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Mirriad Advertising PLC
04 June 2024

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"). Upon the publication of this announcement, this inside information is now considered to be in the public domain.

4 June 2024

Mirriad Advertising plc

("Mirriad" or the "Company")

Audited Results for the year ended 31 December 2023

Mirriad, a leading in-content advertising company, announces its audited results for the year ended 31 December 2023 ("2023").

Financial highlights for the year

- Increase in revenue to £1.80m (2022: £1.51m) following growth in US and EMEA markets
- Adjusted EBITDA* loss decreased to £10.4m (2022: £14.0m) and cash consumption decreased to £10.5m (2022: £12.9m) following significant restructuring in the year
- Statutory loss for the year £10.9m (2022: £15.3m)
- Completion of placing raising £5.75m (gross) together with open offer raising a further £0.55m in June 2023
- Net cash at 31 December 2023 of £6.1m (2022: £11.3m)
- Net assets at 31 December 2023 of £6.6m (2022: £11.1m), tracking cash holding

** Defined as operating loss adjusted for depreciation, amortisation and share-based payment expense*

KPIs

As in prior periods, the Company is reporting operational key performance indicators ("KPIs"). The three "supply side" KPIs track the adoption of the Mirriad platform across the media industry, and the three "demand side" KPIs track the development of the engagement and activities of Mirriad with agencies and advertisers. Overall, they act as leading indicators of future revenue generation and overall progress in terms of market position and acceptance of the ad format. We have seen positive progress across most KPIs, with the only exception coming from partnership agreements with advertisers and agencies. This KPI is most susceptible to small changes given its low base due to the transition to the partner-led sales model, and its importance will be reviewed.

The KPI data for 2022 has been presented excluding China operations.

KPI	2023	2022	% Change
Supply side:			
1. Active supply partnerships*	#49	#36	+36%
2. Supply partners represented	#83	#60	+38%
3. Seconds of content available**	998,618 secs.	651,990 secs.	+53%
Demand side:			
1. Active agency relationships	#31	#19	+63%
2. Number of advertisers who have run campaigns	#68	#50	+36%
3. Strategic and commercials partnership agreements with advertisers and agencies	#1	#2	-50%

** Defined as the number of supply partners who ran a campaign during the period*
*** Defined as the total number of seconds of advertising inventory available for sale during the period*

Post year end highlights

- Master Service Agreement ("MSA") with a further US Major in March giving Mirriad access to c.39% of the US TV advertising market, and a further c.48% in the pipeline with three further Majors
- Major brands and all six major agency holding groups activated
- Working with partners and advertisers towards activation of programmatic in Q2 2024
- Awarded the Trusted Partner Network ("TPN") Gold Shield status in January (an industry recognition that is a critical enabler of Mirriad's partnerships with leading US entertainment and media companies)
- Announced a strategic agreement with programmatic exchange TripleLift Inc. in April 2024
- Placing, retail offer and directors' subscription to raise £6.8m (gross) announced on 7 May 2024
- Further material cost savings identified to be implemented in 2024/2025

Current trading and outlook

Consistent with prior years, revenue in the first quarter reflected the traditionally quieter period for the advertising industry ahead of the impact of US partner-led sales (expected in Q3) and the seasonal uptick in Q3/Q4. Costs have reduced by c. 30% compared to the corresponding period, reflecting both the significant cost saving exercise in H1 2023 as well as the Company's continuing focus on expenditure.

This year for the first time we are expecting a growing contribution from partners' sales, and the US Upfronts*, which take place in May and June and are expected to contribute towards revenues from Q4. Discussions with the remaining Majors in the US are promising, and we expect to close the majority of these in 2024. We are encouraged by the level of determination of all the major media partners to scale the new format with Mirriad, and the first agency groups are signalling interest in allocating larger budgets to in-content advertising/virtual product placement ("VPP") as a new ad category. The sales pipeline** remains strong at around £3m, which pipeline excludes potential Upfront revenue where spend budgets for Mirriad's format will now be part of annual negotiations between media partners and leading agency groups.

On the technology front, our platform migration completed in 2023 (with development support from Microsoft) towards an open architecture. The integration of advanced AI capabilities and the inclusion of third-party tools are paving the way to scale through platform "self-service" and access to a wider client base via Microsoft's Marketplace. Crucially, we are actively engaged with TripleLift and other adtech partners to initiate programmatic activation in Q2 2024.

Cash holding at the end of April was approximately £3.9m, prior to the receipt of c. £6.3m net proceeds from the placing and retail offer.

Stephan Beringer, CEO of Mirriad, said: "In 2023, the Company achieved positive movement across almost all KPIs, alongside modest revenue progress. Our cost-cutting decisions and successful fundraise means we now have the ability to realise the potential of the huge content and sales power of our recently signed Tier-One partners and new involvement in key set-pieces like this year's Upfronts.

"At the same time the integration with our partners at TripleLift will lead to a "plug and sell" proposition. Behind these developments are important technical achievements that put our ad-solution at the forefront of the streaming age and are paving the way to programmatic scale and long-term value for Mirriad's shareholders."

** In TV advertising, the "Upfront" is the long-established practice of buying and selling TV advertising time months in advance, typically in the Spring of each year, for advertising space scheduled to air in the coming television broadcast year. The most significant of these events is* *the Network Upfronts, an annual, weeklong event in New York.*

***Pipeline is defined as the unweighted sum of potential revenue contracts which are rated as qualified or above.*

For further information please visit www.mirriad.com or contact:

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Notes to Editors

About Mirriad

The leader in virtual product placement and in-content advertising, Mirriad's multi-patented and award-winning platform dynamically inserts products and brands into Television, SVOD/AVOD, Music, and Influencer content. Mirriad creates net-new revenue opportunities for content owners with an ad format that virtually integrates brands in entertainment content, drives exceptional performance for advertisers and dramatically improves the viewing experience.

Mirriad currently operates in the US, Europe, and India.

Forward looking statements

Certain information contained in this announcement, including any information as to the Group's strategy, plans or future financial or operating performance, constitutes "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "projects", "expects", "intends", "aims", "plans", "predicts", "may", "will", "seeks" "could" "targets" "assumes" "positioned" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of the Directors concerning, among other things, the Group's results of operations, financial condition, prospects, growth, strategies and the industries in which the Group operates. The directors of the Company believe that the expectations reflected in these statements are reasonable, but may be affected by a number of variables which could cause actual results or trends to differ materially. Each forward-looking statement speaks only as of the date of the particular statement.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future or are beyond the Group's control. Forward-looking statements are not guarantees of future performance. Even if the Group's actual results of operations, financial condition and the development of the industries in which the Group operates are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods.

Chairman's statement

Over the last year it has become increasingly clear that pressure on traditional ad formats continues to ratchet up, just as content owners, creators and distributors seek new revenue to offset rising costs. Consumers around the world also reacted to the effects of acute inflation, and adjusted discretionary spending accordingly. Already entrenched trends like ad avoidance and ad skipping became more pronounced, and we saw large streamers making moves to introduce advertising to support existing subscription models.

The move towards programmatic advertising - the use of automated technology for media buying - across the industry is gathering real pace, which aligns well with the Company's focus on rolling out this approach in the year ahead.

Management has worked hard after the strategic review and 2023 fundraise to bed in the agreed principles, and it is positive to see this resulting in significant new top-tier partnership agreements in the key US market, as well as a prudent approach to ongoing operations.

As part of the strategic review, we were pleased to welcome Nic Hellyer as new CFO in Q4 2023. I would like to reiterate my thanks to David Dorans, who stepped down as CFO at the end of the year. He ensured a smooth transition before his departure and contributed to the business hugely over the last eight years. As the Company enters an important new phase after the most recent fundraise, I have confirmed my plan to step down as Non-executive Chairman, but remain as a Non-Executive Director following the 2024 AGM. James Black will be the new Chairman, and he is well placed to work closely with Stephan and the wider management team to drive the Company forward.

I would also like to thank Board members Alastair Kilgour and Lois Day for their positive contributions during their time on the Mirriad Board, after they did not stand for re-election at the AGM. I am confident that the reshaped Board is well aligned with the Company's strategic objectives.

Mirriad is also committed to a clear and considered approach to Environmental, Social and Governance ("ESG") matters, always ensuring a balance between our corporate and ESG strategies. The Company continues to develop its policies in this area, and since 2022 its estimated carbon emissions, including travel, have been offset by purchasing carbon credits.

Despite the Company undergoing a number of staffing changes in the past 12 months, results from our recent employee engagement survey show that we have maintained 99% of employees saying they agree, or strongly agree with the statement 'I am proud to work at Mirriad'. This is really positive, and taking into account other encouraging feedback from the survey Mirriad continues to provide a culture which is rewarding, supportive and engaging. Giving back to the communities in which we work and embracing an equitable and inclusive culture have also remained a primary focus.

Looking ahead to 2024 in more detail, it is clear the advertising industry is changing fast, and nowhere is this more true than our key market in the US. Emerging technologies like AI and continuing viewer behavioural trends align well with Mirriad's long-term objectives and capabilities, but as the leader in a new vertical it is incumbent on us to keep making the case for the format. Partnerships with top-tier US industry leaders in particular underline that more and more organisations are understanding the opportunity the in content format presents.

As I prepare to step down, I am confident in the management team and the Board's ability to deliver against the Company's strategy, with the ultimate aim of delivering long-term shareholder value, particularly for those who have been steadfast in their understanding of the Company's vision.

John Pearson
Chairman
4 June 2024

Chief Executive Officer's Statement

The strategic review and fundraising in H1 2023 were significant undertakings, that put us in a stronger position to deliver against our overall objectives. As a result, we drove additional cost savings and recorded particular progress on signing new agreements with US tier one partners in H2 2023.

Our initial US market-building phase was launched in 2020 and resulted in a total Mirriad roster of over 60 partners, representing around 9% of the US TV advertising market at that point. This phase was crucial in raising awareness of the format, building a first wave of demand, demonstrating in content's strong performance and establishing the solution as a differential option in the future of advertising and the media.

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Building on these strong fundamentals, we were able to significantly grow our position in Q4 2023, with the addition of a further 17% share via agreements with two significant new partners.

Until Q4, the Company was very much still operating in 'manual' mode with around 9% of the key US market, ahead of the shift to programmatic delivery. The Mirriad proposition in 2024 is already looking very different: The majority of the market is now under contract or in serious discussions, there is a firmer starting pipeline for revenue as well as multiple programmatic integrations underway to enable automated transactions of the inventory.

The entire advertising market is operating in fluctuating macroeconomic conditions, but Mirriad's stand-out difference comes in our ability to address three strategic truths that still apply to every content owner, distributor, and advertiser:

1. consumers are shifting to more ad-free or ad-light video environments, and streamers in particular are still figuring out how to drive profitability into their businesses, given the high cost for content and the limited ad revenue and subscription growth;

2. ad clutter and over-exposure are driving ad-fatigue or avoidance; and

3. advertisers need more quality inventory to engage with audiences who may be limiting discretionary spend

Over the last year Mirriad has also maintained its position as the in-content category leader in the US, underlining the strength of our solution and our commitment to continuous innovation in this space. This position was recognised with further backing from investors in our May 2024 fundraise, which will allow us to effectively capitalise on the opportunity ahead.

Strategic approach

The completion of the strategic review in 2023 and the resulting equity fundraising plan resulted in an initial cash runway to Q3 2024. This has since been extended following the most recent raise. In H2 this was used to secure new tier one partnerships on the path to unlock the significant opportunity that exists with programmatic selling starting in 2024 in the US in particular.

Our pipeline conversion was strong towards the end of 2023, with further interest and negotiation from the top players in the industry, beyond those already signed. This is thanks to technological progress and proving our solution's differential performance with some of the biggest advertisers,
networks and content owners as a true differentiator in a constrained and saturated global ad market.

This approach is the route to scaling the Company in line with its full potential, capitalising on the growing pressures in the multibillion dollar media and marketing industries, and to creating long-term shareholder value.

We made changes at a leadership and Board level, and I would like to echo John's sincere thanks to David, Alastair and Lois for their contributions to the business. In addition, after announcing he will step down as Chairman after the Company's AGM, I would like to call out the significant impact John has had - and the considerable insight he has provided - both as a Mirriad Board member since 2017, and as non-executive Chairman from 2019. I now look forward to working with our incoming Chairman, James Black, as we move into this important next phase for the Company.

Everyone at Mirriad is laser-focused on our objectives, and based on delivery post-strategic review, I have every confidence in our re-shaped and highly motivated team's ability to deliver. Following a smooth handover, Nic Hellyer, our new CFO, has hit the ground running and is working effectively with our entire team as we move forward.

We continue to control costs wherever possible, and the Company closed the year with a cash balance of £6.1 million. Average monthly cash burn in the second half slightly improved over management expectations, with efficiency improvements achieved ahead of the plan outlined in the strategic review.

Business status, performance and technological progress

2023's revenue profile was based on a labour-intensive manual sales process, and in 2024 we will initiate the transition from this first market building and adoption phase to programmatic selling. Programmatic activation with the first partner is expected to occur in H1 2024. We are now working with tier one US partners as a priority, this approach is expected to open up increased volumes, far shorter lead times, automated transactions and true scale.

These agreements, and those expected to be closed in 2024, mean the 'Mirriad-inside' strategy of integrating in-content advertising as a new standard advertising format across the entire TV and video media ecosystem is now gaining significant traction, ahead of plan.

Overall Company revenue for 2023 was up by 31% on FY 2022 on a like for-like basis (excluding revenue from China operations, which formally closed in H1 2023). Over the same period, the Company increased the number of advertisers it worked with from 59 to 68, an uplift of 15%. The number of repeat advertisers also had a significant gain of 61%, from 13 to 21.

Technical progress continues at pace and our collaboration with Microsoft, announced in May 2023, accelerated the development of our platform as an enterprise level solution that is ready for programmatically sold inventory - a key building block for tier one partnerships and prerequisite for the increased scale we've been working towards.

In January 2024, Mirriad achieved the Trusted Partner Network ("TPN") Gold Shield status. This recognition is key for working with top entertainment and media companies in the US. It marks an important milestone in our growth, as TPN is the go-to standard for TV and film content security, further confirming our progress.

Outlook

At the outset of 2024 the Company was in active negotiations with two more majors in the US, taking the Company to a position of potential majority market share, with the prospect of further notable additions in the remainder of H1. This progress represents a phase-shift in the scale of new partners - Mirriad is now signing US 'majors' and 'super-majors'.

Our decision to raise new finance and restructure the business in 2023 gave us the firepower to drive growth in areas that will maximise return, like programmatic delivery. Now that we have raised additional funds in 2024, we will continue to control costs, while leveraging the significant market power of our new and existing partners to deliver true scale.

Continuing favourability towards the Mirriad format amongst consumers and advertisers contrasts sharply with general results from traditional advertising formats. Despite having entered the programmatic age over a decade ago, the structural challenges with traditional advertising formats have increased. Mirriad has the potential to be a real difference-maker in this pressurised environment.

I would like to thank investors who have stood by us during the strategic review and for their vision, and also for their constructive - and at times forthright - engagement. Everyone at Mirriad is focused on the move to programmatic to drive the Company forward and to generate long-term shareholder value.

Last year I talked about the need to build further confidence in the format and stay the course as we sought increased recognition amongst tier one partners in the US in particular. These were always going to be the 'hardest yards' for what was until recently considered an emerging technology. The tier one agreements we have signed recently, and those we are negotiating towards completion in 2024, speak to a sea-change in recognition for the Mirriad difference, at the absolute highest levels of the industry.

Stephan Beringer
Chief Executive Officer
4 June 2024

Financial review

2023 was a year of significant change for the Group. In addition to the planned final closure of the Chinese

2023 was a year of significant change for the Group. In addition to the planned final closure of the Chinese operations, the Group also undertook a significant restructuring across the remaining business in the first half of the year addressing both staff and non-staff costs. This resulted in staff redundancies in all continuing operating companies including a material reduction in headcount, with the US operations reducing from 15 to 11 staff at the end of May 2023 and the technology team decreasing from 46 to 30. Overall headcount in continuing operations reduced from 115 at the end of April to 93 at the end of the year (83 employees and 10 long-term contractors engaged by the UK business and mainly based offshore). The restructuring resulted in a one-off cost to the Group of £359k.

Notwithstanding these cost reductions, we continued to make targeted investments in our technology stack which has resulted in "Mirriad 3.0", a programmatic-ready enterprise-level version of our award-winning software solution, based on Microsoft's Azure cloud-based open architecture. Mirriad 3.0 substantially streamlines the ad buying process and brings it into line with digital advertising practices and is expected to open up increased volumes, and result in far shorter lead times and automated transactions. This ability to dynamically insert in-content ads in real-time is key to scaling this format across the media buying ecosystem.

Our marketing efforts continued to be focused on our US operations as the market with the highest opportunity. This focus began to pay off in 2023 with a number of master licence and service agreements being signed with US-based media and entertainment companies which, together with agreements signed after the year end, take Mirriad's access to the US TV advertising market from less than 10% to almost 40%.

2023 results

Revenue for the year was higher than the prior year at £1.8 million (2022: £1.5 million) reflecting continued growth in the US and EMEA markets. During the year revenues from the US increased to £1.43 million (2022: £1.18 million) and now represent 79% of revenues. This focus on the US is also reflected in the pipeline of opportunities for 2024 and beyond.

Overall EMEA revenues increased by 93% to £344k (2022: £178k). This growth was largely driven by our focal point of Germany; we delivered multiple campaigns, ranging from major global brands like McDonalds to retailers (such as Aldi and Lidl) across Germany's largest broadcasters, RTL and ProSieben. We also expanded operations into the Middle East as we delivered several campaigns with a new partner, MBC.

There was a small increase in our cost of sales due to inflation and an increase in production heads in India. As a result overall cost of sales increased to £313k (2022: £286k). Given the increased revenues, there was an uplift in gross profit to £1.5 million (2022: £1.2 million). The vast majority of our cost of sales relates to our staff based in Mumbai.

The Group's principal operating cost remains staff, with the majority of these costs arising from our technology and US teams. Over the course of 2023, administrative expenses excluding depreciation decreased to £12.7 million (2022 restated: £16.7 million), with around £8.0 million in the first half compared to £4.7 million in the second half. This reduction was largely a result of headcount which decreased year on year with full withdrawal from our Chinese operations completed by the end of Q1 2023 and redundancies in all other offices as described above.

The Group keeps costs under close review and, since the year end, has identified potential further administrative cost savings of around £250k in addition to a net annualised figure of around £450k which is expected to be saved from July 2024 onwards as a result of non-renewal of the lease on the Group's London office and a move to mostly remote working practices.

Trade and other receivables at the year end were £2.3 million (2022: £2.2 million) of which £1.7 million (2023: £1.7 million) related to trade receivables. The significant majority of this balance related to revenue recognised in the last quarter of the year and represents gross amounts billed to end customers of which approximately £997k (2022: £1,098k) was due to be paid to intermediaries (such creditor balances being recognised in trade creditors and other payables and revenue recognised net). Mirriad contracts usually provide that creditor balances on such contracts are only payable once the gross receivable balance has been received. Since the year end £1.5 million of the gross amount has been received.

Capitalisation of development expenses

Mirriad has continued to review and monitor the application of IAS 38 with respect to the capitalisation of development costs. At the present stage of revenue growth, we take the view that it would be inappropriate to capitalise any development costs in 2023. The income statement includes £3.3 million (2022: £4.0 million) of staff costs and £0.9 million of IT and software costs (2022: £1.2 million) related to research and development ("R&D") activity, an overall decrease of 19% year on year, and this policy will be kept under close review as revenues grow.

EBITDA and net profit

The decrease in operating costs and increase in gross margin fed through to adjusted EBITDA (excluding share based payment expense) with the EBITDA loss decreasing to £10.4 million (2022: £14.0 million). Likewise, the statutory loss before tax decreased to £11.4 million (2022 restated: £15.8 million).

Taxation

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 decreased as a result of the decreased loss for the period on an increased share capital. The loss per share for 2023 was 2.7p per share (2022 restated: loss of 5.5p per share).

Dividend

No dividend has been proposed for the year ended 31 December 2023 (2022: £nil).

Cash flow

Net cash used in operating activities was £10.5 million (2022: £12.9 million) as the decrease in operating costs flowed through to cash. The Group expended £39k (2022: £76k) of capital expenditure on tangible assets in the year. Net proceeds from the issue of Ordinary Shares in June 2023 totalled £5.65 million following the successful fundraise.

Balance sheet

Net assets decreased to £6.6 million (2022: £11.1 million) as a result of the losses for the year. Cash and cash equivalents at 31 December 2023 were £6.1 million (2022: £11.3 million).

Accounting policies

The Group's consolidated financial information has been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The Group's significant accounting policies have been applied consistently throughout the year.

Going concern

The financial statements have been prepared on a going concern basis notwithstanding the Group having made a loss for the year of £10.9 million (2022 restated: £15.3 million). The going concern basis assumes that the Group and Company will have sufficient funds available to continue to trade for the foreseeable future and not less than 12 months from the date of approving these financial statements. The Group's cash balance was £6.1 million at the year end and the Group remains debt free with no external borrowing. The Group's cash balance was £4.5m as at 31 March 2024.

The Company announced a successful Placing, Retail Offer and Directors' Subscription to raise approximately £6.2 million after expenses on 7 May 2024. The Company said at that time that the Directors anticipated that the proceeds of this fundraise can provide sufficient funding to trade cash flow break-even during 2025, based on base case forecasts which assume both revenue growth and cost savings being achieved over the next 18 months. After making enquiries and producing cash flow forecasts for the period up to 31 December 2025, 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 at least the next 12 months from the date of approving these financial statements.

The Group and Company's base case forecast suggests that the Group will not require additional external funding to be able to continue as a going concern. However, in a severe but plausible downside scenario if either the revenue growth forecasts fall below expectations by 50% (which is still considerable growth on 2023) or cost saving initiatives are not achieved, additional funding may be required, within 12 months of approving these financial statements which is not currently committed.

While the financial statements are prepared on a going concern basis, under a severe but plausible downside scenario the future of the Group and Company is dependent on raising additional external funds from new equity, debt or customer contracts within 12 months from the date of approving these financial statements.

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group and the Company were unable to continue as a going concern.

Events after the reporting period

On 7 May 2024 the Company announced a successful Placing, Retail Offer and Directors' Subscription to raise £6.8 million before fees, £6.2 million after fees. With the exception of the Director subscription element, amounting to £180,000, all of these funds were received prior to the approval of these financial statements.

Nic Hellyer
Chief Financial Officer
4 June 2024

Consolidated statement of profit or loss
For the year ended 31 December 2023

	Note	**Year ended 31 December 2023 £000**	Year ended 31 December 2022 Restated* £000
Revenue	3	**1,803**	1,507
Cost of sales		**(313)**	(286)
Gross profit		**1,490**	1,221
Administrative expenses		**(12,967)**	(17,109)
Operating loss		**(11,477)**	(15,888)
Finance income		**111**	72
Finance costs		**(1)**	(23)
Finance income - net		**110**	49
Loss before income tax		**(11,367)**	(15,839)
Income tax credit		**432**	492
Loss for the year		**(10,935)**	(15,347)
Loss per Ordinary Share - basic	5	**(3p)**	(6p)

**The prior year comparatives have been restated for a change in the share based payment charge for the period.*

All activities are classified as continuing.

Consolidated statement of comprehensive income
For the year ended 31 December 2023

	Year ended 31 December 2023 £000	Year ended 31 December 2022 Restated* £000
Loss for the financial year	**(10,935)**	(15,347)

Other comprehensive loss		
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	**3**	44
Total comprehensive loss for the year	**(10,932)**	(15,303)

**The prior year comparatives have been restated for a change in the share based payment charge for the period.*

Items in the statement above are disclosed net of tax.

Consolidated balance sheet

At 31 December 2023

	Group	
	As at 31 December 2023 £000	As at 31 December 2022 Restated* £000
Assets		
Non-current assets		
Property, plant and equipment	**261**	545
Trade and other receivables	**20**	188
	281	733
Current assets		
Trade and other receivables	**2,285**	2,220
Other current assets	**457**	529
Cash and cash equivalents	**6,109**	11,289
	8,851	14,038
Total assets	**9,132**	14,771
Liabilities		
Non-current liabilities		
Lease liabilities	**-**	207
	-	207
Current liabilities		
Trade and other payables	**2,333**	2,904
Provisions	**-**	198
Current tax liabilities	**14**	14
Lease liabilities	**210**	322
	2,557	3,438
Total liabilities	**2,557**	3,645
Net assets	**6,575**	11,126
Equity and liabilities		
Equity attributable to owners of the parent		
Share capital	**55**	53
Share premium	**71,408**	65,755
Share-based payment reserve	**5,879**	5,153
Retranslation reserve	**(313)**	(316)
Accumulated losses	**(70,454)**	(59,519)
Total equity	**6,575**	11,126

**The prior year comparatives have been restated for a change in the share based payment charge for the period.*

Consolidated statement of changes in equity

For the year ended 31 December 2023

	Year ended 31 December 2022 Restated*					
	Share capital £000	Share premium £000	Share-based payment reserve £000	Retranslation reserve £000	Accumulated losses £000	Total equity £000
Balance at 1 January 2022	53	65,755	3,666	(360)	(44,172)	24,942
Loss for the financial year	-	-	-	-	(15,101)	(15,101)
Other comprehensive income for the year	-	-	-	44	-	44
Total comprehensive loss for the year	-	-	-	44	(15,101)	(15,057)
Restatement*	-	-	-	-	(246)	(246)
Total comprehensive loss for the year (restated*)	-	-	-	44	(15,347)	(15,303)
Share-based payments recognised as expense	-	-	1,241	-	-	1,241
Total transactions with shareholders recognised directly						

shareholders recognised directly in equity	-	-	1,241	-	-	1,241
Restatement*	-	-	246	-	-	246
Total transactions with shareholders recognised directly in equity (restated*)	-	-	1,487	-	-	1,487
Balance at 31 December 2022 (Restated)	**53**	**65,755**	**5,153**	**(316)**	**(59,519)**	**11,126**

**The prior year comparatives have been restated for a change in the share based payment charge for the period.*

	Year ended 31 December 2023					
	Share capital £000	Share premium £000	Share-based payment reserve £000	Retranslation reserve £000	Accumulated losses £000	Total equity £000
Balance at 1 January 2023	53	65,755	5,153	(316)	(59,519)	11,126
Loss for the financial year	-	-	-	-	(10,935)	(10,935)
Other comprehensive income for the year	-	-	-	3	-	3
Total comprehensive loss for the year	-	-	-	3	(10,935)	(10,932)
Proceeds from shares issued	2	6,302	-	-	-	6,304
Share issue costs	-	(649)	-	-	-	(649)
Share-based payments recognised as expense	-	-	726	-	-	726
Total transactions with shareholders recognised directly in equity	2	5,653	726	-	-	6,381
Balance at 31 December 2023	**55**	**71,408**	**5,879**	**(313)**	**(70,454)**	**6,575**

Consolidated statement of cash flows

For the year ended 31 December 2023

	Group	
	2023 £000	2022 £000
Cash flow used in operating activities	**(11,109)**	(14,016)
Tax credit received	**558**	1,116
Taxation paid	**(25)**	(40)
Interest received	**111**	72
Lease interest paid	**(1)**	(23)
Net cash used in operating activities	**(10,466)**	(12,891)
Cash flow from investing activities		
Purchase of tangible assets	**(39)**	(76)
Proceeds from disposal of tangible assets	**3**	-
Net cash used in investing activities	**(36)**	(76)
Cash flow from financing activities		
Proceeds from issue of Ordinary Share capital (net of costs of issue)	**5,655**	-
Payment of lease liabilities	**(333)**	(245)
Net cash generated from/(used in) financing activities	**(5,322)**	(245)
Net decrease in cash and cash equivalents	**(5,180)**	(13,212)
Cash and cash equivalents at the beginning of the year	**11,289**	24,501
Cash and cash equivalents at the end of the year	**6,109**	11,289
Cash and cash equivalents consists of:		
Cash at bank and short-term bank deposits	**6,109**	11,289
Cash and cash equivalents	**6,109**	11,289

Notes to the consolidated financial statements

For the year ended 31 December 2023

1. Corporate Information

Mirriad Advertising plc is a public limited company incorporated and domiciled in the UK and registered in England with company registration number 09550311. The Company's registered office is 6th Floor, One London Wall, London, EC2Y 5EB.

2. Basis of preparation

The financial information set out above does not constitute the Group's statutory accounts for the years ended 31 December 2023 or 2022 but is derived from those accounts. Statutory accounts for 2022 have been delivered to the registrar of companies, and those for 2023 will be delivered in due course. The auditor has reported on those accounts; their reports were (i) unqualified, (ii) included a reference to material uncertainty related to going concern which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The financial statements of Mirriad Advertising plc have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The financial statements have been prepared under the historical cost convention.

The accounting policies applied are consistent with those of the annual report and accounts for the year ended 31 December 2022.

(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 2023:

• IFRS 17 Insurance Contracts;
• Definition of Accounting Estimates - amendments to IAS 8;
• International Tax Reform - Pillar Two Model Rules - amendments to IAS 12;
• Deferred Tax related to Assets and Liabilities arising from a Single Transaction - amendments to IAS 12; and
• Disclosure of Accounting Policies - amendments to IAS 1 and IFRS Practice Statement 2.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(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 2024, 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.

3. 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 revenue is classified by where the sales were booked not by the geographic location of the customer.

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	**2023 £000**	2022 £000
Turnover by geography		
USA	**1,429**	1,181
UK	**357**	178
China	**17**	148
Total	**1,803**	1,507

	2023 £000	2022 £000
Turnover by category		
Rendering of services	**1,803**	1,507
Total	**1,803**	1,507

Revenues from external customers by country, based on the destination of the customer	**2023 £000**	2022 £000
USA	**1,383**	1,101
Germany	**168**	68
United Arab Emirates	**92**	17
UK	**65**	28
Canada	**46**	80
China	**17**	148
Turkey	**16**	34
Japan	**12**	12
France	**4**	12
Belgium	**-**	7
Total	**1,803**	1,507

4. Operating loss

4. Operating loss

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

	2023	2022 Restated
	£000	£000
Employee benefits excluding restructuring costs	**8,422**	11,447
Restructuring costs	**359**	-
Depreciation of property, plant and equipment	**316**	440
Foreign exchange movements	**62**	7
Other general and administrative costs	**4,121**	5,176
Office closure costs	**-**	325
Total cost of sales, administrative expenses and other operating income	**13,280**	17,395

The Employee benefits numbers above include £3,260k (2022: £3,957k) related to Research and Development activities. Other general and administrative costs includes legal and professional fees, IT infrastructure and software-related costs, of which £947k (2022: £1,210k) is related to Research and Development activities, property costs, marketing and research costs.

Office closure costs in the prior year includes employee redundancy and other expenses related to the closure of the China office. Of this total £126k was incurred in 2022 and £198k was provided for at the end of December 2022.

5. Loss per share

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	**2023**	2022 Restated
Loss attributable to owners of the parent (£000)	**(10,935)**	(15,347)
Weighted average number of Ordinary Shares in issue (number)	**400,076,713**	279,180,808

The loss per share for the year was 2.7p (2022 restated: 5.5p).

No dividends were paid during the year (2021: £nil).

(b) Diluted

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

6. Related party transactions

The Group is owned by a number of investors, the largest being Rathbones Investment Management, which owns approximately 17% of the share capital of the Company. At 31 December 2022 the largest shareholder was M&G Investment Management which owned approximately 13% 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. No guarantees were given or received for any of these transactions:

Transactions with Directors

As part of the fundraise in June 2023 the following Directors purchased Ordinary Shares in the Company at a cost of £0.03 per share (2022: none).

Director	**Number of shares**
John Pearson	333,333
Stephan Beringer	833,333
Bob Head	135,267

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 appointed a Director of the Group up until 30 June 2023, charged Mirriad Advertising plc for the following transactions during the year: (1) £10k for the services of Lois Day as a Director for the period from 1 January 2023 until 30 June 2023 (2022: £10k). All of this amount was invoiced and paid as at 31 December 2023.

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) £10k for the services of Alastair Kilgour as a Director for the period from 1 January 2023 until 30 June 2023 (2022: £20k). All of this amount was invoiced and paid as at 31 December 2023.

All the related party transactions disclosed above were settled by 31 December 2023.

During the year ended 31 December 2023, 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 in the Remuneration Report.

7. Events after the reporting period

On 7 May 2024 the Company announced a Placing, Retail Offer and Directors' Subscription that raised £6.8 million before fees, £6.2 million after fees.