20. Share-based payments continued

EMI Scheme continued

Share options outstanding at the end of the year have the following expiry date and exercise price:

				Share options	
Grant-vest	Scheme	Expiry date	Exercise price in £ per share options	**2020**	2019
2015–18	Unapproved	20 Aug 2025	0.30	**732,836**	732,836
2015–18	Unapproved	26 Sep 2020	0.30	**—**	253,576
2016–19	Unapproved	26 Sep 2020	0.62	**—**	979,836
2016–19	Unapproved	16 Dec 2026	0.62	**1,280,535**	1,280,535
2017–20	Unapproved	16 Oct 2027	0.62	**225,000**	225,000
2018–21	EMI	1 Jun 2028	0.35	**63,917**	63,917
2018–21	EMI	1 Oct 2028	0.00001	**833,333**	833,333
2018–21	Unapproved	1 Oct 2028	0.00001	**1,269,121**	1,269,121
2018–22	Unapproved	1 Oct 2028	0.35	**—**	2,268,068
2018–21	EMI	9 Nov 2028	0.195	**789,210**	1,089,210
2019–22	EMI	16 May 2029	0.0625	**220,000**	330,000
2019–22	Unapproved	16 May 2029	0.0625	**690,000**	690,000
2020–22	Unapproved	1 Apr 2030	0.07	**250,000**	—
2020–30*	Unapproved	2 Apr 2030	0.15	**7,249,400**	—
2020–21	Unapproved	2 Apr 2030	0.00001	**1,250,600**	—
2020–22	Unapproved	2 Apr 2030	0.00001	**400,000**	—
2020–23	Unapproved	18 May 2030	0.15	**3,802,453**	—
2020–23	EMI	18 May 2030	0.15	**6,135,982**	—
2020–22	Unapproved	19 Jun 2030	0.176	**250,000**	—
2020–22	Unapproved	29 Jun 2030	0.204	**250,000**	—
Total				**25,692,387**	10,015,432

* These options will only vest in certain market performance conditions are met.

The fair values for the EMI options and the non-performance related Unapproved options were estimated using the Black-Scholes option pricing model. The fair values for the Unapproved options with market performance conditions were estimated using the Monte Carlo pricing model. The weighted average fair value of the options granted under the EMI Scheme during the year under this model was £0.14 per option (2019: £0.03). The weighted average fair value of the options granted under the Unapproved Scheme during the year under this model was £0.09 per option (2019: £0.03). The principal assumptions underlying the valuation of the options granted during the year at the date of grant are as follows:

	2020	2019
EMI Scheme		
Weighted average share price at grant date	**£0.15**	£0.06
Weighted average exercise price at grant date	**£0.15**	£0.06
Expected volatility	**185.9%**	59.4%
Expected life	**6.5 years**	6.5 years
Risk-free rate	**0.65%**	1.52%
Unapproved Scheme – non-performance options		
Weighted average share price at grant date	**£0.10**	£0.06
Weighted average exercise price at grant date	**£0.10**	£0.06
Expected volatility	**185.8%**	59.4%
Expected life	**7 years**	6.5 years
Risk-free rate	**0.71%**	1.52%

21. Cash used in operations

	Note	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Loss for the financial year		**(9,056,380)**	(12,094,904)	**(9,115,731)**	(12,037,026)
Adjustments for:					
Tax on loss on ordinary activities	10	**(32,429)**	(56,231)	**(55,209)**	(80,077)
Interest income	8	**(34,339)**	(46,436)	**(32,698)**	(44,664)
Lease interest costs	8	**30,702**	23,627	**16,305**	26,124
Operating loss		**(9,092,446)**	(12,173,944)	**(9,187,333)**	(12,135,643)
Amortisation of intangible assets	13	**—**	170,053	**—**	170,053
Amortisation of right-of-use assets	12	**315,852**	330,257	**201,457**	201,457
Depreciation of tangible assets	12	**150,245**	168,154	**120,986**	118,817
(Profit)/loss on disposal of tangible assets		**(90)**	16,067	**(90)**	(100)
Bad debts written off/(reversed)		**11,609**	3,859	**162**	(56)
Share-based payment charge	20	**349,627**	359,850	**349,627**	359,850
Adjustments to tax credit in respect of previous years	10	**(5,426)**	4,286	**(5,426)**	3,323
Research and development expenditure credits		**(35,490)**	—	**(35,490)**	—
Foreign exchange variance		**(646)**	136,179	**—**	—
(Increase)/decrease in debtors		**(436,276)**	(101,350)	**(29,585)**	126,015
Increase/(decrease) in creditors		**596,673**	(135,509)	**160,507**	(68,339)
Cash flow used in operations		**(8,146,368)**	(11,222,098)	**(8,425,185)**	(11,224,623)

22. Capital and other commitments

The Group had no capital and other commitments as at 31 December 2020 or for the year ended 31 December 2019.

23. Related party transactions

The Group is owned by a number of investors, the largest being M&G Investment Management, which owns approximately 13% of the share capital of the Company. At 31 December 2019 the largest shareholder was IP2IPO Portfolio (GP) Limited (as general partner for IP2IPO Portfolio LP), which owned approximately 16% of the share capital of the Company. Accordingly there is no ultimate controlling party.

During the year the Company had the following significant related party transactions which were carried out at arm's length. No guarantees were given or received for any of these transactions:

Transactions with Directors

As part of the fundraise in December 2020 the following Directors purchased Ordinary Shares in the Company at a cost of £0.40 per share:

Director	Number of shares
John Pearson	25,000
Stephan Beringer	25,000
David Dorans	2,500
Alastair Kilgour	25,000
Bob Head	50,000

Transactions with other related parties

IP2IPO Limited – a company which shares a parent company with IP2IPO Portfolio (GP) Limited, a major shareholder in the Group, and which also appoints a Director of the Group charged Mirriad Advertising plc for the following transactions during the year: (1) £20,000 for the services of Dr Mark Reilly as a Director during the year (2019: £20,000). £1,667 of this amount was invoiced and unpaid as at 31 December 2020. These outstanding amounts were paid on 5 February 2021; (2) £12,000 for the services of the Company Secretary during the year (2019: £12,000). £3,000 of this amount was invoiced and unpaid as at 31 December 2020. This outstanding amount was paid on 5 February 2021; and (3) £250 for travel costs related to Dr Mark Reilly (2019: £118). £22 of this amount was invoiced and unpaid as at 31 December 2020, and was paid on 5 February 2021.

23. Related party transactions continued

Transactions with other related parties continued

Parkwalk Advisors Limited – a company which shares a parent company with IP2IPO Portfolio (GP) Limited, a major shareholder in the Group, charged Mirriad Advertising plc for the following transactions during the year: (1) £20,000 for the services of Alastair Kilgour as a Director during the year (2019: £20,000). £1,667 of this amount was accrued and unpaid as at 31 December 2020, but was invoiced in early January 2021 and subsequently paid on 5 February 2021.

Top Technology Ventures Limited – a company which shares a parent company with IP2IPO Portfolio (GP) Limited, a major shareholder in the Group. There were no transactions with Mirriad Advertising plc during the year (2019: £9,498 for attendance and travel costs for an employee's attendance at IP Group events in China).

All the related party transactions disclosed above were settled by 31 December 2020 except where stated.

During the year ended 31 December 2020, the Company entered into transactions with its subsidiary companies for working capital purposes, which net off on consolidation – these have not been shown above.

The Directors have authority and responsibility for planning, directing and controlling the activities of the Group and they therefore comprise key management personnel as defined by IAS 24 "Related party disclosures". Remuneration of Directors and senior management is disclosed on page 48 in the Remuneration Report.

24. Lease commitments

All lease liabilities and right-of-use assets relate to offices leased in the countries where the Group operates. The depreciation charge on right-of-use assets is shown in note 12. The interest expense associated with leased assets is shown in note 8.

Lease liabilities

	Group		Company	
	2020 £	2019 £	**2020 £**	2019 £
Current	**390,220**	373,227	**271,600**	271,600
Non-current	**204,437**	423,328	**152,340**	407,634
Total	**594,657**	796,555	**423,940**	679,234

Future minimum lease payments as at 31 December 2020 are as follows:

	Group		Company	
	2020 £	2019 £	**2020 £**	2019 £
No later than one year	**393,255**	373,227	**271,600**	271,600
Later than one year and no later than five years	**211,604**	451,449	**158,433**	430,033
Total gross payments	**604,859**	824,676	**430,033**	701,633
Impact of finance expenses	**(10,202)**	(28,121)	**(6,093)**	(22,399)
Carrying amount of liability	**594,657**	796,555	**423,940**	679,234

Notice of Annual General Meeting

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other professional adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000, as amended, or an appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your shares in the Company, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

MIRRIAD

Mirriad Advertising plc

(incorporated and registered in England and Wales under number 09550311)

NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting of Mirriad Advertising plc (the **"Company"**) to be held at 96 Great Suffolk Street, London, SE1 0BE at 10.00 a.m. on 14 June 2021 is set out in this document.

Please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received not less than 48 hours before the time of the holding of the Annual General Meeting.

COVID-19 Update

The continuing COVID-19 situation and the related Government guidelines currently restrict public gatherings. Taking into account the UK Government's roadmap for easing COVID-19-related restrictions, it is likely that by the time of the Annual General Meeting, public gatherings will still be limited. This will clearly impact on the ability of shareholders to attend our Annual General Meeting. Although the Board considers the Annual General Meeting an important opportunity to present to shareholders the Company's performance and strategic priorities, and values greatly the opportunity to meet shareholders in person, the Company is committed to protecting the health and well-being of our shareholders, directors, employees and other stakeholders. Accordingly, in light of the UK Government's COVID-19 guidance at the time of this Notice of Annual General Meeting, **the Board has taken the decision to proceed with holding the Annual General Meeting on 14 June 2021 at 10:00 a.m. with the minimum quorum of shareholders present in order to conduct the business of the meeting (being two shareholders). As such, shareholders are strongly advised not to physically attend the meeting. Any shareholder who attempts to attend the meeting in person may be refused entry on grounds of safety. Equally, our advisers and other guests will not be invited to attend the General Meeting.**

The Government guidelines in relation to COVID-19 can be found at www.gov.uk/coronavirus.

Instead of attending this year's Annual General Meeting, shareholders are asked to exercise their votes by submitting their proxy electronically or by post, as explained below. Shareholders are strongly advised to appoint the "Chairman of the meeting" as proxy, as any other proxies may be refused entry to the meeting. The Board understands the importance of the Annual General Meeting as a forum for shareholders to ask questions of the Board. As this is unlikely for the Annual General Meeting in 2021, should a shareholder have a question that they would like to have raised at the meeting, we ask that they send it by email at least 48 hours prior to the date of the Annual General Meeting to mirriadplc@mirriad.com. The Company will respond to any relevant questions received and may also, if the Board so determines, and subject to any regulatory restrictions, publish these questions and the Company's responses on the Company's website at https://www.mirriadplc.com/investor-relations/shareholder-information as soon as practicable after the Annual General Meeting.

The Board will keep these Annual General Meeting arrangements under review and the Board will update shareholders via the Regulatory News Service as appropriate, with any such announcements also uploaded to the Company's website (https://www.mirriadplc.com/investor-relations/shareholder-information). The Company encourages shareholders to check its website regularly for the latest information on the arrangements for the Annual General Meeting.

NOTICE IS HEREBY GIVEN that the **ANNUAL GENERAL MEETING** of Mirriad Advertising plc (the **"Company"**) will be held at 96 Great Suffolk Street, London, SE1 0BE at 10.00 a.m. on 14 June 2021 for the purposes of considering and, if thought fit, passing the following resolutions of which Resolutions 1 to 8 (inclusive) will be proposed as ordinary resolutions and Resolution 9 will be proposed as a special resolution.

Ordinary business

1. To receive and consider the Directors' Report, the audited Financial Statements and Independent Auditors' Report for the year ended 31 December 2020.
2. To receive and approve the remuneration report contained with the report and accounts for the year ended 31 December 2020.
3. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at which accounts are laid before the members of the Company.
4. To authorise the directors of the Company (the "Directors") to fix the remuneration of the auditors.
5. To elect Ms. Kelsey Lynn Skinner as a Director of the Company in accordance with the articles of association of the Company.
6. To re-elect Mr. John Pearson as a Director of the Company who retires in accordance with the articles of association of the Company.
7. To re-elect Mr. David Dorans as a Director of the Company who retires in accordance with the articles of association of the Company.

Special business

8. That, in substitution for any equivalent authorities and powers granted to the Directors prior to the passing of this resolution, the Directors be and are hereby generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 ("Act") to exercise all the powers of the Company to:

   (a) allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares in the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being "relevant securities") up to an aggregate nominal amount of £929.88 (such amount to be reduced by the nominal amount of any allotment or grants made under paragraph (b) below in that are in excess of £929.88; and further

   (b) allot equity securities of the Company (as defined in Section 560 of the Act) up to an aggregate nominal amount of £1,859.76 (such amount to be reduced by the nominal amount of any allotment or grants made under paragraph (a) above) in connection with an offer by way of a rights issue:

      (i) in favour of holders of ordinary shares in the capital of the Company, where the equity securities respectively attributable to the interests of all such holders are proportionate (as nearly as practicable) to the respective number of ordinary shares in the capital of the Company held by them; and

      (ii) to holders of any other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

      but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractions of such securities, the issue, transfer and/or holding of any securities in certificated form or in uncertificated form, the use of one or more currencies for making payments in respect of such offer, any such shares or other securities being represented by depositary receipts, treasury shares or any legal, regulatory or practical problems arising under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory or any other matter whatsoever,

   provided that (i) unless previously revoked, varied or extended, such authorities shall expire on the earlier of the conclusion of the Company's next Annual General Meeting and the date falling 15 months after the date of the passing of this resolution, and (ii) before such expiry the Company may make any offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot such relevant securities pursuant to any such offer or agreement as if the authority conferred by this Resolution 8 had not expired.

Special business continued

9. That, in substitution for any equivalent authorities and powers granted to the Directors prior to the passing of this resolution, the Directors be and are hereby generally empowered to allot equity securities (as defined in section 560 of the Act) of the Company wholly for cash pursuant to the authority of the Directors under Section 551 of the Act conferred by Resolution 8 above (in accordance with Sections 570(1) of the Act) and/or by way of a sale of treasury shares (in accordance with Section 573 of the Act), in each case as if Section 561(1) of the Act did not apply to any such allotment provided that:

   (a) such power shall be limited to:

      (i) the allotment of equity securities in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of Resolution 8, by way of a rights issue only):

         (A) in favour of holders of ordinary shares in the capital of the Company, where the equity securities respectively attributable to the interests of all such holders are proportionate (as nearly as practicable) to the respective number of ordinary shares in the capital of the Company held by them; and

         (B) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

      but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractions of such securities, the issue, transfer and/or holding of any securities in certificated form or in uncertificated form, the use of one or more currencies for making payments in respect of such offer, any such shares or other securities being represented by depositary receipts, treasury shares or any legal, regulatory or practical problems arising under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory or any other matter whatsoever; and

      (ii) the allotment of equity securities, other than pursuant to sub-paragraph (i) above, up to an aggregate nominal amount of £279.00,

   (b) unless previously revoked, varied or extended, such authorities shall expire on the earlier of the conclusion of the Company's next Annual General Meeting and the date falling 15 months after the date of the passing of this resolution except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot such relevant securities in pursuance of such an offer or agreement as if this authority had not expired.

By order of the Board

Will Crompton
Company Secretary
21 May 2021

Registered office

6th Floor
One London Wall
London
EC2Y 5EB

Registered in England and Wales No. 09550311

Explanatory notes to the resolutions

Resolution 1 – Receiving the account and reports

All public limited companies are required by law to lay their annual accounts before a general meeting of the Company, together with the directors' reports and auditors' reports on the accounts. At the Annual General Meeting, the Directors will present these documents to the members for the financial year ended 31 December 2020.

Resolution 2 – Directors' remuneration report

The Company is required to put an ordinary resolution to members approving the report at the meeting at which the Company's report and accounts for that year are laid.

Resolution 3 – Re-appointment of auditors

This resolution concerns the re-appointment of PricewaterhouseCoopers LLP as Auditors until the conclusion of the next general meeting at which accounts are laid, that is, the next Annual General Meeting.

Resolution 4 – Auditors' remuneration

This resolution authorises the Directors to fix the Auditors' remuneration.

Resolution 5 – Election of Kelsey Lynn Skinner

This resolution concerns the election of Kelsey Lynn Skinner, who was appointed to the Board since the last Annual General Meeting.

Resolutions 6-7 – Re-election of John Pearson and David Dorans

These resolutions concern the re-election of John Pearson and David Dorans who are retiring in accordance with article 88.1(d) of the Company's articles of association.

Resolution 8 – Directors' power to allot shares

This resolution grants the Directors authority to allot shares in the capital of the Company and other relevant securities up to an aggregate nominal value of £929.88, representing approximately 33.33% of the nominal value of the issued ordinary share capital of the Company as at 20 May 2021, being the latest practicable date before publication of this notice. In addition, in accordance with guidelines issued by the Investment Association, this resolution grants the Directors authority to allot further equity securities up to an aggregate nominal value of £1,859.76, representing approximately 66.66% of the nominal value of the issued ordinary share capital of the Company as at 20 May 2021 being the latest practicable date before publication of this notice. This additional authority may be only applied to fully pre-emptive rights issues.

Unless revoked, varied or extended, this authority will expire at the conclusion of the next Annual General Meeting of the Company or the date falling 15 months from the passing of the resolution, whichever is the earlier.

Resolution 9 – Directors' power to issue shares for cash

This resolution authorises the Directors in certain circumstances to allot equity securities for cash other than in accordance with the statutory pre-emption rights (which require a company to offer all allotments for cash first to existing shareholders in proportion to their holdings). The relevant circumstances are either where the allotment takes place in connection with a rights issue or other pre-emptive issue or the allotment is limited to a maximum nominal amount of £279.00, representing approximately 10% of the nominal value of the issued ordinary share capital of the Company as at 20 May 2021 being the latest practicable date before publication of this notice. Unless revoked, varied or extended, this authority will expire at the conclusion of the next Annual General Meeting of the Company or 15 months after the passing of the resolution, whichever is the earlier.

The Company may hold any shares it buys back "in treasury" and then sell them at a later date for cash rather than simply cancelling them. Any such sales are required to be made on a pre-emptive, pro-rata basis to existing shareholders unless shareholders agree by special resolution to disapply such pre-emption rights. Accordingly, in addition to giving the Directors power to allot unissued ordinary shares on a non-pre-emptive basis, resolution 9 will also give Directors power to sell ordinary shares held in treasury on a non-pre-emptive basis, subject always to the limitations noted above.

The Directors consider that the power proposed to be granted by resolution 9 is necessary to retain flexibility, although they do not have any intention at the present time of exercising such power.

Unless revoked, varied or extended, the authorities conferred by resolution 9 will expire at the conclusion of the next Annual General Meeting of the Company or 15 months after the passing of the resolution, whichever is the earlier.

Notice of Annual General Meeting continued

Notes to Notice of Annual General Meeting

The following notes remain subject to Government restrictions that may be in place at the time of the Annual General Meeting arising from the COVID-19 situation. It is the Company's intention to proceed with holding the Annual General Meeting on 14 June 2021 at 10:00 a.m. with the minimum quorum of shareholders present in order to conduct the business of the meeting (being two shareholders). Whilst the current guidance remains in place, shareholders are strongly advised not to physically attend the meeting. Any shareholder who attempts to attend the meeting in person may be refused entry on grounds of safety. References in these Notes to 'attend' or 'attending' should be construed in light of the COVID-19 restrictions which will restrict physical attendance at the Annual General Meeting.

The Company will keep these Annual General Meeting arrangements under review and will update shareholders via the Regulatory News Service as appropriate, with any such announcements also uploaded to the Company's website (https://www.mirriadplc.com/investor-relations/shareholder-information). The Company encourages shareholders to check its website regularly for the latest information on the arrangements for the Annual General Meeting.

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. However, in light of COVID-19 restrictions, members are strongly advised to appoint the Chairman of the meeting as their proxy as any other person appointed as proxy may be refused entry to the Annual General Meeting on grounds of safety. Similarly, whilst a member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member (so a member must have more than one share to be able to appoint more than one proxy), members are again strongly advised to appoint the Chairman of the meeting as their proxy for the reasons set out above. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's registrars on 0370 702 0150. Calls cost 12 to 14p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. They are open between 8.30am–5.30pm, Monday to Friday excluding public holidays in England and Wales.
2. To be valid, the proxy form must be completed and lodged, together with the original power of attorney or other authority (if any) under which it is signed, or a duly certified copy of such power or authority, with the Company's registrars, Computershare Investor Services plc, by hand only to Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or in accordance with the replied paid details, not less than 48 hours before the time appointed for holding the Annual General Meeting.
3. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 7 below) will not prevent a member attending the Annual General Meeting and voting in person if he/she wishes to do so (although voting in person at the Annual General Meeting will terminate the proxy appointment).
4. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), members must be registered in the Register of Members of the Company at the close of business on 10 June 2021 (or, if the Annual General Meeting is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.
5. As at 20 May 2021 (being the last business day prior to the publication of this notice of meeting) the Company's issued share capital consisted of 278,991,891 ordinary shares in the capital of the Company, carrying one vote each. Therefore, the total voting rights in the Company as at 20 May 2021 were 278,991,891.
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a **"CREST Proxy Instruction"**) must be properly authenticated in accordance with Euroclear UK and Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (CREST ID No. 3RA50) by 10am on 10 June 2021. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

Notes to Notice of Annual General Meeting continued

8. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK and Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
9. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
10. Any corporation which is a member can either (i) appoint a proxy (described in notes 1 to 3 above) or (ii) appoint one or more corporate representatives, who may exercise on its behalf all of its powers as a member provided they do not do so in relation to the same shares. Members considering the appointment of a corporate representative should check their own legal position, the Company's articles of association and the relevant provision of the Companies Act 2006.
11. A copy of this notice, and other information required by section 311A of the Act, can be found at mirriadplc.com/investor-relations.
12. You may not use any electronic address provided either in the Notice of Annual General Meeting or any related documents (including the Chairman's letter and proxy form) to communicate for any purposes other than those expressly stated.
13. Voting on all resolutions will be conducted by way of a poll. This is a more transparent method of voting as shareholders' votes are counted according to the number of shares registered in their names.
14. Subject to COVID-19 restrictions, the following documents will be available for inspecting during normal business hours at the registered office of the Company from the date of this notice until the time of the meeting. They will also be available for inspection at the place of the meeting from at least 15 minutes before the meeting until it ends.

    (a) Copies of the service contracts of the Executive Directors of the Company.

    (b) Copies of the letters of appointment of the Non-executive Directors of the Company.

Company information

Directors

John Pearson
Chairman

Stephan Beringer
Chief Executive Officer

David Dorans
Chief Financial Officer

Alastair Kilgour
Non-executive Director

Bob Head
Non-executive Director

Kelsey Lynn Skinner
Non-executive Director

Company registration number

09550311

Registered office

6th Floor
One London Wall
London
EC2Y 5EB

Company website

www.mirriad.com

Independent auditors

PricewaterhouseCoopers LLP
3 Forbury Place
23 Forbury Road
Reading
RG1 3JH

Solicitors

Osborne Clarke LLP
6th Floor
One London Wall
London
EC2Y 5EB

Company Secretary

Will Crompton

Nominated adviser and broker

Canaccord Genuity Limited
88 Wood Street
London
EC2V 7QR

Financial PR

Charlotte Street Partners Limited
7–9 Henrietta Street
London
WC2E 8PW

Registrars

Computershare Investor Services plc
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ

Stay up to date with Mirriad

For more information on our business and all our latest news and press releases visit us at:

mirriad.com

mirriadplc.com

Follow us on social media

linkedin.com/company/mirriad/

twitter.com/mirriad

facebook.com/Mirriad/

instagram.com/mirriad_global/

mirriad.com
mirriadplc.com

WORLD LAND TRUST™
www.carbonbalancedpaper.com
CBP006955

FSC
www.fsc.org
MIX
Paper from responsible sources
FSC® C022913

Mirriad Advertising plc's commitment to environmental issues is reflected in this Annual Report, which has been printed on Amadeus Silk, an FSC® certified material. This document was printed by Pureprint Group using its environmental print technology, with 99% of dry waste diverted from landfill, minimising the impact of printing on the environment. The printer is a CarbonNeutral® company.

Both the printer and the paper mill are registered to ISO 14001.

Produced by
designportfolio

Mirriad Advertising plc
96 Great Suffolk Street
London
SE1 0BE