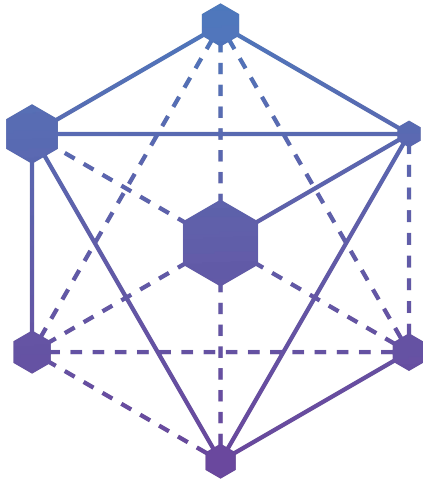


Registration number: 06458458



LOCATION SCIENCES

LOCATION SCIENCES GROUP PLC
INTERIM UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

LOCATION SCIENCES GROUP PLC

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LOCATION SCIENCES GROUP PLC

CHAIRMAN'S REPORT FOR THE PERIOD ENDED 30 JUNE 2020

Introduction

This has been a challenging period for Location Sciences, as it has been for many businesses globally. I am proud of the way that the team has responded to the COVID-19 pandemic, focusing on revenue growth areas and helping to reduce costs where possible to mitigate the virus' impact on the Company's operational and financial performance.

Pleasingly, Insight product revenues in the period have marginally outperformed management's expectations. This is due to new contracts being secured to analyse the impact of COVID-19 on people's movement across the UK. These contract wins, which should continue for the foreseeable future, have outweighed some contract losses with customers who have been hard hit by the pandemic.

Frustratingly the management team spent a lot of time and resources in contacting the relevant UK Government departments in respect to both track and trace and the use of location data to track movements to inform government decisions. These efforts unfortunately led to no material interest.

As previously reported, our Verify revenues - which rely on location advertising - were down significantly in comparison to management's expectations in the first half of the year. While the outlook remains uncertain, July and August saw Verify revenues on an upward trajectory as more location-based advertising campaigns resumed. The management team is encouraged by recent take up for Verify Proximity by Aldi in the UK as well as ongoing trials with some major brands in the US. The focus is now on turning these trials into contracts.

This aligns with the Board's view that brands and agencies are shifting their approach to targeting local markets (to match post-pandemic consumer behaviour) and to brand safe campaigns which both maintain brand image and enhance performance.

Group M's (the world's largest advertising agency) announcement in July 2020 that location verification is part of the brand safety guidelines is a good indicator of this. The team are in active communications with the Group M team to help support this initiative.

The most significant news in the first half of 2020 was the successful launch of Verify Audience in the US, which went live in June 2020. Verify Audience is the first independent product available in the digital advertising market which measures the quality of the inventory being used for location-based marketing. As previously announced, InMarket was the first contract win for Verify Audience and they have since acquired assets from NinthDecimal elevating them to become a leader in the US location-based marketing industry. We are very much looking forward to working with them and with several tests underway with other brands, agencies, and suppliers - the team is confident of securing further contract wins over the coming months.

LOCATION SCIENCES GROUP PLC

CHAIRMAN'S REPORT FOR THE PERIOD ENDED 30 JUNE 2020

Trading performance

Unaudited underlying revenues (excluding X-Mode securitisation) for the six months ended 30 June 2020 were £459,672. This was marginally ahead of the £454,872 revenues in H1 2019 despite the impact of COVID-19. Total reported revenues (including X-Mode securitisation) were £650,385 being an increase of 43% compared with H1 2019.

Verify revenues were adversely impacted by significantly reduced advertising spend in Q2 2020. This led to Verify delivering disappointing revenues of £157,526 albeit still 39% ahead of the £113,536 delivered in H1 2019.

The Company's partnership with X-Mode saw an additional £190,713 of securitised Insights revenues recognised in H1 2020, which represents revenues payable by X-Mode in the period from 1 July 2020 to 31 December 2021. Excluding these revenues, the underlying performance of the Insights business saw £302,146 of revenues, which is an 11% reduction on the £341,336 delivered in H1 2019. This is ahead of the original management expectations, which were lower than the previous period in 2019, due to the sale of the customer contracts as part of the X-Mode partnership which also saw costs being removed from the Company.

To mitigate the impact of the pandemic, the Company's directors implemented a cost reduction programme. The team is pleased to report that administrative expenses have been significantly reduced in the period to £785,066. This compares with £1,204,558 in H1 2019 (a reduction of 35%).

The combination of the impact of the X-Mode partnership and the cost reductions implemented by the Board has led to a much-improved EBITDA loss of £334,630 in the period. Excluding the securitisation of X-Mode revenues the comparative EBITDA loss was £525,343, representing a like for like decrease of 42% compared to 2019 (H1 2019: EBITDA loss £908,970).

The gross margin in the period of 66% was in line with management's expectations. This was again impacted by the X-Mode partnership and compares favourably to the 59% reported for H1 2019. Verify remains a higher gross margin business than Insights and the gross margin is expected to improve as the sales mix shifts towards Verify in H2 2020.

Cash resources

In March 2020, the Company raised approximately £0.975 million (before expenses) through an equity placing, which comprised the issue and allotment of 111,430,000 new ordinary shares and an additional approximately £0.07 million was raised through the issue and allotment of 74,057,996 new ordinary shares pursuant to the issue of warrants.

The combination of the £1.05 million of capital raised, together with the 35% reduction in administration expenses, resulted in the Company having cash reserves of £1,652,969 at 30 June 2020 (31 December 2019: £1,493,904). Furthermore, I can report that as of 31 August 2020 the Company's cash reserves were approximately £1.4 million, which the Board believes should be sufficient for the Company's requirements into Q2 2021.

Importantly, the Company continued investing into its products during the period, with approximately £0.22 million of this investment capitalised in H1 2020, compared with £0.15 million in H1 2019.

LOCATION SCIENCES GROUP PLC

CHAIRMAN'S REPORT FOR THE PERIOD ENDED 30 JUNE 2020

Swift action taken to mitigate the impact of Covid-19

It has been a challenging time for location-based advertising - particularly within sectors that rely on people's movement, such as retail and QSR. In the last few months, however, with strict lockdowns being eased in the UK and the US, the Company has seen signs that advertisers are beginning to spend again. While the levels of spend are unlikely to reach 2019 levels, the Board expects the focus on local advertising to be a positive driver for the Company's media verification revenues in H2 2020 and particularly in Q4 when the majority of the Company's Verify revenues should be secured.

While Verify revenues were negatively impacted, the team worked hard to replace these revenues. The Company won a number of new Insights contracts predominantly for COVID-19 data analysis. This only had a modest impact on H1 2020 with the main benefits of these contract wins to be seen in H2 2020. The performance of the Insights business was buoyed in H1 2020 with the securitisation of the X-Mode partnership revenues, allowing the Company to report £492,859 Insight revenues for H1 2020 compared to £341,336 for H1 2019.

The Board also made swift cost reductions to mitigate the impact of the downturn in revenues. These included salary reductions for the Board and senior members of the team, a hiring freeze and staff being furloughed. In addition, with the exception of product development, all operational expenses were reduced to the minimal viable levels during April, May and June 2020 when the UK and US saw their strictest lockdown measures being implemented. As reported above, these actions offset the impact of the lower revenues on the cash runway of the business.

Verify progress

As announced in its COVID-19 update on 23 March 2020, the Company launched an updated version of its Verify Proximity platform at the end of April 2020. This gives its customers a clearer picture of how to obtain better value from their location spend and how to drive better performance. New potential clients began testing the Verify Proximity platform in H2 and the Board expects further progress in the coming months as advertisers begin to promote their products and services again.

In June 2020, Location Sciences launched its Verify Audience product in the US. Verify Audience allows brands, agencies and suppliers to check the validity of location based derived audience segments. It also enables a review of historical movements in contrast to proximity which validates the real time locations as digital advertising campaigns are delivered. It is worth noting that the audience verification platform requires significant operational set up for both the agencies and suppliers and, therefore, will take time to scale. The management team are however confident that once established into workflows the product and service will be extremely sticky and has potential to outstrip media verification revenues.

As previously announced, Verify Audience has already secured its first customer win, InMarket, a leader in 360-degree consumer intelligence in the US. It was pleasing to secure the partnership with InMarket so soon after launch which, importantly, shows how the Company is broadening the appeal of its Verify product suite to agencies, brands and suppliers. InMarket's recent acquisition of assets from NinthDecimal broadens the scope of this opportunity further for the Company.

LOCATION SCIENCES GROUP PLC

CHAIRMAN'S REPORT FOR THE PERIOD ENDED 30 JUNE 2020

iOS 14 - Changing the Location Landscape

Apple's latest iOS update (iOS 14) is now due to be released in October 2020 and will see users being given the choice of sharing an approximate location as an alternative to their precise location or no location at all. The announced change to the IDFA (the unique identifier for advertisers), whereby the choice to share the IDFA will be elevated to a per App setting in contrast to a system wide setting (where it currently resides), has been delayed until early 2021 to give advertisers time to adapt.

This new operating system update will add greater consumer choice and transparency features that will have a significant impact on location advertisers - particularly when it comes to behavioural audiences and precise location targeting at scale.

The Board expects that these changes will be welcomed by consumers which will, as a result, increase the volume of location data being shared - albeit the increase in volume is likely to be driven by the sharing of approximate location (rather than not sharing at all). This should provide further positive momentum to the growth of Verify.

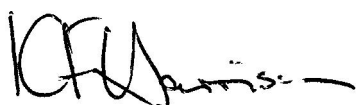
Outlook

Whilst the future remains uncertain, the action the Company has taken to manage and mitigate the impact of COVID-19 has provided the opportunity to continue to invest in our Verify product suite. Our objective continues to be to become the default location verification company for the \$160 billion global mobile advertising industry.

The promising reception of Verify Audience from potential customers is encouraging, with further contract wins likely in H2 2020. The Company is also targeting further contract wins for Verify Proximity in the coming months with the aim of delivering significant year on year growth for Verify in 2020.

While the cash runway has been maintained to Q2 2020, it is worth noting that further funds will be required to bring the Company to positive cash flow generation. The Board will explore all available options in due course with the objective to optimise shareholder value prior to deciding on a particular funding route.

I would like to thank the team for their commitment and resilience and all shareholders for their continued support during these unprecedented times.



Kelvin Harrison
Chairman

LOCATION SCIENCES GROUP PLC

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 JUNE 2020

	Note	Six months ended 30 June 2020 Unaudited £	Six months ended 30 June 2019 Unaudited £	Year ended 31 December 2019 Audited £
Revenue	4	650,385	454,872	1,206,254
Cost of sales		<u>(219,287)</u>	<u>(187,728)</u>	<u>(398,753)</u>
Gross profit		431,098	267,144	807,501
Grant income		10,000	28,000	25,280
Other income		9,338	250	-
Administrative expenses		(785,066)	(1,204,558)	(2,545,767)
Amortisation and depreciation		<u>(301,807)</u>	<u>(232,925)</u>	<u>(558,256)</u>
Operating loss	4	(636,437)	(1,142,089)	(2,271,242)
Finance income		95	112	229
Finance expense		<u>(2,810)</u>	<u>-</u>	<u>(12,707)</u>
Loss before tax		(639,152)	(1,141,977)	(2,283,720)
Taxation		<u>60,000</u>	<u>92,474</u>	<u>166,908</u>
Loss for the financial year attributable to owners of the company		<u><u>(579,152)</u></u>	<u><u>(1,049,503)</u></u>	<u><u>(2,116,812)</u></u>
Earning per share				
Loss per share - basic and diluted		(0.12p)	(0.31p)	(0.61p)

The above results were derived from continuing operations.

The notes on pages 10 to 13 form an integral part of these financial statements.

LOCATION SCIENCES GROUP PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Six months ended 30 June 2019 Unaudited £	Six months ended 30 June 2019 Unaudited £	Year ended 31 December 2019 Audited £
Loss for the year	(579,152)	(1,049,503)	(2,116,812)
Foreign currency translation gains/(losses)	<u>(7,006)</u>	<u>-</u>	<u>(3,370)</u>
Total comprehensive income for the year attributable to owners of the company	<u><u>(586,158)</u></u>	<u><u>(1,049,503)</u></u>	<u><u>(2,120,182)</u></u>

The notes on pages 10 to 13 form an integral part of these financial statements.

LOCATION SCIENCES GROUP PLC

**(REGISTRATION NUMBER: 06458458)
CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2020**

	30 June 2020 Unaudited £	30 June 2019 Unaudited £	31 December Audited 2019 £
Note			
Non-current assets			
Intangible assets	1,156,227	1,251,119	1,185,237
Property, plant and equipment	<u>56,668</u>	<u>17,422</u>	<u>106,864</u>
	<u>1,212,895</u>	<u>1,268,541</u>	<u>1,292,101</u>
Current assets			
Trade and other receivables	556,769	436,746	407,321
Current tax asset	60,000	328,197	166,909
Cash and cash equivalents	<u>1,652,969</u>	<u>1,493,904</u>	<u>1,325,739</u>
	<u>2,269,738</u>	<u>2,258,847</u>	<u>1,899,969</u>
Current liabilities			
Trade and other payables	(234,388)	(297,250)	(349,079)
Current portion of borrowings	<u>(24,118)</u>	<u>(152)</u>	<u>(74,918)</u>
	<u>(258,506)</u>	<u>(297,402)</u>	<u>(423,997)</u>
Net current assets	<u>2,011,232</u>	<u>1,961,445</u>	<u>1,475,972</u>
Net assets	<u>3,224,127</u>	<u>3,229,986</u>	<u>2,768,073</u>
Capital and reserves			
Called up share capital	5 14,263,288	13,735,564	14,008,033
Share premium reserve	19,250,749	18,214,502	18,508,593
Merger relief reserve	11,605,556	11,605,556	11,605,556
Capital reserve	209,791	209,791	209,791
Other reserves	(9,204,463)	(9,225,108)	(9,225,108)
Retained earnings	<u>(32,900,794)</u>	<u>(31,310,319)</u>	<u>(32,338,792)</u>
Total equity	<u>3,224,127</u>	<u>3,229,986</u>	<u>2,768,073</u>

The unaudited interim financial statements on pages 5 to 13 were authorised for issue by the board of Board on 14 September 2020 and were signed on its behalf by:

Mark Slade
Director

The notes on pages 10 to 13 form an integral part of these financial statements.

LOCATION SCIENCES GROUP PLC

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2020
EQUITY ATTRIBUTABLE TO THE PARENT COMPANY**

	Share capital £	Share premium £	Merger relief reserve £	Capital reserve £	Other reserves £	Retained earnings £	Total £
At 1 January 2019	13,713,498	18,168,965	11,605,556	209,791	(9,225,108)	(30,284,972)	4,187,730
Loss for the period	-	-	-	-	-	(1,049,503)	(1,049,503)
Issues of shares	22,066	45,537	-	-	-	-	67,603
Share based transfer	-	-	-	-	-	24,156	24,156
At 30 June 2019	<u>13,735,564</u>	<u>18,214,502</u>	<u>11,605,556</u>	<u>209,791</u>	<u>(9,225,108)</u>	<u>(31,310,319)</u>	<u>3,229,986</u>
At 1 January 2019	13,713,498	18,168,965	11,605,556	209,791	(9,225,108)	(30,284,972)	4,187,730
Loss in year	-	-	-	-	-	(2,116,812)	(2,116,812)
Other Comprehensive Income	-	-	-	-	-	(3,370)	(3,370)
Issues of shares	294,535	339,628	-	-	-	-	634,163
Share based payments	-	-	-	-	-	48,036	48,036
Transition adjustment upon application of IFRS 16	-	-	-	-	-	18,326	18,326
At 31 December 2019	<u>14,008,033</u>	<u>18,508,593</u>	<u>11,605,556</u>	<u>209,791</u>	<u>(9,225,108)</u>	<u>(32,338,792)</u>	<u>2,768,073</u>
At 1 January 2020	14,008,033	18,508,593	11,605,556	209,791	(9,225,108)	(32,338,792)	2,768,073
Loss for the period	-	-	-	-	-	(579,152)	(579,152)
Other comprehensive income	-	-	-	-	-	(7,006)	(7,006)
Issue of shares	255,255	742,156	-	-	-	-	997,411
Share based payments	-	-	-	-	-	24,156	24,156
Shares to be issued	-	-	-	-	20,645	-	20,645
At 30 June 2020	<u>14,263,288</u>	<u>19,250,749</u>	<u>11,605,556</u>	<u>209,791</u>	<u>(9,204,463)</u>	<u>(32,900,794)</u>	<u>3,224,127</u>

The notes on pages 10 to 13 form an integral part of these financial statements.

LOCATION SCIENCES GROUP PLC

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2020

	Six months ended 30 June 2020 Unaudited £	Six months ended 30 June 2019 Unaudited £	Year ended 31 December 2019 Audited £
Cash flows from operating activities			
Loss for the year	(579,152)	(1,049,503)	(2,116,812)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	301,807	232,895	558,256
Foreign exchange (gains) / losses	(7,006)	(7,056)	(3,370)
Finance income	(95)	(112)	(229)
Finance costs	2,810	-	12,707
Share based payment transactions	24,156	91,759	48,036
Income tax expense	(60,000)	(92,474)	(166,908)
Shares issued other than for cash	97,568	-	67,604
	<u>(219,912)</u>	<u>(824,491)</u>	<u>(1,600,716)</u>
Working capital adjustments			
Increase in trade debtors	(149,448)	(70,426)	(48,057)
Decrease in trade creditors	(114,691)	(73,124)	(21,294)
Cash used in operations	(484,051)	(968,041)	(1,670,067)
Income taxes received	166,909	-	235,722
Net cash used in operating activities	<u>(317,142)</u>	<u>(968,041)</u>	<u>(1,434,345)</u>
Cash flows from investing activities			
Interest received	95	112	229
Acquisitions of tangible assets	(1,277)	(8,371)	(8,371)
Acquisition of intangible assets	(221,324)	(145,251)	(306,415)
Net cash used in investing activities	<u>(222,506)</u>	<u>(153,510)</u>	<u>(314,557)</u>
Cash flows from financing activities			
Proceeds from issue of ordinary shares, net of issue costs	920,488	-	566,558
Payments to finance lease creditors	-	-	(152)
IFRS 16 liability repayment	(53,610)	-	(107,220)
Net cash generated from financing activities	<u>866,878</u>	<u>-</u>	<u>459,186</u>
Net increase/(decrease) in cash and cash equivalents	327,230	(1,121,551)	(1,289,716)
Cash and cash equivalents at beginning of period	<u>1,325,739</u>	<u>2,615,455</u>	<u>2,615,455</u>
Cash and cash equivalents at end of period	<u><u>1,652,969</u></u>	<u><u>1,493,904</u></u>	<u><u>1,325,739</u></u>

The notes on pages 10 to 13 form an integral part of these financial statements.

LOCATION SCIENCES GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

1 General information

Location Sciences Group PLC and its subsidiaries Location Sciences AI Limited and Location Sciences (US), Inc. (together the "Group") specialise in providing two core solutions to its customers, namely: 1) Location data and insights - this is a SaaS where customers query Location Sciences' UK data lake for, inter alia, advertising, location planning, attribution, competitor analysis and forward looking financial metrics; and 2) Location verification - utilising sophisticated machine learning and pattern recognition technologies Verify detects location ad-fraud and checks the accuracy and quality of location signals used to improve the performance of digital advertising.

The Company is a public limited company which is quoted on the AIM market of the London Stock Exchange and is incorporated and domiciled in the United Kingdom.

2 Basis of preparation

The financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The accounting policies adopted are consistent with those of the financial statements for the year ended 31 December 2019, as described in those financial statements.

The figures for the six-month periods ended 30 June 2020 and 30 June 2019 have not been audited. The figures for the year ended 31 December 2019 have been extracted from, but do not constitute, the consolidated financial statements of Location Sciences Group PLC for that year. Those financial statements have been delivered to the Registrar of Companies and included an unqualified auditors' report, with an emphasis of matter paragraph in relation to going concern and did not contain a statement under Section 498(2) or Section 498(3) Companies Act 2006.

3 Loss per share

	Six months ended 30 June 2020 Unaudited £	Six months ended 30 June 2019 Unaudited £	Year ended 31 December 2019 Audited £
Loss attributable to shareholders	<u>(579,152)</u>	<u>(1,049,503)</u>	<u>(2,116,812)</u>
	No.	No.	No.
Weighted average number of shares (basic)	<u>465,892,712</u>	<u>341,546,384</u>	<u>348,073,166</u>

The calculation of basic loss per share of 0.12p (June 2019: 0.31p) is based on loss after taxation and the weighted average number of ordinary shares in issue during the period.

LOCATION SCIENCES GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

4 Segmental analysis

Operating segments are based on internal reports about components of the Company, which are regularly reviewed and used by the Board of Directors being the Chief Operating Decision Maker ("CODM") for strategic decision making and resource allocation, in order to allocate resources to the segment and to assess its performance.

During the first half of 2020 the Group has operated through its trading companies, Location Sciences AI Limited and Location Sciences (US), Inc. The business has two core solutions to its customers, namely: 1) Location data and insights - this is a SaaS where customers query Location Sciences' UK data lake for, inter alia, advertising, location planning, attribution, competitor analysis and forward looking financial metrics; and 2) Location verification - utilising sophisticated machine learning and pattern recognition technologies Verify detects location ad-fraud and checks the accuracy and quality of location signals used to improve the performance of digital advertising.

It should be noted that a segmental analysis of the Consolidated Statement of Financial Position is not part of routine management reporting and, consequently, no segmental analysis of assets is shown here. The US subsidiary is not yet trading at a materially significant level and thus geographical reporting is not reported.

An analysis of operating revenue is as follows:

	Six months ended 30 June 2020 Unaudited £	Six months ended 30 June 2019 Unaudited £	Year ended 31 December 2019 Audited £
Location data and insights	492,859	341,336	495,554
Verify	157,526	113,536	710,700
	<u>650,385</u>	<u>454,872</u>	<u>1,206,254</u>

An analysis of EBITDA is as follows:

	Six months ended 30 June 2020 Unaudited £	Six months ended 30 June 2019 Unaudited £	Year ended 31 December 2019 Audited £
Location data and insights	(253,581)	(682,091)	(1,009,199)
Verify	(81,049)	(226,879)	(703,787)
	<u>(334,630)</u>	<u>(908,970)</u>	<u>(1,712,986)</u>

LOCATION SCIENCES GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

4 Segmental analysis (continued)

An analysis of loss before tax is as follows:

	Six months ended 30 June 2020 Unaudited £	Six months ended 30 June 2019 Unaudited £	Year ended 31 December 2019 Audited £
Location data and insights	(430,741)	(856,483)	(1,345,445)
Verify	(208,411)	(285,494)	(938,275)
	<u>(639,152)</u>	<u>(1,141,977)</u>	<u>(2,283,720)</u>

5 Share capital

	30 June 2020 Unaudited £	30 June 2019 Unaudited £	31 December 2019 Audited £
570,368,300 ordinary shares of 0.1p (June 2019 - 343,250,994 of 1p, December 2019 - 370,497,894 of 1p) each	570,369	3,432,511	3,704,979
1,040,712,398 deferred shares of 0.99p each (June 2019: 0.99p, December 2019: 0.99p)	10,303,053	10,303,053	10,303,054
376,651,734 New Deferred shares of 0.9p (June 2019: nil, December 2019: nil)	3,389,866	-	-
	<u>14,263,288</u>	<u>13,735,564</u>	<u>14,008,033</u>

LOCATION SCIENCES GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

5 Share capital (continued)

Share issue

On 20 January 2020 6,153,840 ordinary shares of 1p each were issued at 1.25p per share to settle professional fees.

On 26 March 2020, the Company's share capital was reorganised to sub-divide the Existing Ordinary Shares to create two classes of shares: New Ordinary Shares with a nominal value of 0.1 pence and New Deferred Shares with a nominal value of 0.9 pence. The proportion of the issued ordinary share capital of the Company held by each Shareholder immediately before and after the Sub-division remained unchanged. The New Deferred Shares arising on completion of the Sub-division were in addition to the Existing Deferred Shares

On 26 March 2020 114,858,571 ordinary shares of 0.1p were issued at 0.875p pursuant to a placing, with a nominal value of £114,859 for aggregate consideration of £1,005,012 before costs. 3,428,571 shares were issued to settle professional fees in relation to the placing.

At the same time warrants were issued to those subscribing in the share placing, with every placee receiving two warrants for every three placing shares subscribed. Total warrants were issued giving the holders the right to subscribe for 74,057,995 ordinary shares. The warrants were exercisable at 0.1p during the period from admission of the placing shares until 30 June 2020, with any unexercised warrants lapsing following this date. They were exercised on the following dates:

- 15,457,332 exercised on 20 April 2020;
- 21,980,655 exercised on 06 May 2020;
- 1,524,000 exercised on 01 June 2020;
- 23,667,332 exercised on 16 June 2020; and
- 11,428,666 exercised on 30 June 2020.

On 6 May 2020 4,800,000 ordinary shares of 0.1p each were issued at 0.625p per share to settle professional fees in relation to the placing.

Share rights

Ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

Deferred shares have attached to them no voting, dividend or capital distribution (including on winding up) rights; they do not confer any rights of redemption.

Warrants in Issue

Mike Staten holds 5,583,522 share warrants at an exercise price of 16.92 pence per share. For comparison the closing share price on 10 September 2020 was 0.51 pence per share. The fair value of the warrants is not material for adjustment.

6 Availability of half-year report

Copies of the half-year report are available on request from the Company's registered office at 20 Eastbourne Terrace, Paddington, London, W2 6LG and can also be viewed at:

<https://www.locationsciencesgroup.ai/investor-relations/reports-presentations>