

LIVE COMPANY GROUP PLC

UNAUDITED HALF-YEARLY RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

CHAIRMAN'S STATEMENT

The Group has made progress during the first six months of 2023, holding the inaugural Cape Town e-prix taking place in February 2023 alongside and the Cape Town stopover of the Global Ocean Race, however the residual effects of COVID continue to have an impact on the company and there is a material uncertainty as to going concern due to the continued trading performance of the Group and the requirement for additional financing.

The Directors have taken steps, as detailed below to address these concerns and to strengthen the management of the business.

1. Additional management meetings to review strategy and focus on the revenue generating divisions.
2. Continued careful management of creditors and cash position, including the payment of certain creditors in Ordinary Shares.
3. Cutting the fixed cost base by reducing staff and overhead.
4. De-risking the business model and reducing the funding requirement for events which was proving a cash burden on the Company.

The Group continued to build on its strategy of reducing risk and maximising asset and brand usage across divisions. This is clearly evident in the BRICKLIVE division, with the sunshine strategy of maximum usage for the larger tours in the USA, and in the new K-POP division where tickets went on sale for the largest K-pop concert to take place on Spanish soil, KPOP LUX SBS Super Concert Madrid. The concert took place in July 2023.

Unfortunately, two further concerts planned for 2023, Frankfurt KPOP.Flex and the KPOP LUX Super Concert London, were postponed.

The StART division has spent the first 6 months of the year selling gallery spaces for the annual fair in October 2023, which saw the 10th anniversary edition of the StART Art Fair in London. StART will move to a new location in 2024, The Town Hall, within the exciting Kings Cross regeneration zone.

It has been a busy half year for BrickLive with a growing emphasis on North America. The two shows BrickLive Supersized and BrickLive Animal Paradise premiered in Detroit Zoo to great acclaim. In October 2023 we saw BRICKLIVE come to Toulouse at MEETT, Parc des Expositions, Convention and Congress Centre where Brickosaurs models were on display and a fully interactive children's play and model building area will be set up. Additionally, two underperforming shows, Mythical Beasts and Outer Space were sold.

We remain committed to our strategy of year-round usage of our BRICKLIVE assets, with continued growth and the expansion of further tours to the USA and throughout Europe. We will also see the return of our KPOP concert to Frankfurt in August 2024.

THE FUTURE

As a result of the financial pressures on the business, a strategic review was undertaken which led to the removal of non-core and loss-making activities which led to cost savings across the business. As well as short term measures to improve working capital including the payment of some contractors in shares, the Non-Executive Directors have announced their willingness to accept their director fees in shares in 2023.

We continue to monitor our finances closely and we are committed to the financial restructuring of the Group to reduce overheads and consolidate and manage our COVID loans and creditors. As part of this, in the last quartile of 2023, the Group undertook a cost reduction and cash preservation exercise with staff numbers cut and salaries reduced where appropriate.

In late 2023, in light of the disappointing trading performance of StART.Art, the Independent Non-Executive Directors agreed in principle (subject inter alia to shareholder approval to cancel the acquisition of the 80.06% of Start Art announced on 8 July 2022 in return for the cancellation of all outstanding amounts owing to myself and Ranjit Murugason being up to an aggregate of £500,000 in cash and £519,800 in Ordinary Shares, with the Company retaining a 19.94% interest. The StART.Art disposal is classified as a Related Party transaction under AIM Rules for Companies (the 'AIM Rules') as I am a Director of the Company and a substantial shareholder, interested in 20.92% of the Company's issued share capital. Ranjit Murugason is also a Director of the Company. The Company intends to seek approval from shareholders at a General Meeting during the first quarter of 2024, details of which will be provided in due course. The General Meeting circular will provide all information with regards to the Related Parties and the opinion of the independent director after consultation with the Company's Nominated Adviser, Beaumont Cornish Limited

I support and agree with the detailed going concern statement and confirm my support for any interim cash flow shortfalls under the terms of my guarantee. As part of this commitment, I have agreed to provide a £1,200,000 two-year convertible loan note to the Company, of which £570,000 has already been advanced in order to meet certain liabilities as they fall due. The convertible loan note is classified as a Related Party transaction under AIM Rules for Companies (the 'AIM Rules'). The terms of the convertible loan note have been agreed by the independent directors and announced separately today. In addition, I have also provided a letter of support of £1,000,000 to support the cash flow of the business from 12 months of date of signing these financial statements.

A placing for a £500,000 equity placement has been agreed with the Company's broker, CMC Markets, details of which have been announced today,

The Company has also been in advanced negotiations with a cornerstone investor who has indicated interest in investing in LVCG in a two-stage process. The first being a £1.5m loan and the second being a potential equity investment in the Company. Negotiations are ongoing and there can be no guarantee that these will conclude.

In addition to the above, LVCG has begun a comprehensive strategy of settling several creditor payments via shares in LVCG.

The Directors are focused on a path to profitability, based on de-risking the business model and reducing the funding requirements which were proving a burden on the Company.

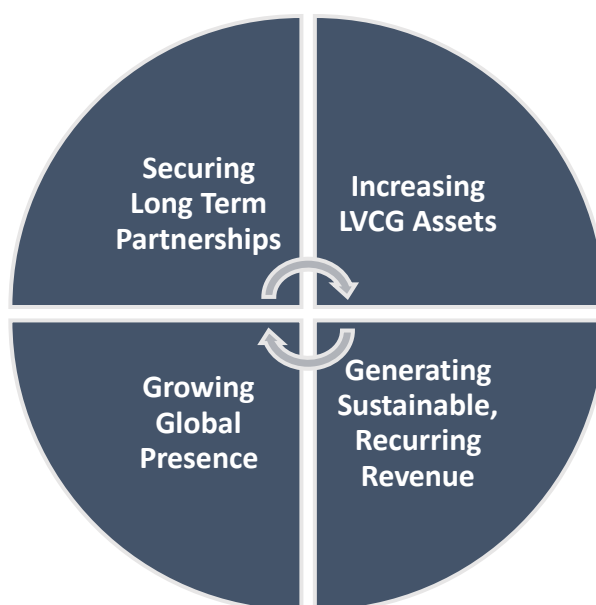
I would like to thank the team for all their efforts and for their ongoing support and energy and hard work in continuing to develop and diversify the Live Company Group brand. I would also like to thank all our stakeholders for their continued belief and support of the Group.



David Ciclitira Chairman
2 February 2024

FORWARD BUSINESS MODEL

Having established a presence in Europe, Asia, South and North America, the Group plans to continue investment in the BRICKLIVE, KPOP LUX and LCSE divisions with the intention of increasing recurring revenue via key partnerships, multi-year licence fee agreements for specific brands, as well as the introduction of new concepts.



- Securing key long-term global partnerships with licensed partners, as well as sports and entertainment event owners, enabling popular sports, entertainment (with a key focus on KPOP) and edutainment events to be replicated in multiple territories;
- Increasing our assets, introducing new divisions and ensuring our content and our events are current and fresh, giving audiences what they want to see and capitalising on global trends;
- Generating sustainable recurring revenue by developing a loyal and repeat customer base through the expansion of existing brands;
- Enhancing our global presence by expanding the number of territories in which KPOP LUX, BRICKLIVE and LCSE events are held; and
- De-risking our revenue streams with multi-year licence fee arrangements rather than taking ticketing and event organisation risk.

FINANCIAL REVIEW

REVENUE AND OPERATIONS

The six months to 30 June 2023 saw the first Cape Town e-Prix and also advance ticket sales and licencing revenues associated with K-Pop, this led to a significant increase in revenue for the period, which, at £5,317k, were up 104% on the same period in 2021. This revenue increase can be considered as exceptional and may not necessary be replicated in future periods. A detailed analysis by operating unit is set out in Note 2 below.

Formula E will be taking a break from Cape Town in 2024 and currently there is no equivalent licencing agreement in place for 2024.

K.FLEX / KPOP LUX

KPOP LUX was the brand behind our first successful Madrid concert which took place in July 2023 at Civitas Metropolitano Stadium with artists including ENHYPHEN, ATEEV, IVE, SHINee, STAYC and CAVITY. Close to 40,000 fans attended the show which provided a chance for European fans to see several phenomenal K-pop acts on one stage.

Two further concerts planned for 2023, Frankfurt KPOP.Flex and the KPOP LUX Super Concert London, were postponed. The contracts are multi-year and the concert in Frankfurt has been rescheduled for August 2024.

BRICKLIVE

Aside from the Bricklive Supersized and Bricklive Animal Paradise which were both in place in North America, the BRICKLIVE tours below appeared in various cities across Europe:

2023

- Safari at Schenefeld, Germany
- Ocean at Aquazoo. Belgium
- Safari at Zooparc, Belgium
- Animal Paradise Mini at Northampton BID, UK
- Supersized & Animal Paradise at Detroit Zoo, USA
- Brickosaurs Mini at St Davids Shopping Centre, Cardiff, UK
- Brickosaurs Mini at Severn Valley Railway, Kidderminster, UK
- Safari at Planckadael Zoo, Belgium
- Big Cats at Planckadael Zoo, Belgium
- Ocean at Blue Planet Aquarium, Cheshire, UK
- Kingdom at Bradford BID, UK
- Brickosaurs Mini at Reading BID, UK
- Animal Paradise Mini at Sewerby Hall, Bridlington, UK
- Evolution in Toulouse, France
- Santa and March of the Penguins in Rugby, UK

2024 (signed to date)

- Brickosaurs at Louritzen Gardens, Omaha, USA
- Brickosaurs and Animal Paradise at Severn Valley Railway, UK
- Animal Wonders at ICC Wales, UK
- Brickosaurs at ICC Wales, UK

- Ocean at Stirling BID, UK
- Brickosaurs Mini at Southport BID, UK
- Brickosaurs Mini at Amelia Scott Museum, Kent, UK
- Fantasy Kingdom at Reading BID, UK
- Animal Paradise at St David's Shopping Centre, Cardiff, UK
- Animal Wonders and Safari at Zooparc, Netherlands
- Animal Jungle at Festival Place Shopping Centre, Basingstoke, UK

Furthermore, following our strategy to optimise the BRICKLIVE assets, in 2023 LVCG sold two of its underperforming tours - Mythical Beasts and Outer Space - for £350,000 in staged payments during 2023. Whilst the Company has had success with these tours, they have not been as popular in recent times and hence a buyer for the assets was sourced.

LCSE

February 2023 saw two major events happen for LCSE. The first was the inaugural Cape Town e-prix which took place on 25 February 2023. Over 20,000 tickets were sold, with all 3,400 hospitality seats sold out prior to the week of the event. The live broadcast drew 9.3 million viewers globally while there were more than 42 million social media impressions. The fastest speed on a Formula E track was recorded and the event was later awarded fan favourite for the season.

LVCG has shares in the local company (E Movement PTY Limited) that owns the hosting rights to the Cape Town e-prix and also received a management fee (LCSE) for staging the event.

February was also the month of The Ocean Race's iconic stopover in Cape Town, for the 11th time since the race began. It was a haul out stage that saw the IMOCA class boats undergo cleaning and repairs before their departure on 26 February 2023. LCSE hosted the various activities around the event over the three weeks the race village was live. LCSE received a management fee for hosting the event and a percentage of local sales.

LCSE provided hospitality services and brand activation for the Cape Town Cycle Tour event and its sponsors Pick and Pay. The race took place on 12 March 2023 with over 28,000 riders taking to the streets for the 109km race and the first ever short route of 42km.

Across the division, revenue for the six months to 30 June 2023 was £1,966k, 240% up on the six months ended 30 June 2022.

In October 2023 LCSE organised the hospitality village, as well as other side events, for the World Rallycross event in Cape Town. Throughout the year, LCSE also organised several Pick n Pay Wine Festivals

E-MOVEMENT

LVCG was proud to bring the E-prix to Cape Town in February 2023 for the sold-out inaugural event. While revenue was generated principally from a staging fee of £200,000 as there was no title sponsor in this inaugural year. Discussions are ongoing for the race to return to Cape Town in 2025.

StART

We ran a series of StART+ events in Seoul and Busan, South Korea, as well as a show which coincided with the Formula E race in Mexico City in January 2023. The team explored various venue options for a 2024 StART Art Fair in London and various planned StART+ exhibitions

around Europe. StART Art Fair in London and planned StART+ exhibitions around Europe. A joint venture agreement, on a non-rental basis, was signed in December that sees StART London move to the Town Hall, King's Cross.

In late 2023, the Independent Non-Executive Directors agreed to cancel the acquisition of the 80.06% of StART.Art announced on 8 July 2022. The StART.Art disposal is classified as a Related Party transaction under AIM Rules for Companies (the 'AIM Rules'). The Company intends to seek approval from shareholders at a General Meeting by no later than 28 March 2024, details of which will be provided in due course. The General Meeting circular will provide all information with regards to the Related Parties and the opinion of the independent director following consultation with the Company's Nominated Adviser, Beaumont Cornish Limited.

PXEBITDA

The Group uses PXEBITDA (Pre-Exceptional Item EBITDA) to allow the users of the consolidated financial statements to gain a clearer understanding of the underlying performance of the business without the impact of one off non-recurring costs of an exceptional nature.

Consolidated Results for the first six months of year

	Six months to 30 June 2023	Six months to 30 June 2022
	£'000	£'000
Revenue	5,317	2,606
Pre-Exceptional items EBITDA	828	(597)
Share option and warrant charge	(18)	(88)
Other exceptional costs	(10)	(14)
Total Exceptional Items	(28)	(102)
Depreciation and amortisation expense	(594)	(600)
Finance costs	(68)	(88)
Taxation	20	-
Profit / (Loss) after tax	158	(1,387)

POST BALANCE SHEET EVENTS

On the 22 July 2023 KPOP LUX SBS Super Concert took place in Madrid at the Civitas Metropolitana. It was attended by just under 40,000 people and was perceived locally and internationally to be a success. The event was live streamed globally (excluding Korea) and appeared in Japan in October. In financial terms, being the first event in Madrid, it did not yield a net profit, but the Group had positive cash inflows from marketing fees, streaming rights and producers' fees. There will also be delayed income due from government rebates using Economic Interest Groups, which will come in 2024.

Following the event in Madrid the company announced in August it had raised a loan facility of £1,250,000 from a funding partner to help fund KPOP LUX SBS Super Concert in London. Ticket sales for the three-day event were launched on the 11th of August 2023. To ensure that the event was of the highest possible quality, it was shortened to a two-day concert. Unfortunately, with another event occurring during the same weekend in Europe, the cost of living crisis ongoing and KPOP LUX SBS Super Concert at the O2 being between two other KPOP events, ticket sales were not sufficient to allow the event to go ahead and it was therefore postponed. As a result of the postponement, only £600,000 of the loan facility was

provided to the Company. The first repayment has been made utilising the £1,200,000 loan facility advanced by David Ciclitira, with the remainder to be repaid shortly also from the loan facility.

Subsequent to the postponement of London, KPOP LUX has commenced planning discussions for the Frankfurt show in August 2024. We continue to look at a strategy based on licenced fees and profit share without any pre-payment risk for organizing concerts.

In September 2023 Maria Serena Papi resigned as a director of Live Company Group plc.

During the last quartile of 2023, the Company undertook a cost reduction and cash preservation exercise with staff numbers cut and salaries reduced where appropriate.

David Ciclitira has agreed to provide a £1,200,000 two-year convertible loan note to the Company, of which £570,000 has already been advanced to settle certain liabilities as they fall due. The convertible loan note is classified as a Related Party transaction under AIM Rules for Companies (the 'AIM Rules'). The terms of the convertible loan note have been agreed by the independent Non-Executive Directors and announced separately in due course. I have also confirmed a guarantee of £1,000,000 to support the cash flow of the business from 12 months of date of signing these financial statements.

The Non-Executive Directors, including Maria Serena Papi, have agreed to convert their outstanding director fees totalling £221,193 into new ordinary shares at £0.03. In addition, other creditors totalling £860,080 have agreed to convert into new ordinary shares at £0.03. Further discussions with creditors to convert their outstanding balances into new ordinary shares at £0.03 are on-going.

The Company has agreed with David Ciclitira and Ranjit Murugason, as original owners of Start Art Global Limited ("StartArt"), to cancel the acquisition of the 80.06% of Start Art as announced on 8 July 2022 in return for the cancellation of all amounts owing to the being up to an aggregate of £500,000 in cash and £519,800 in Ordinary Shares, with the Company retaining a 19.94% interest. The StART.Art disposal is classified as a Related Party transaction under AIM Rules for Companies (the 'AIM Rules'). The Company intends to seek approval from shareholders at a General Meeting during the first quarter of 2024, details of which will be provided in due course. The General Meeting circular will provide all information with regards to the Related Parties and the opinion of the independent director further to consultation with the Company's Nominated Adviser, Beaumont Cornish Limited. Any changes in the goodwill will be reflected in the Annual Report and Accounts for the Company ending 31 December 2023.

A placing for a £500,000 equity placement has been agreed with the Company's broker, CMC Markets. Final details will be communicated to shareholders on conclusion of this placing.

The Company has also been in negotiations with a cornerstone investor who has indicated an interest in investing in LVCG in a two-stage process. The first being a £1.5m loan and the second being a potential equity investment in the Company. Negotiations are ongoing and there can be no guarantee that these will conclude.

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	Six months to 30 June 2023 £'000	Six months to 30 June 2022 £'000
Revenue	2	5,317	2,606
Cost of sales		(3,566)	(2,148)
Gross /profit		1,751	458
Administrative expenses (including exceptional costs of £28k; 2022: £102k)	3	(1,544)	(1,757)
Operating profit / (loss)		207	(1,299)
Finance costs		(69)	(88)
Profit / (Loss) for the period before tax		138	(1,387)
Taxation		20	-
Profit / (Loss) for the period		158	(1,387)
Other comprehensive income			
<i>Items that may be reclassified in future periods</i>			
Translation of foreign operation		-	-
Total other comprehensive loss		-	-
Total comprehensive profit / (loss) for the year		158	(1,387)
Profit/(Loss) attributable to:			
Owners of the parent		157	(1,470)
Non-controlling interest		1	83
		158	(1,387)
Total comprehensive loss attributable to:			
Owners of the parent		157	(1,470)
Non-controlling interest		1	83
		158	(1,387)
Profit/(Loss) per share - Basic and Diluted	4	0.1p	(0.9p)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2023 £'000	31 December 2022 £'000
Non-current assets			
Property, plant, and equipment	6	1,971	2,387
Intangible assets	7	910	1,057
Right of use assets		77	108
Investments	5	83	83
Goodwill		738	738
Total non-current assets		3,779	4,373
Current assets			
Inventories		2,613	2,836
Trade and other receivables		1,923	860
Cash and cash equivalents		144	291
Total current assets		4,680	3,987
Total assets		8,459	8,360
Current liabilities			
Borrowings	9	539	511
Trade and other payables		4,382	5,389
Lease liabilities		76	72
Accruals and deferred income		1,953	1,236
Total current liabilities		6,690	7,208
Net current liabilities		(2,380)	(3,221)
Non-current liabilities			
Deferred tax		-	-
Borrowings		662	819
Lease liabilities		11	50
Total non-current liabilities		673	869
Net (liabilities) /assets		826	285
Equity			
Share capital	10	6,683	6,509
Share premium		28,977	28,844
Other reserves		(10,463)	(10,419)
Capital redemption reserve		5,034	5,034
Share option and warrant reserve		433	311
Accumulated losses		(29,848)	(30,005)
Equity attributable to equity holders of the parent		816	274
Non-controlling interest		10	9
Total Equity		826	285

UNAUDITED CONDENSED MONTH STATEMENT OF CASH FLOWS

	Six months to 30 June 2023 £'000	Six months to 30 June 2022 £'000
Cash flows from operating activities		
Operating gain / (loss)	207	(1299)
Depreciation	419	426
Amortisation of intangible assets	144	144
Depreciation of right of use assets	31	30
Non exceptional option and warrants charge	104	52
Cash flow from exceptional items	18	88
Decrease in inventories	224	229
Increase in receivables	(992)	(473)
Decrease) / increase in payables	(257)	336
Cash used in operations	(100)	(467)
Cash flow from investing activities		
Acquisition of intangible fixed assets	-	(24)
Acquisition of investments	-	-
Acquisition of property, plant and equipment	-	(206)
Net cash used in investing activities	-	(230)
Cash flow from financing activities		
Issue of equity	256	896
Repayment of lease liabilities	(35)	(32)
Proceeds from borrowings	200	50
Repayment of loans	(400)	(281)
Interest paid	(68)	(88)
Share issue costs		(41)
Net cash generated from financing activities	(47)	504
Net cash outflow	(147)	(193)
Cash and cash equivalents at beginning of the period	232	211
Net decrease in cash and cash equivalents	(147)	(193)
Cash and cash equivalents at end of the period	85	18

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

£'000	Ordinary share capital	Share premium	Reverse acquisition reserve	Forex reserve	Own shares reserve	Merger reserve	Capital redemption reserve	Share option reserve	Non-controlling interest	Retained earnings	Total
As at 1 January 2022	5,682	27,024	(24,268)	570	(2,111)	14,472	5,034	515	-	(21,496)	5,422
Loss for the period	-	-	-	-	-	-	-	-	83	(1,470)	(1,387)
Shares issued for cash	179	717	-	-	-	-	-	-	-	-	896
Debt to share conversion	62	156	-	-	-	-	-	-	-	-	218
Forex differences arising	-	-	-	4	-	-	-	-	-	-	4
Own share reserves	-	-	-	-	(18)	-	-	-	-	-	(18)
Gain on sale of own shares	-	-	-	-	-	-	-	-	-	19	19
Warrant charge	-	-	-	-	-	-	-	17	-	-	17
Options charge	-	-	-	-	-	-	-	53	-	-	53
Lapsed and expired options and warrants	-	-	-	-	-	-	-	-	-	71	71
Share issue costs	-	(42)	-	-	-	-	-	-	-	-	(42)
As at 30 June 2022	5,923	27,855	(24,268)	574	(2,129)	14,472	5,034	585	83	(22,876)	5,253
As at 1 January 2023	6,509	28,844	(24,268)	568	(2,105)	15,386	5,034	311	9	(30,005)	285
Loss for the period	-	-	-	-	-	-	-	-	1	157	158
Shares issued for cash	156	100	-	-	-	-	-	-	-	-	256
Debt to share conversion	18	33	-	-	-	-	-	-	-	-	51
Forex differences arising	-	-	-	(44)	-	-	-	-	-	-	(44)
Warrant charge	-	-	-	-	-	-	-	18	-	-	18
Options charge	-	-	-	-	-	-	-	104	-	-	104
As at 30 June 2023	6,683	28,977	(24,268)	524	(2,105)	15,386	5,034	433	10	(29,848)	826

NOTES TO THE FINANCIAL INFORMATION

1. Basis of preparation

The condensed consolidated interim financial report for the half-year reporting period ended 30 June 2023 are unaudited and have been prepared in accordance with Accounting Standard IAS 34 Interim Financial Reporting and the same accounting policies and methods of computation are followed in the interim financial report as compared with the most recent annual financial statements. They do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial statements for the year ended 31 December 2022 were prepared in accordance with UK adopted International Accounting Standards (IFRS), and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS as at 31 December 2022.

The report of the auditor on those financial statements was qualified, on the basis of three matters:

Matter 1: Inventories

The report of the auditor identified uncertainty as to the carrying value of inventories of loose plastic bricks held for use in the Groups events and for construction of models used for tour and trails recognised in the Consolidated Statement of Financial Position at £2,480,000 (31 December 2022: £2,480,000), in the carrying value of LEGO sets held for resale recognised in the Consolidated Statement of Financial Position at £63,000 (31 December: 2022 £63,000) and other merchandise held for resale recognised in the Consolidated Statement of Financial Position at £70,000 (31 December: 2022 £70,000).

Matter 2: Goodwill and accounting for business acquisition

The report of the auditor identified uncertainty as to the carrying value of the assets and liabilities of Start Art Global Ltd and the Group's calculation of goodwill amounting to £3,924,000 relating to the acquisition and its subsequent impairment. Goodwill is recognised in the Consolidated Statement of Financial Position at £738,000 (31 December: 2022 £738,000).

Matter 3: Carrying value of investments – Brick Live Group

The report of the auditor identified uncertainty in the carrying value of the Company's investment in Brick Live Group held in the Company balance sheet as an investment in subsidiary at £8,841,000 (31 December 2022: £8,841,000) due to the uncertainty over future projections and the sensitivity of the discounted cashflow projections to the choice of discount rate adopted by the Company.

In addition the audit report drew attention to a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern, it concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements was appropriate.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2022 and any public announcements made by the Live Company Group Plc during the interim reporting period.

1.1 Going Concern

After careful assessment, the Directors have adopted the going concern basis in preparing these financial statements.

For the purposes of the going concern assessment, the Directors have prepared monthly cash flow projections for the period to 31 January 2025 (the assessment period). The Directors consider this to be a reasonable period for the going concern assessment as it enables us to consider the potential impact of macroeconomic and geopolitical factors over an extended period. The cash flow projections show that the Group requires additional external support in the form of an underwritten financial guarantee from the majority shareholder and a binding conversion of a loan to equity swap. This will enable the business to meet its financial obligations and comply with all covenants in our banking facilities.

The Group has also performed stress tests against the base monthly cash flow projections referred to above in order to determine the performance level that would result in reduction in headroom against its cash facilities to nil. As a further stress test, the Group considered the impact of event cancellations due to market uncertainty. Each of the stress tests would require a further guarantee or refinancing of the business.

In addition, mitigating actions available to the Group, should they be required, include reductions in discretionary expenditure and ceasing dividend payments.

After considering the monthly cash flow projections, and the facilities available to the Group and Company outlined within the directors report, the Directors have a reasonable expectation that the Group and Company will secure the additional £1.5m loan facility and £500k placing agreement, described in the Chairman's statement on page 8, enabling them to meet their existing obligations with the added support of the guarantee from the majority shareholder to 31 January 2025. Accordingly, and having reassessed the principal risks and uncertainties, the Directors considered it appropriate to adopt the going concern basis in preparing the Group and Company financial statements. However there remains a material uncertainty related to events or conditions, that may cast significant doubt on the Group's and Company's ability to continue as a going concern. This is due to the Group's current and recent trading performance and the remaining uncertainty relating to the proposed loan of £1,500,000 from the new cornerstone investor and £500,000 placing agreement.

2. Segment Information

The Group has four operating segments: BRICKLIVE Tours and Trails, BRICKLIVE Models and Sets, Sports and Entertainment division (LCSE), KPOP and StART.Art.

The Group uses PXEBITDA as a measure to assess the performance of the segments. This excludes discontinued operations and the effects of exceptional items of expenditure which may have an impact on the quality of earnings such as restructuring costs, fundraising costs, legal expenses and impairments when the impairment is the result of an isolated, non-recurring event.

Content depreciation is included with amortisation and depreciation in this note but in cost of sales in the Consolidated Statement of Comprehensive Income. Administrative expenses are apportioned to each trading segment in proportion to the revenue earned. Interest expenditure is not allocated to segments as this type of activity is driven by the central treasury function which manages the cash position of the Group.

Six months to 30 June 2022	Models and Sets	Tours and Trails	LCSE	K FLEX	StART Art	Unallo cated	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	171	835	573	977	-	50	2,606
Cost of Sales	(111)	(542)	(418)	(649)	-	(28)	(1,748)
Administrative expenses	(143)	(698)	(157)	(162)	-	(294)	(1,454)
Amortisation and depreciation	(25)	(523)	(52)	-	-	-	(600)
Finance costs	-	-	-	-	-	(88)	(88)
Exceptional items	-	-	-	-	-	(102)	(102)
Taxation	-	-	-	-	-	-	-
Non-controlling interest	-	-	-	(83)	-	-	(83)
Segment profit/(loss) for period	(108)	(928)	(54)	83	-	(462)	(1,469)
PXEBITDA	(83)	(404)	(2)	166	-	(273)	(596)

Six months to 30 June 2023	Models and Sets	Tours and Trails	LCSE	K FLEX	StART Art	Unallo cated	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	67	579	1,966	2,705	-	-	5,317
Cost of Sales	(33)	(287)	(1,629)	(1,193)	(7)	-	(3,149)
Administrative expenses	(16)	(137)	(131)	(757)	(41)	(257)	(1,339)
Amortisation and depreciation	(6)	(470)	(117)	(1)	-	-	(594)
Finance costs	-	-	-	-	-	(68)	(68)
Exceptional items	-	-	-	-	-	(28)	(28)
Taxation	-	-	-	-	-	20	20
Non-controlling interest	-	-	-	(1)	-	-	(1)
Segment profit/(loss) for period	12	(315)	89	752	(49)	(333)	157
PXEBITDA	18	155	206	754	(49)	(257)	828

3. Exceptional Items

Share option and warrant charge

	Six months to 30 June 2023	Six months to 30 June 2022
	£'000	£'000
Share options and warrant charge	18	88
Transaction costs	10	14
	28	102

The Group uses the Black–Scholes model to value its share options and warrants. Certain judgement is required in determining the assumptions such as the risk-free interest rate and standard deviation rate used. The charge for the six months to 30 June 2023 is £18,000 (six months to 30 June 2022: £88,000).

During the six months to 30 June 2023 no options and no warrants lapsed (six months to June 2022: 1,744,457 options and 8,028,840 warrants lapsed resulting in a transfer of £71,000 from share option reserve to retained earnings).

Transactional costs

The group incurred £10k due diligence and legal fees in connection with a loan from Riverfort during the period.

During the six months to 30 June 2022 transactional costs relate to the acquisition of the remaining share capital of Start Art Global Ltd. not already owned, the acquisition was completed in July 2022.

4. Earnings per share

The basic loss per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of shares in issue during the period. In calculating the diluted loss per share, any outstanding share options and warrants are considered where the impact of these is dilutive.

	Six months to 30 June 2023	Six months to 30 June 2022
Profit(loss) for the period after tax (£'000)	157	(1,470)
Weighted average number of shares in issue	253,589,706	172,677,557
Basic and diluted profit/ (loss) per share (p)	0.1p	(0.9p)

Diluted profit or loss per share in both 2022 and 2021 are the same as basic profit or loss per share, as the options in issue had no dilutive effect on continuing operations.

5. Dividends

No dividend was recommended or paid for the period under review.

6. Property, plant, and equipment

	Content		Fixtures, fittings, and office equipment		Total	
	30 June 2023	31 Dec 2022	30 June 2023	31 Dec 2022	30 June 2023	31 Dec 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
Cost at start of period	5,663	6,142	182	178	5,845	6,320
Additions	-	205	-	4	-	209
Disposals	-	(686)	-	-	-	(686)
At end of the period	5,663	5,661	182	182	5,845	5,843
Depreciation						
At start of period	3,282	2,241	174	147	3,456	2,388
Charge for the period	416	824	2	27	418	851
Impairment charge	-	628	-	-	-	628
Disposals	-	(411)	-	-	-	(411)
At end of the period	3,698	3,282	176	174	3,874	3,456

Net book value at end of period	1,965	2,379	6	8	1,971	2,387
Net book value at start of period	2,381	3,901	8	31	2,387	3,932

7. Intangible assets

Group	Trademarks		Novated Contracts		Software Platform		Total	
	30 June 2023	31 Dec 2022	30 June 2023	31 Dec 2022	30 June 2023	31 Dec 2022	30 June 2023	31 Dec 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost								
Cost at start of period	-	90	1,450	1,450	83	-	1,659	1,540
Additions for period	-	36	-	-	-	83	-	119
Cost at end of period	-	126	1,450	1,450	83	83	1,659	1,659
Amortisation								
At start of period	40	32	557	277	5	-	602	309
Charge for period	7	8	139	280	1	5	147	293
At end of period	47	40	696	557	6	5	749	602
Net book value at end of period	(47)	86	754	893	77	78	910	1,057
Net book value at start of period	86	58	893	1,173	78	-	1,057	1,231

Trademarks

Trademarks are obtained or each show in each jurisdiction around the world. Trademarks are amortised over their estimated useful lives, which is on average 10 years. The carrying value of trademarks at 30 June 2023 is £82k (31 December 2022: £86k).

LCSE novated contracts

In December 2020 the Company formed a new Sports and Entertainment division ('LCSE') through the acquisition of the entire issued share capital of Live Company Sports and Entertainment Limited together with its wholly owned subsidiary Live Company Sports and Entertainment (Pty) Limited and 50% interest in K-Pop Europa Limited for £650,000. Prior to the acquisition Live Company Sports and Entertainment Limited was 100% owned by David Ciclitira.

The Company also purchased certain contracts from World Sport South Africa (Pty) Limited for £500,000 and acquired the entire issued share capital of E Movement Holdings Ltd for £300,000. Prior to the acquisition E Movement Holdings Ltd was 33.34% owned by David Ciclitira.

The substance of these transactions being the acquisition of a series of contracts rather than a business combination as defined in IFRS 3 'Business Combinations'. The acquired contracts are amortised over the period of the rights acquired, where contracts are renewable and are likely to be renewed for a further period such further period, but no subsequent periods, is

considered to be part of the period of the rights acquired. The carrying value of these contracts at 30 June 2023 is £753,000 (31 December 2022: £893,000)

StART.Art

In July 2022 the Company acquired the remaining 80.6% of StART.Art not already owned by the Group from David Ciclitira and Ranjit Murugason. Prior to July 2022 the Company did not exercise significant influence over StART.Art and the Company's interest was included in investments in Other Financial Assets in the Consolidated Statement of Financial Position as 31 December 2021.

On acquisition StART.Art included intangible assets, comprising the capitalised costs of developing the online StART.Art software platform, the carrying value of these assets at 30 June 2023 is £78,000 (31 December 2023: £78,000).

The directors have reviewed the value of the online software platform included in Intangible Assets and determined that there is no impairment of its value. This conclusion is based on a detailed assessment of various factors, including market conditions, technological advancements, and the platform's ongoing performance and strategic importance.

The Company has agreed with David Ciclitira and Ranjit Murugason, as original owners of Start Art Global Limited ("StartArt"), to cancel the acquisition of the 80.06% of Start Art as announced on 8 July 2022 in return for the cancellation of all amounts owing to the being up to an aggregate of £500,000 in cash and £519,800 in Ordinary Shares, with the Company retaining a 19.94% interest. The StART.Art disposal is classified as a Related Party transaction under AIM Rules for Companies (the 'AIM Rules'). The Company intends to seek approval from shareholders at a General Meeting by no later than 28 March 2024, details of which will be provided in due course. The General Meeting circular will provide all information with regards to the Related Parties and the opinion of the independent director and the Company's Nominated Adviser, Beaumont Cornish Limited. Any changes in the goodwill will be reflected in the Annual Report and Accounts for the Company ending 31 December 2023.

8. Investments

	Six months to 30 June 2023 £'000	Six months to 30 June 2022 £'000
Cost		
Cost at start of the period	113	1,113
Additions for the period	-	-
Disposals for the period	-	(1,000)
Cost at end of period	113	113
Impairment		
At start of period	30	-
Impairment in the period	-	30
at end of period	30	30
Net book value at end of period	83	83
Net book value at start of period	83	1,113

The Directors considered the carrying value at 30 June 2023 for each investment identified below, and it was determined that no further impairment was required.

Six months to 30 June 2023	At start of period	Additions/ (Disposals)	(Impairment) /reversal of impairment	At end of period
	£'000	£'000	£'000	£'000
Start Art Global Ltd	-	-	-	-
E-Movement (PTY) Ltd	83	-	-	83
	83	-	-	83

Year to 31 December 2022	At start of period	Additions/ (Disposals)	(Impairment) /reversal of impairment	At end of period
	£'000	£'000	£'000	£'000
Start Art Global Ltd	1,000	(1,000)	-	-
E-Movement (PTY) Ltd	113	-	(30)	83
	1,113	(1,000)	(30)	83

Prior to July 2022, and the acquisition of the remaining 80.06% of StART.Art, the Company did not exercise significant influence over StART.Art and the Company's interest was included in Investments in Other Financial Assets in the Consolidated Statement of Financial Position at 31 December 2021. From July 2022 the results of StART.Art have been consolidated and the investment previously included in Investments in Other Financial Assets treated as a disposal.

In November 2021 the Company purchased 271 ordinary shares, representing 20% of the total issued share capital, in E-Movement (PTY) Limited ('EMPL') from David Ciclitira for a total consideration of £113,460. These shares were originally purchased by David Ciclitira (acting in his personal capacity) for the same amount in anticipation of them being transferred to the Company. EMPL is the South African based promoter of the Cape Town E Prix which has been confirmed for Series 9 of the ABB FIA Formula E World Championship which took place in February 2023. Following the issue of further shares in EMPL in October 2022 the Group's interest in the company was reduced to 14.8%.

9. Borrowings

	30 June 2023	31 December 2022
	£'000	£'000
Loan due within one year	539	511
Loan due after one year	662	819
	1,201	1,330

In April 2020 the Group entered into a £500,000 loan agreement with David Ciclitira, in March 2022 the outstanding balance was repaid in full.

In April 2020 the Company entered into a £250,000 CBILS loan agreement with NatWest Bank plc of which £157,400 remained outstanding at the balance sheet date. The loan is unsecured, for a term of six years with an effective interest rate of 4.08%.

In August 2020 the Group entered into an agreement with Close Leasing Limited whereby stock totalling £1,500,000 included under Inventories in the Statement of Financial Position in these condensed consolidated financial statements was sold to Close Leasing Limited and

purchased back under the terms of a £1,500,000 Hire Purchase Facility (HP Agreement) provided in conjunction with the CBILS, of which £911,500 remained outstanding at the balance sheet date. The HP Agreement was for a term of five years at an effective interest rate of 5.14% secured against the £1,500,000 of stock subject to the agreement and a fixed and floating charge over the Groups other assets.

In August 2020 Start Art (2013) Ltd entered into a £50,000 bounce back loan agreement with Coutts of which £29,800 remained outstanding at the balance sheet date. The loan is unsecured, for a term of six years with an effective interest rate of 2.52%.

In February 2023, LVCG entered into a short-term prepayment facility with Riverfort Global Opportunities PCC Ltd. Under this agreement, LVCG immediately drew down £217,000 (£200,000 net) repayable within 6 months at a fixed coupon of 10%. To repay this loan, LVCG subsequently raised £200,000 in cash by way of a new equity subscription by a number of long-term existing shareholders. The balance due as at 30th June 2023 was £45,000.

David Ciclitira has agreed to provide a £1,200,000 two-year convertible loan note to the Company, of which £570,000 has already been advanced. The convertible loan note is classified as a Related Party transaction under AIM Rules for Companies (the 'AIM Rules'). The terms of the convertible loan note have been agreed by the independent directors and announced separately today. I have also confirmed a guarantee of £1,000,000 to support the cash flow of the business from 12 months of date of signing these financial statements.

10. Share capital

	Shares issued	Avg. price per share	Value	Nominal price per share	Nominal	Premium per share	Premium
	No.	£	£'000	£	£'000	£	£'000
January 2023	1,700,000	0.03	51	0.01	17	0.02	34
February 2023	5,654,316	0.01	57	0.01	57	-	-
April 2023	9,975,000	0.02	200	0.01	100	0.01	100
	<u>17,329,316</u>	<u>0.02</u>	<u>307</u>	<u>0.01</u>	<u>173</u>	<u>0.01</u>	<u>134</u>

During the six months to June 2023, 1,700,000 Ordinary 1p shares were issued in satisfaction of £51,000 of fees due to contractors, 5,654,316 Ordinary 1p share were issued for £56,543.16 in part settlement of future equity placings associated with a short-term facility from Riverfort Global Opportunities PCC Ltd ('Riverfort') and 9,975,000 Ordinary 1p shares were issued to existing shareholders who participated in direct subscriptions to repay the £200,000 short term prepayment facility from Riverfort.

During the six months to 30 June 2022 6,223,859 Ordinary 1p shares were issued in satisfaction of £218,000 of salary and fees due to employees, Directors and suppliers, 16,500,000 new Ordinary 1p shares were issued for £825,000 and 1,428,571 new Ordinary 1p shares were issued on the exercise of 1,428,571 warrants at 5p.

The Deferred shares do not entitle their holders to receive dividend or other distribution, nor do they entitle their holders to receive notice, attend speak or vote at any General Meeting of the Group.

The rights of Deferred shareholders are set out in full in the financial statements for the year ended 31 December 2022.

Issued share capital as at 30 June 2023 is comprised as follows:

	No. of shares	£'000
Issued and fully paid		
Ordinary shares of 1p	2,598,989,120	2,598
Deferred shares of 51.8p	2,047,523	1,061
Deferred Ordinary shares of 0.5p	199,831,545	999
Deferred B shares of £19.60	103,260	2,024
Total		6,682

11. Related Parties

The following amounts were owed to/(due from) Directors of the Group :

Unpaid balances	30 June 2023	31 December 2022
	£'000	£'000
David Ciclitira	578	559
Serenella Ciclitira	58	48
Ranjit Murugason	200	200
Bryan Lawrie	49	35
Stephen Birrell	8	14
	893	856

Directors Remuneration	Six months to 30 June 2023	Six months to 30 June 2022
	£'000	£'000
David Ciclitira	137	137
Bryan Lawrie	10	13
Ranjit Murugason	0	50
Maria Serena Papi	15	16
Stephen Birrell	15	17
	177	233

David Ciclitira

David Ciclitira injected funds during the period as set out below:

	Six months to 30 June 2023	Six months to 30 June 2022
	£'000	£'000
Current account advances	54	-
Total funds injected	54	0

David Ciclitira received payments during the period as set out below:

	Six months to 30 June 2023	Six months to 30 June 2022
	£'000	£'000
Business expenses and healthcare costs.	93	8
Repayment of advance	20	0
Fees and interest to provide loan facility	0	12
Repayment of loan	0	90
	113	111

12. Other

Copies of the unaudited half-yearly results have not been sent to shareholders; however, copies are available at www.livecompanygroup.com or on request from the Company's Registered Office.

13. Approval of Half-Yearly Financial Statements

The half-yearly financial statements were approved by the Board on 2 February 2024.