

# ANCHOVY.

682, St Joseph High Street, Hamrun, HMR 1012

Company registration number: C57419

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## Company Announcement

The following is a company announcement issued by ANCHOVY STUDIOS p.l.c. (the Company) pursuant to Rule 4.11.13 of the Prospects Rules.

### Quote

*Reference is made to the company announcement issued by the Company on the 26 April 2022 (ANC:60) in which the Board of Directors of the Company announced that it was scheduled to meet on the 27 April 2022:*

- 1. to consider and, if deemed appropriate, approve the Company's audited financial statements for the financial year ended 31 December 2021; and*
- 2. to consider the declaration of a final dividend to be recommended to the Company's annual general meeting;*

*The Board of Directors of the Company approved the Annual Report and Financial Statements for the financial year ended 31 December 2021 and resolved that these be submitted for the approval of the shareholders at the Annual General Meeting.*

*The Board of Directors has also authorised the publication of the Annual Report and Financial Statements for the financial year ended 31 December 2021 which is available for viewing on the Company's website at <https://anchovyinc.com/>*

*The Company announces that its annual general meeting was held yesterday at which:*

- 1) The financial statements for the year ended 31 December 2021 were approved;*
- 2) The Statutory Directors' Report on the Financial Statement for the year ended 31 December 2021 were approved;*
- 3) The Auditors' Report on the Financial Statements for the year ended 31 December 2021 was approved;*
- 4) Mazars were re-appointed as the Company's auditors until the conclusion of the next general meeting;*
- 5) The current directors were re-appointed up to the next Annual General Meeting in accordance with the Company's Articles of Association.*

*The Board of Directors note that the profit before tax for the financial statements of Anchovy Studios plc for the year ended 31 December 2021 totalled €15k. This represents a material adverse variance of circa €258k from the 2021 projections that were*

*published in the Financial Sustainability Forecast issued on 13 April 2021 by way of company announcement ANC48, given that the projections had forecasted a profit before tax of €273k.*

*During 2021, the Company generated revenue and other income of €1.8 million, which is in line with the forecasted revenue. Consequently, the variance in profit is attributable to higher costs, particularly media buying, software and platform expenses, and other expenses. The increase in costs is principally due to two reasons: (i) In the run up to the merger at shareholding level with NIU Limited (as announced via ANC57), all web development related work, previously carried out in-house by the Company, was outsourced to NIU Limited. Likewise, all design related work, previously carried out by NIU Limited was outsourced to the Company. Whilst this resulted in higher costs for the Company, a stronger bond between the shareholders and the companies was created, apart from achieving higher quality work; (ii) During 2021, the Company expanded into Middle East and North Africa ("MENA"), and as a result, incurred higher costs to set a new client service team across each country and sales. This has directly resulted in increased sales and retention of revenue leading into 2022.*

Unquote

By order of the Board of Directors of Anchovy Studios p.l.c.

*S. Caruana*

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Ms Sara Caruana  
Company Secretary  
28<sup>th</sup> April 2022

For more information on ANCHOVY STUDIOS p.l.c. please visit <https://anchovyinc.com/investors/>