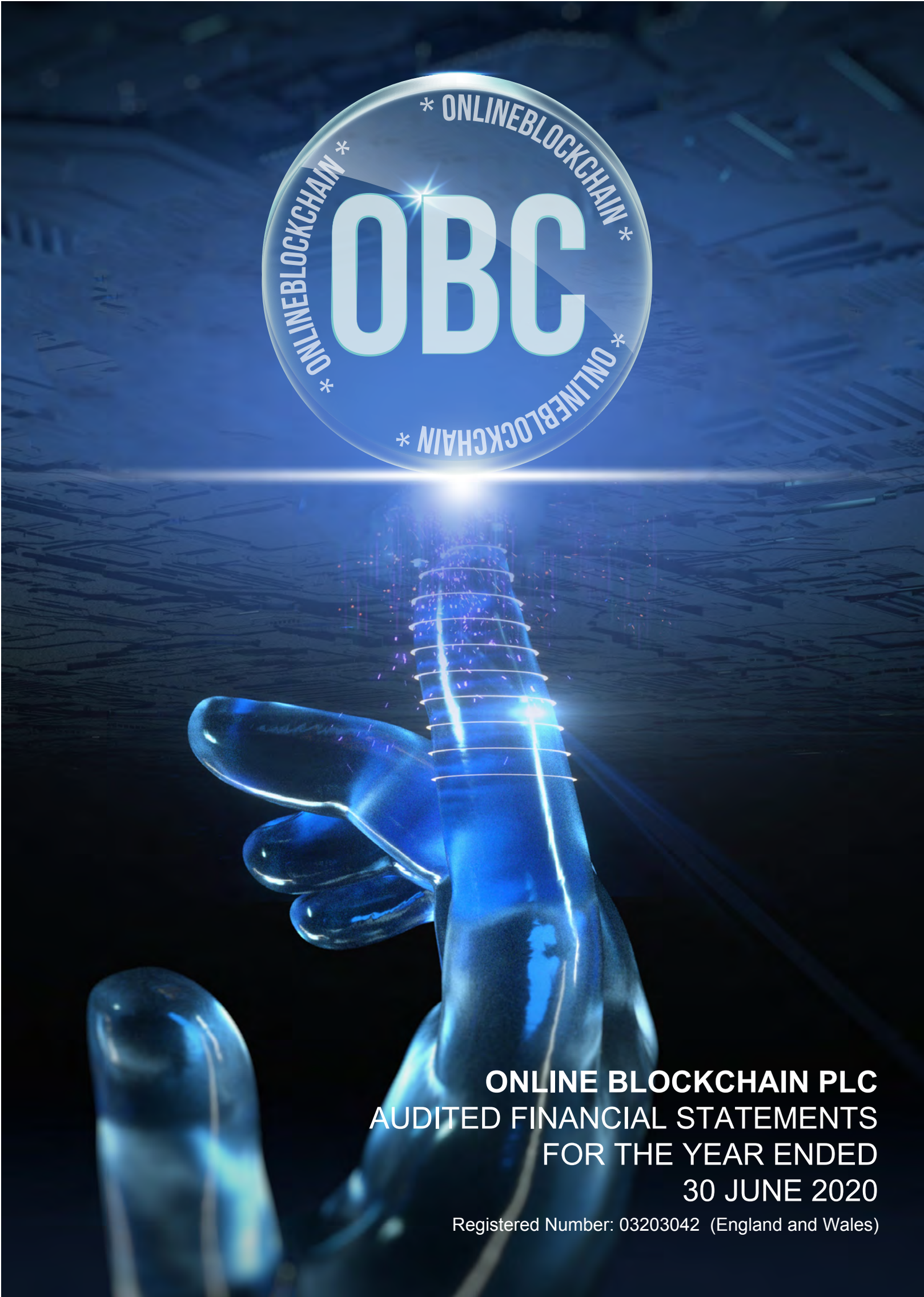

ONLINE BLOCKCHAIN PLC

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Registered Number: 03203042 (England and Wales)

CONTENTS OF THE FINANCIAL STATEMENTS

DIRECTORS, OFFICERS AND ADVISERS

Directors

Michael Hodges (Chairman)

Clement Chambers (Chief Executive Officer)

Jonathan Mullins

William Louden

Secretary

Michael Hodges

Registered Office

Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA

Independent Auditor

Saffery Champness LLP, 71 Queen Victoria Street, London, EC4V 4BE

Nominated Adviser

Beaumont Cornish Limited, Building 3 566 Chiswick High Road, London W4 5YA

Broker

Throgmorton Street Capital Limited, Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA

Solicitors

Field Fisher Waterhouse, 35 Vine Street, London, EC3N 2AA

Registrars

Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD.

Company number: 03203042

CEO'S STATEMENT

The past year has been unexpected and COVID-19 has changed many people's plans and ideas. Working from home, social distancing, and self-isolation has become the new "normal", and this has, of course, had a huge impact on many businesses around the world.

At Online, we have worked remotely for some time so the disruption that many businesses experienced did not impact us in a material way earlier this year. We have continued with our existing projects and started new projects during 2020.

Freefaucet.io (www.freefaucet.io) continues to make progress, and now has over 104,000 registered users and continues to grow with a current average of 1,000 new registrations per week. Revenue from the website, which is predominantly based on subscription revenue, has grown from nothing to £49,000 in the financial year. However, revenues from mining crypto-currency have now ceased as the project has been put on hold.

The PTC Network (Paid-to-Click on https://ptc.network) is now in open early Beta testing. We are also focusing on developing new projects in the decentralised finance (DeFi) area, which is the next stage in the story of the development of the Blockchain.

Our investment in Encryptid Gaming Inc has not been increased this year as originally intended. The development programme has slowed as a result of technical difficulties and we hope that this will move on in the future but for the moment the carrying value has been reduced to £18,000 (2019: £36,000).

As always, we continue to invest in a portfolio of infrastructure, projects and assets and this is key to our future. Shareholders should note that the Company's own development of Blockchain products is still at an early stage, but we look forward to reporting further progress over the coming year.

Plus 1 coin continues to be used within the ADVFN advertising environment and is often in the top 100 minable Cryptocurrencies

Brazio is available via FreeFaucet.io and continues to show promise with a developing community and interesting levels of crypto exchange trading.

Freeloadr, continues to develop but its take-up is slower than we had hoped for. Meanwhile FreeFaucet is building up a potentially valuable crypto audience and developments in DeFi are showing promise.

We will continue to develop and work on these projects, any one of which is positioned to take advantage of the many opportunities that the burgeoning Crypto space will offer.

The Company's financial performance for the year and Key Performance Indicators are analysed in the Strategic Report.

EVENTS AFTER THE BALANCE SHEET DATE

There were no events of significance occurring after the balance sheet date to report.

INVESTMENT IN ADVFN plc

Online Blockchain Plc also has an interest of approximately 18% in ADVFN Plc. The activity of ADVFN Plc is therefore of importance to the Company and some information concerning ADVFN's performance is set out below and has been extracted from ADVFN's audited results for the year ended 30 June 2020 which were announced recently:

EXTRACT FROM THE ADVFN plc CHIEF EXECUTIVE'S STATEMENT

A lot has changed since the last year end and a lot has changed since the last interims. First, I want to draw your attention to the improved financial performance of ADVFN at the year-end compared to the end of the first half. Contrary to a difficult period following the COVID-19 outbreak, we have experienced an improved operating performance since then.

In the first half of the business year (the six months ended December 2019) and prior to any COVID-19 impact, we experienced an unexpected drop in advertising income as a result of which we decided to reorganise the business ahead of the potential of this becoming a long-term situation; staff numbers were reduced with a move in the UK to homeworking and the lease for the office in Throgmorton Street was not renewed. As it happened, this drop in advertising income continued with the outbreak of the COVID-19 pandemic which has seen a global slump in advertising in line with what we had already experienced in the tail half of 2019.

Our reorganisation meant we have created a lower-cost platform for us to operate during the COVID-19 pandemic with no loss of operational capability during the lockdowns in either the UK or US. Our lower cost base and continuing subscriptions income has ensured we have long term visibility of the way ahead.

Meanwhile, as I have mentioned on several previous occasions, the occurrence of significant disruption economically or socially is seen as an emergency by investors which typically buoys up our general business so that the more drastic effects on the economy as a whole have, to a large extent, been attenuated for ADVFN.

Subscriptions income increased slightly in the second half and advertising has stabilised.

As I write I would be foolhardy to make brave positive predictions but, looking back over the last six months, I can stress that the whole ADVFN team has put in a massive effort and delivered a tremendous performance through challenging times. We will be aiming to continue the progress we have made in the second half if circumstances allow.

SUMMARY OF ADVFN'S KEY PERFORMANCE INDICATORS

	2020 Actual	**2020 Target**	2019 Actual	2019 Target
Turnover	£7.07M	£8.7M	£8.7M	£8.8M
Average head count	52	56	46	44
ADVFN registered users	4.8M	4.75M	4.7M	4.6M

Clement Chambers
CEO
9 November 2020

STRATEGIC REPORT

The Directors present their Strategic Report for the year ended 30 June 2020.

The strategy for the Group is that of an incubator and developer of businesses in internet and information-based technologies including developers, administrators and custodians of blockchains and cryptocurrencies.

We founded ADVFN www.advfn.com and today we still have a holding of 17.92% in ADVFN plc.

Online Blockchain plc continues to consider new related opportunities and particularly crypto currencies and blockchain opportunities.

Principal risks and uncertainties
The management of the Company and the nature of the Company's strategy are subject to a number of risks. The directors have set out below the principal risks facing the business. The directors have adopted a thorough risk management process which involves the formal review of all the risks identified below. Where possible, processes are in place to monitor and mitigate such risks.

Investment in our associate ADVFN Plc
The investment of approximately 18% in the associate ADVFN Plc results in a significant proportion of the revenue as well as the largest asset held by the company. The performance of this investment is of great importance and volatility in ADVFN Plc's markets and results may affect the income statement and balance sheet of the company.

Blockchain and crypto currency
This is still a loosely regulated market which is unpredictable and volatile. In addition, crypto markets can be illiquid except in the case of the major products such as Bitcoin. Whilst the situation has improved in the last 12 months, for the smaller crypto-currencies, the transfer between crypto-currency and fiat currencies can be complex. The Company's development of blockchain products are also still at an early stage and there is no guarantee that they will develop as planned or be commercially sustainable.

Economic volatility
Many things around the world can affect a stock market; Brexit, general economic condition, politics and other such conflicts. As far as the UK is concerned, Brexit remains at the forefront of most people's thoughts with the outcome far from clear at the time these accounts were signed. This could well have the effect of creating market turmoil. These are circumstances which, in the past, have been beneficial for Online Blockchain as a result of our investment in ADVFN, as ADVFN's customers need to know what is happening to their investments using ADVFN as a tool for this. The success or failure of the world's stock markets will probably affect our business as a result given the sector within which ADVFN operates.

US Dollar and Euro exchange rates could be further affected as the Brexit effects the pound and until it is settled there remains an underlying lack of confidence and the potential for volatility which may affect our business.

High proportion of fixed overheads
A large proportion of the Company's overheads are fixed. There is the risk that any significant changes in revenue may lead to the inability to cover such costs. We closely monitor fixed overheads against budget on a monthly basis and cost saving exercises are implemented on a constant review basis.

Investment in Encryptid Gaming
Our investment in Encryptid Gaming Inc has not been increased this year as originally intended. The development programme has slowed as a result of technical difficulties and we hope that this will move on in the future but for the moment the carrying value has been reduced to £18,000 (2019: £36,000).

www.onlineblockchain.io

STRATEGIC REPORT (continued)

Performance

The performance of the Company is closely linked to ADVFN plc. The Company supplies management services and makes advertising recharges to ADVFN which forms the turnover of the Company. As a result of this reliance the extract of the ADVFN accounts on page 4 will give necessary information and background on the factors affecting the performance of the Company. For the future we will look forward to our investments in Blockchain bearing fruit.

The following financial KPIs may prove helpful:

	2020	2020	2019	2019
	Actual	Target	Actual	Target
Turnover (£'000)	109	90	50	90
Operating (loss)/profit (£'000)	(141)	12	(593)	12
Basic (loss)/earnings per share (pence)	(2.32 p)	0.16 p	(7.69 p)	0.16 p

These KPI's/targets were set before the arrival of COVID-19 and the chaos that it has brought.

The decrease in our loss in the current financial year is the result of an increased management focus on, and continuing investment in, the crypto-currency and Blockchain space.

The financial indicators are designed to offer a dashboard check of the significant measures of the company's operations. The change in focus during last year meant a short-term downturn in these Key Performance measures for 2019 when turnover was at £50,000 and the operating loss at £593,000, but now there is a strong improvement across the dashboard with turnover rising to £109,000 and the operating loss reduced to £141,000. The company does not currently monitor non-financial KPI's and will do so when they can offer additional clarity to the financial performance measures.

Operating costs

Our costs remain reasonably fixed and predictable and we do not see that changing in the immediate future. They are firmly under control.

Research and development

We believe in trying to get the best from all areas that we work in. It is very important that Online Blockchain continues to invest in the quality and design of our products. We believe continued investment in our research and development is fundamental to the continuing growth of the business.

Environmental policy

This has always been important to the Company and as a whole we continue to look for ways to develop our environmental policy. We have a very small carbon footprint and try to reduce any waste we create; we are a small team which makes this task easier. Most of our communications are electronic which again cuts our use of non-environmentally friendly products.

Future developments for the business

Last year's investment has given rise to expenditure in assets (computer equipment) and in management time and our results this year reflect this. However, this is a short-term effect and we are now well placed to make the most of what the new Blockchain and crypto-currency industries offer.

We continue to work with our investment in ADVFN and assist it with its growth as well. The prospect of ADVFN continuing to grow in the medium term provides the incentive to go on concentrating on this business in the immediate future.

Should other investment opportunities present themselves the Directors will investigate them appropriately.

STRATEGIC REPORT (continued)

Directors' statement of responsibilities under section 172 Companies Act 2006

The Directors have considered the requirements of Section 172(1) of the Companies Act 2006 to prepare a statement explaining how the Directors have considered the wider stakeholder needs when performing their duties under Section 172 of the Companies Act 2006.

The Directors consider the stakeholders to be the people who work for us, work with us, invest with us, own us, regulate us and live in the societies we serve. The Directors recognise that building strong relationships with our stakeholders will help deliver the Company's strategy in line with the long-term values. The Directors are committed to effective engagement with all of our stakeholders and seek to understand the interests and views of the Company's stakeholders by engaging with them directly as appropriate.

Depending on the nature of the issue in question, the relevance of each stakeholder group may differ and, as such, as part of Company's engagement with stakeholders, the Directors seeks to understand the relative interests and priorities of each group and to have regard to these, as appropriate, in their decision making. The Directors acknowledge, however, that not every decision it makes will necessarily result in a positive outcome for all stakeholders. The directors also challenge management to ensure all stakeholder interests are considered in the day to day management and operations of the Company.
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As part of their deliberations and decision making process, the Directors take into account the following:

• the likely consequences of any decisions in the long term;
• interests of the company's employees;
• need to foster the company's business relationships with suppliers, customers and others;
• impact of the company's operations on the community and environment;
• desirability of the company maintaining a reputation for high standards of business conduct; and
• need to act fairly as between members of the company.
As a result of these activities, the Directors believe that they have demonstrated compliance with their legal obligations under s.172 of the Companies Act 2006

Business
The Directors' aim for the Group be and remain a contributing and good "Corporate Citizen".

Our business does not have a high carbon footprint and we consider it a sustainable business. We try to ensure that our planet's precious resources are used appropriately for the benefit of current and future generations. The Board considers that the business and strategic decisions which it takes now, in furtherance of the Group's business objectives, do not damage the global environment.

Employees
The Group has a small number of employees but those it has are situated and are deployed on the Group's business around the World. We ensure that we comply with all local labour laws and apply what the Directors believe are appropriate standards and systems to monitor and to ensure the welfare of those employees.

Stakeholder engagement
The Company is entirely owned and controlled by the shareholders of Online Blockchain Plc and the shares of the company are traded on AIM. The stakeholders of the Company consist predominantly of the shareholders, employees, advisers and suppliers. The Directors recognise the importance of these relationships and take active steps to develop and strengthen them through dialogue and engagement. These relationships are regularly monitored at Board level.

Governance
Each Board meeting addresses compliance by the Company with its corporate governance codes and reinforces the Board's requirement that its business be conducted with integrity and with due regard for ethical standards.

Approved and signed on behalf of the Board of Directors

Clement Chambers
CEO
9 November 2020

Corporate Governance Report

In April 2018, the Quoted Companies Alliance (QCA) published an updated version of its Code which provides UK small and mid-sized companies with a corporate governance framework that is appropriate for a Group and Company of our size and nature.

The Board considers the principles and recommendations contained in the QCA Code are appropriate and have therefore chosen to apply the QCA Code. The updated 2018 QCA Code has 10 principles that should be applied. Each principle is listed below together with an explanation of how the Group and Company applies or otherwise departs from each of the principles.

Principle One
Business Model and Strategy
The Online Blockchain PLC Group and Company (the "Company") works as an incubator and investor in internet and information businesses. The Company is currently focusing on blockchain technology development. The Company's business model is to establish new blockchain related ventures, using the Company's inhouse technology expertise and working with partners to create customer demand and interest in the Company's projects.

The Company also owns 17.92% of ADVFN PLC, www.advfn.com, a leading supplier of financial data, and has partnered with ADVFN on the development of certain blockchain products. OBC's links with ADVFN provide an opportunity for both, with ADVFN offering instant access to a relevant audience and OBC's blockchain platform offers ADVFN an opportunity to broaden its monetisation.

The Company's development of blockchain products are still at an early stage of development, but the Board anticipates that as blockchain becomes more generally accepted as a technology, that the Company will have the opportunity to monetise its current initiatives.

Principle Two
Understanding Shareholder Needs and Expectations
The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with its brokers and shareholders. Investors also have access to current information about the Company via our Investor Relations (IR) website.

Principle Three
Considering wider stakeholder and social responsibilities
The Board recognises that the long-term success of the Company is reliant upon the efforts of the employees of the Company and its contractors, suppliers, regulators and other stakeholders.

Principle Four
Risk Management
In addition to its other roles and responsibilities, the Audit Committee and Finance team are responsible to the Board for ensuring that procedures are in place and are being implemented effectively to identify, evaluate and manage the significant risks faced by the Company. The risk assessment matrix below sets out those risks and identifies their ownership and the controls that are in place. This matrix is updated as changes arise in the nature of risks or the controls that are implemented to mitigate them. The Audit Committee reviews the risk matrix and the effectiveness of scenario testing on a regular basis. The following principal risks and controls to mitigate them, have been identified:

Activity	Risk	Impact	Control(s)
Management	Recruitment and retention of key staff	Reduction in operating capability	Stimulating and safe working environment
			Balancing salary with longer term incentive plans
Security	Hacking / theft	Loss of hardware / data and or Crypto assets	Warm (on-line internet connected) and Cold (off-line) wallets
			Alternative hosting.
Strategic	Damage to reputation	Inability to secure new capital or clients	Effective communications with shareholders
	Inadequate disaster recovery procedures	Loss of key operational and financial data	Secure off-site storage

Activity	Risk	Impact	Control(s)
Financial	Liquidity, market and credit risk	Inability to continue as going concern Reduction in asset values	Robust capital management policies and procedures
	Inappropriate controls and accounting policies	Incorrect reporting of assets	Appropriate authority and investment levels Audit Committee and Finance Team

An internal audit function is not considered necessary or practical due to the size of the Company and the close day to day control is exercised by the executive directors. However, the Board will continue to monitor the need for an internal audit function. The Board works closely with and has regular ongoing dialogue with the Company financial controller and has established appropriate reporting and control mechanisms to ensure the effectiveness of its control systems.

Principle Five
A Well Functioning Board of Directors
As at the date hereof the Board comprised the executive Chairman Michael Hodges, CEO Clement Chambers, CFO and CTO Jonathan Mullins, and Non-Executive Director, William Louden. Biographical details of the current Directors are set out within Principle Six below. Executive and Non-Executive Directors are subject to re-election at intervals of no more than three years. All the Directors including the Non-Executive Director are considered to be part time but are expected to provide as much time to the Company as is required.

The Board meets throughout the year. It has established a Finance team together with an Audit Committee and a Remuneration Committee, particulars of which appear hereafter. The Board has agreed that appointments to the Board are made by the Board as a whole and so has not created a Nominations Committee. William Louden is considered to be an Independent Director. The Board notes that the QCA recommends a balance between executive and non-executive Directors and recommends that there be two independent non-executives. While the Board considers that, to date, the Board composition (including the executive role of the Chairman and the single non-executive director) has been appropriate for the Company given the size of the business, the board will review further appointments as scale and complexity grows and in particular, the potential appointment of an additional second independent non-executive director to meet the QCA recommendation.

Directors attendance at Board Meetings

The Annual General Meeting of the company took place on 23 December 2019 and all directors attended either in person or remotely. The management of the company and group revolves around the 4 directors who are in constant contact and this limits the need for formal board meetings which are reserved for occasions when formal approval is required under company law. No such formal board meetings were required this year. Both Michael Hodges and Jonathan Mullins attended the audit planning meeting with staff from Saffery Champness LLP on a remote basis. As there was no remuneration paid to executive directors this year there were no meetings of the remuneration committee.

Principle Six
Appropriate Skills and Experience of the Directors
The Board currently consists of four Directors. The Company believes that the current balance of skills in the Board as a whole, reflects a very broad range of commercial and professional skills across geographies and industries and each of the Director's has experience in public markets.

The Board recognises that it currently has a limited diversity and this will form a part of any future recruitment consideration if the Board concludes that replacement or additional directors are required.

The Board shall review annually the appropriateness and opportunity for continuing professional development whether formal or informal.

Clement Chambers
Chief Executive Officer
Co-founder of Online Blockchain plc, ADVFN plc and All IPO plc, Clement Chambers has been involved in the software industry for over 35 years as a pioneer of computer games, massively multiplayer games, multimedia and the internet. He is also director of ADVFN plc. He has written investment columns for Wired Magazine, Forbes, The Business, The Scotsman and broadcasts on investment matters for SKY News, CNBC and the BBC. Chambers takes an active role in all aspects of the company, from product and staff development to revenue generation and the day-to-day running etc. He is a member of the Remuneration Committee. He has been a Non-Executive Director of Avarae Global Coins PLC since November 2010.

Michael Hodges
Chairman
Co-founder of Online Blockchain plc, Michael Hodges has over 35 years experience in computer software development and publishing, while working with multi-user and Internet projects for many years. He co-founded Online Blockchain plc, ADVFN plc and All IPO plc. He is currently Chairman of ADVFN plc and a director of All IPO plc. Michael has responsibility for all legal and contractual issues and general business development. He is a member of the Audit Committee and of the Remuneration Committee and part of the Finance team.

Jonathan Mullins
CFO & CTO
Jonathan Mullins has been involved in the development of a wide variety of on-line and internet services for over 20 years. He is responsible for the entire technical department of Online Blockchain and has overseen the growth of the company's technology since its early days, including the development of its proprietary service. As CFO Jonathan is head of the Finance team and chairs the Audit Committee.

William Louden
Non-Executive Director
Ex-President of GE global consumer business unit with operations in Japan, the UK and Currently, Director, International Business Institute, Department Chair, International Business at Austin Community College, and Professor of Digital Media at St. Edward's University, Mr Louden has been teaching since 2002.

As an early developer and participant in online computing and a long-time interactive services industry executive, Mr Louden has over 30 years of experience in internet products and services, including electronic commerce and billing systems, interactive games, and new product design and development. He was formerly president of a GE online strategic business unit, senior vice president at Delphi Internet leading a UK Internet start-up operations for News Corp, President and COO at Preference Technologies, a public B2B Internet services company, and Founder and CEO at Peer Forward, a data mining software company.

Between 1979 and 1984 at Compuserve, Mr Louden was responsible for personal computing and communication product lines, including InfoPlex, a CompuServe commercial store and forward system, which was re-designed and developed under William as a consumer product, renamed as "EMAIL" and launched in 1981 (and subsequently trademarked by Compuserve between 1983 and 1984). Mr Louden is particularly recognised for his role in leading the development and commercialisation of multi-player games at Compuserve (and thereafter as founder of the GEnie online service at General Electric), including MegaWars, the first commercial multi-player online game. Mr. Louden has provided consulting services including market entry analysis, planning, product design, operations management, and/or intellectual property evaluations for various clients including U.S. West, News Corporation, Sony, Electronic Arts, and other entertainment companies.

In due course it is expected that Mr Louden will become involved with either the Audit or Remuneration Committee.

Principle Seven
Evaluation of Board Performance
Internal evaluation of the Board, the Committees and individual Directors is to be undertaken in the form of appraisal and discussions to determine the effectiveness and performance as well as the Directors' continued independence.

Principle Eight
Corporate Culture
The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. That culture will also greatly impact the way that employees behave.

The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its shareholders and that shareholders have the opportunity to express their views and expectations for the Company.

A large part of the Company's activities are centred upon what needs to be an open and respectful dialogue with employees, clients and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through all that the Company does. The directors consider that at present the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. The Company has adopted, with effect from the date on which its shares were admitted to AIM, a code for Directors' and employees' dealings in securities which is appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016.

Principle Nine

Maintenance of Governance Structures and Processes

Ultimate authority for all aspects of the Company's activities rests with the Board, the respective responsibilities of the Chairman and Chief Executive Officer arising as a consequence of delegation by the Board. The Board has adopted appropriate delegations of authority which set out matters which are reserved to the Board. The Chairman is responsible for the effectiveness of the Board, while management of the Company's business and primary contact with shareholders has been delegated by the Board to the Chief Executive Officer.

Audit Committee

During the financial year ended 30 June 2020 the Audit Committee has been chaired by Jonathan Mullins. This committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported. It receives reports from the executive management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Company. The Audit Committee has unrestricted access to the Company's auditors and auditors have the opportunity to discuss accounting and control issues with senior finance staff.

The auditors have recently been rotated as a result of a tendering process and this is the first audit by the new incumbents Saffery Champness LLP.

Remuneration Committee

The Remuneration Committee currently comprises Clement Chambers and Michael Hodges. The Remuneration Committee reviews the performance of the executive directors and employees and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also considers and approves the granting of share options pursuant to the share option plan and the award of shares in lieu of bonuses pursuant to the Company's Remuneration Policy.

Nominations Committee

The Board has agreed that appointments to the Board will be made by the Board as a whole and so has not created a Nominations Committee.

Non-Executive Directors

The Board has adopted guidelines for the appointment of Non-Executive Directors which have been in place and which have been observed throughout the year. These provide for the orderly and constructive succession and rotation of the Chairman and non-executive directors insofar as both the Chairman and non-executive directors will be appointed for an initial term of three years and may, at the Board's discretion believing it to be in the best interests of the Company, be appointed for subsequent terms.

In accordance with the Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

Principle Ten

Shareholder Communication

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with its private shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company.

Investors also have access to current information on the Company though its website, www.onlineblockchain.io, and via Clement Chambers, CEO, who is available to answer investor relations enquiries.

The Company shall include, when relevant, in its annual report, any matters of note arising from the audit or remuneration committees.

REPORT OF THE DIRECTORS

The Directors present their report and the audited financial statements for the year ended 30 June 2020.

PRINCIPAL ACTIVITIES

The principal activity of the Group is that of an incubator and investor in technology companies including internet and information businesses, developers, administrators and custodians of blockchains and cryptocurrencies.

RESULTS

The loss for the financial year amounted to £201,000 (2019: loss of £666,000). The Directors do not propose the payment of a dividend (2019: £nil).

DIRECTORS

The Directors set out below held office throughout the year except where stated:

M J Hodges
C H Chambers
J B Mullins
W Louden

Clement Chambers and William Louden retire by rotation and, being eligible, offer themselves for re-election. The Directors' interests in the shares of the company are shown in the Remuneration Report.

REPORT OF THE DIRECTORS (continued)

SUBSTANTIAL SHAREHOLDERS

At 20 October 2020 the Directors were aware of the following shareholdings in excess of 3% of the Company's issued share capital:

	Shareholding Ordinary	**%**	**Shareholding** Deferred	**%**
Clement Chambers	1,529,364	17.7	1,504,364	23.7
Michael Hodges	1,365,642	15.8	1,132,014	17.8
Peter O'Reilly	1,343,500	15.5	-	-
Reyker Securities	1,000,000	11.5	-	-
Barnard Nominees	-	-	252,000	4.0

FINANCIAL RISK MANAGEMENT

Information relating to the Company's financial risk management is detailed in note 22 to the financial statements.

GOING CONCERN

The financial statements have been prepared on the going concern basis which assumes the Group will continue in existence for the foreseeable future. The Directors have prepared a detailed forecast of future trading and as the new Faucet products launched since the year end on freefaucet.io increase both registered subscribers and revenues, the Directors believe that trading will gradually improve over the next 12 months. This improvement in trading and the resulting increased income over the next 12 to 18 months is expected to result in the current bank balance stabilising and then increasing. In addition, to maintain liquidity, the Group has access to an overdraft facility amounting to £50,000 which has been utilised this year and, if necessary, the option is available to raise additional funds on the market or, ultimately, to sell shares in ADVFN Plc. Accordingly, the Directors have prepared these financial statements on the going concern basis.

EVENTS AFTER THE BALANCE SHEET DATE

There are no significant events after the balance sheet date to report

STRATEGIC REPORT

Information in respect of the Business Review, Principal Risks and Uncertainties, R&D and future developments are not shown in the Report of the Directors because they are presented in the Strategic Report in accordance with s414c(ii) of the Companies Act 2006.

REPORT OF THE DIRECTORS (continued)

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs) and elected to prepare the company financial statements in accordance with IFRSs. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company and group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs for Group and Company have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

AUDITOR

In accordance with section 489(4) of the Companies Act 2006, a resolution appointing auditors will be put to the members at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD

Clement Chambers
CEO
9 November 2020

REMUNERATION REPORT

Directors' emoluments

	Salary & fees	Annual bonus	Share based payment	2020 Total	2020 Pension	2019 Total	2019 Pension
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Executive Directors							
M J Hodges	-	-	-	-	-	57	-
C H Chambers	-	-	-	-	-	82	-
J B Mullins	-	-	-	-	-	49	-
Non-Executive Directors							
W Louden	15	-	-	15	-	17	-
	15	-	-	15	-	205	-

During the year to June 2020, the Executive directors waived their emoluments.

Remuneration policy for Executive Directors

The Company's policy on Executive Director's remuneration is to:

- attract and retain high quality executives by paying competitive remuneration packages relevant to each Director's role, experience and the external market. The packages include employment related benefits including contributions to private pension plans;
- incentivise Directors to maximise shareholder value through share options which are granted at an exercise price at the market price at date of grant are normally exercisable for a period of 7 years and lapse if an employee leaves.

Service contracts

The Executive Directors have contracts with a thirty-six month notice period.

Directors' interests in shares

The interests of the Directors holding office at the year end in the ordinary and deferred shares of the Company at 30 June 2020 and 30 June 2019 are as shown below:

	2020 Ordinary 5p Number	2020 Deferred 45p Number	2019 Ordinary 5p Number	2019 Deferred 45p Number
C H Chambers	1,529,364	1,504,364	1,529,364	1,504,364
M J Hodges	1,365,642	1,132,014	1,365,642	1,132,014
J B Mullins	164,486	164,486	164,486	164,486

The market price of the 5p Ordinary shares at 30 June 2020 was 15.00p (2019: 19.50p). The range during the year was 7.00p to 22.00p (2019: 18.00p to 43.00p).

Directors' interests in share options

The details of the options held by each Director at 30 June 2020 are as follows:

Grant date	Vesting date	Lapse date	M J Hodges	C H Chambers	J B Mullins	W Louden	Total
01.07.10	02.09.15	01.09.22	150,000	150,000	150,000	-	450,000
02.05.18	31.10.18	31.10.22	-	-	-	50,000	50,000
			150,000	150,000	150,000	50,000	500,000

No share options were exercised and no share options were granted during the year.

Independent auditor's report to the members of Online Blockchain Plc

Opinion

We have audited the financial statements of Online Blockchain Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2020 which comprise the Consolidated Income Statement and Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement, Company Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.
In our opinion, the financial statements:

- give a true and fair view of the state of affairs of the group and of the parent company as at 30 June 2020 and of the group's loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

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

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of investments The group's 17.92% shareholding in ADVFN Plc is accounted for using the equity accounting method, in accordance with IAS 28, due to influence exerted over the associate due to commonality of board members. The investment in ADVFN Plc is a key balance in the group's financial statements. As a result, a misstatement the valuation of the investment may significantly affect a user's understanding of the reported results and financial position. The group also owns a 15.75% shareholding in Encrypted Gaming Inc. which is accounted for at fair value through profit and loss in accordance with IFRS 9, requiring the directors to make an assessment of its fair value at each reporting date.	Our audit procedures included the following: • Reviewing the directors' assessment of the accounting treatment and subsequent valuation of the investment in ADVFN Plc in accordance with IAS 28 • Obtained and critically assessed the directors' IAS 36 impairment review upon the valuation of the investment in associate • Reviewing and critically evaluated the directors' assessment of the fair value of the investment in Encryptid Gaming Inc in accordance with IFRS 9 Based upon our audit procedures, we noted no material exceptions and considered the directors' judgements to be supported and key assumptions to be within reasonable ranges. We concurred with the directors' assessment that the investment in associate is not impaired at the year end and found no material misstatement in measurement of investments carried at fair value.
Revenue recognition The group's revenue is a significant measure of its financial performance during the financial year. During the financial year revenue was principally generated from the provision of management services to group's associate, ADVFN Plc, and from subscriptions to the FreeFaucet.io website. Revenue from both sources is recognised over the term of the contracts and falls under the scope of IFRS 15 *Revenue from contracts with customers*. Revenue recognition was considered a key audit matter due to the material nature of revenue to the group and the key judgements involved in assessing the impact of IFRS 15.	Our audit procedures included the following: • Obtained and critically assessed the directors' IFRS 15 impact assessment in connection with each of the group's key sources of income • Evaluated the group's revenue recognition policy and management's implementation of this policy during the financial year • Performed substantive analytical procedures and substantive tests of detail to ensure the complete and accurate recognition of revenue from each operating segment; - Provision of management services - Faucet subscriptions - Mining crypto-currency • Performed substantive tests of detail to ensure that revenue cut-off had been accurately applied for each key source of income Based upon our audit procedures, we concluded that revenue has been appropriately and accurately recognised in accordance with the group's revenue recognition policy and the requirements of IFRS 15.
Revenue recognition The group's revenue is a significant measure of its financial performance during the financial year. During the financial year revenue was principally generated from the provision of management services to group's associate, ADVFN Plc, and from subscriptions to the FreeFaucet.io website. Revenue from both sources is recognised over the term of the contracts and falls under the scope of IFRS 15 *Revenue from contracts with customers*. Revenue recognition was considered a key audit matter due to the material nature of revenue to the group and the key judgements involved in assessing the impact of IFRS 15.	Our audit procedures included the following: • Obtained and critically assessed the directors' IFRS 15 impact assessment in connection with each of the group's key sources of income • Evaluated the group's revenue recognition policy and management's implementation of this policy during the financial year • Performed substantive analytical procedures and substantive tests of detail to ensure the complete and accurate recognition of revenue from each operating segment; - Provision of management services - Faucet subscriptions - Mining crypto-currency • Performed substantive tests of detail to ensure that revenue cut-off had been accurately applied for each key source of income Based upon our audit procedures, we concluded that revenue has been appropriately and accurately recognised in accordance with the group's revenue recognition policy and the requirements of IFRS 15.

Our application of materiality

We apply the concept of materiality in planning and performing our audit, in evaluating the effect of any identified misstatements and in forming our audit opinion. Our overall objective as auditor is to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error. We consider a misstatement to be material where is could reasonably be expected to influence the economic decisions of the users of the financial statements.

We determined materiality to be £33,000 for both the group and company financial statements. This is based upon 2.5% of total assets per draft financial information at the planning stage. We did not consider there to be any reason to revise materiality during the audit.

An overview of the scope of our audit

We tailored the scope of our audit to ensure that we obtained sufficient evidence to support our opinion on the financial statements as a whole, taking into account the structure of the group, the accounting processes and controls and the sector in which the group operates.

As group auditors with carries out the audit of the financial statements and, in accordance with ISA (UK) 600, obtained sufficient evidence regarding the audit of the group's subsidiaries. Audit work was performed upon the results of all non-dormant subsidiaries such that this was considered necessary to support our group audit opinion. All subsidiaries are owned 100% and are consolidated into the group's financial statements.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 13, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

……..

Jamie Cassell (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

9 November 2020

Consolidated income statement

	Notes	**30 June 2020 £'000**	30 June 2019 £'000
Revenue	3	109	50
Cost of sales		-	(150)
Gross profit/(loss)		109	(100)
Share based payment	20	-	(13)
Other administrative expenses		(250)	(480)
Total administrative expenses		(250)	(493)
Operating loss	4	(141)	(593)
Finance expense	7	(2)	-
Impairment of investment in Encryptid Gaming	11	(18)	-
Share of post-tax loss of equity accounted associate	11	(40)	(73)
Loss before tax		(201)	(666)
Taxation	8	-	-
Total loss for the period attributable to shareholders of the parent		(201)	(666)
Loss per share			
Basic	9	(2.32 p)	(7.69 p)
Diluted	9	(2.32 p)	(7.69 p)

Consolidated statement of comprehensive income

	30 June 2020 £'000	30 June 2019 £'000
Loss for the period	(201)	(666)
Other comprehensive income:		
Items that will be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	1	-
Total other comprehensive income	1	-
Total comprehensive income for the year attributable to shareholders of the parent	(200)	(666)

There is no other comprehensive income for either the current or prior year.

The accompanying accounting policies and notes on pages 26 to 49 form an integral part of these financial statements.

Consolidated balance sheet

	Notes	**30 June 2020 £'000**	30 June 2019 £'000
Assets			
Non-current assets			
Property, plant and equipment	10	30	36
Other receivables	14	6	6
Investment in associate	11	1,137	1,173
Financial asset held at fair value through profit and loss	11	18	36
		1,191	1,251
Current assets			
Trade and other receivables	14	114	95
Cash and cash equivalents		17	154
		131	249
Total assets		1,322	1,500
Equity and liabilities			
Equity			
Issued capital	19	3,292	3,292
Share premium		3,155	3,155
Share based payment reserve		64	64
Foreign exchange reserve		1	-
Retained earnings		(5,269)	(5,072)
		1,243	1,439
Current liabilities			
Borrowings - bank overdraft	16	27	-
Borrowings - lease liabilities	16	13	-
Trade and other payables	17	39	61
Total liabilities		79	61
Total equity and liabilities		1,322	1,500

The financial statements on pages 19 to 49 were authorised for issue by the Board of Directors on 9 November 2020 and were signed on its behalf by:

Clement Chambers
CEO
Company number: 03203042

The accompanying accounting policies and notes on pages 26 to 49 form an integral part of these financial statements.

Company balance sheet

	Notes	**30 June 2020 £'000**	30 June 2019 £'000
Assets			
Non-current assets			
Property, plant and equipment	10	17	36
Investment in associate	11	1,137	1,173
Financial asset held at fair value through profit and loss	11	18	36
		1,172	1,245
Current assets			
Trade and other receivables	14	134	120
Cash and cash equivalents		11	147
		145	267
Total assets		1,317	1,512
Equity and liabilities			
Equity			
Issued capital	19	3,292	3,292
Share premium		3,155	3,155
Share based payment reserve		64	64
Retained earnings		(5,294)	(5,049)
		1,217	1,462
Current liabilities			
Borrowings - bank overdraft	16	27	-
Trade and other payables	17	73	50
Total liabilities		100	50
Total equity and liabilities		1,317	1,512

The financial statements on pages 19 to 49 were authorised for issue by the Board of Directors on 9 November 2020 and were signed on its behalf:

Clement Chambers
CEO
Company number: 03203042

Company statement of comprehensive income

As permitted by Section 408 of the Companies Act 2006, the income statement and statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's result after taxation for the financial year was a loss of £249,000 (2019: £645,000).

The accompanying accounting policies and notes on pages 26 to 49 form an integral part of these financial statements.

Consolidated statement of changes in equity

	Share capital £'000	Share premium £'000	Share based payment reserve £'000	Foreign exchange reserve £'000	Retained earnings £'000	Total equity £'000
At 1 July 2018	3,292	3,155	51	-	(4,409)	2,089
Share based payment	-	-	13	-	-	13
Transactions with shareholders	-	-	13	-	-	13
Net asset movements of associate	-	-	-	-	3	3
Total comprehensive income for the year	-	-	-	-	(666)	(666)
At 30 June 2019	3,292	3,155	64	-	(5,072)	1,439
Net asset movements of associate	-	-	-	-	4	4
Loss for the year after tax	-	-	-	-	(201)	(201)
Other comprehensive income						
Exchange differences on translation of foreign operations	-	-	-	1	-	1
Total other comprehensive income	-	-	-	1	-	1
Total comprehensive income	-	-	-	1	(201)	(200)
At 30 June 2020	3,292	3,155	64	1	(5,269)	1,243

The accompanying accounting policies and notes on pages 26 to 49 form an integral part of these financial statements.

Company statement of changes in equity

	Share capital	Share premium	Share based payment reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000
At 1 July 2018	3,292	3,155	51	(4,407)	2,091
Share based payment	-	-	13	-	13
Total transactions with owners	-	-	13	-	13
Net asset movements of associate	-	-	-	3	3
Total comprehensive income for the year	-	-	-	(645)	(645)
At 30 June 2019	3,292	3,155	64	(5,049)	1,462
Net asset movements of associate	-	-	-	4	4
Total comprehensive income for the year	-	-	-	(249)	(249)
At 30 June 2020	3,292	3,155	64	(5,294)	(1,217)

The accompanying accounting policies and notes on pages 26 to 49 form an integral part of these financial statements.

Consolidated cash flow statement

	Notes	**12 months to 30 June 2020 £'000**	12 months to 30 June 2019 £'000
Cash flows from operating activities			
Loss for the year		(201)	(666)
Loss from equity accounted associate		40	73
Net finance charge in the income statement	7	2	-
Depreciation of property, plant & equipment	10	20	24
Share based payments - options	20	-	13
Impairment of investment in Encryptid Gaming	11	18	-
(Increase)/decrease in trade and other receivables	14	(19)	88
(Decrease)/increase in trade and other payables	17	(22)	1
Net cash used by continuing operations		(162)	(467)
Income tax receivable		-	-
Net cash used by operating activities		(162)	(467)
Cash flows from financing activities			
Draw down bank overdraft	16	27	**-**
Interest paid		(2)	**-**
Net cash generated by financing activities		25	**-**
Cash flows from investing activities			
Financial asset held at fair value through profit and loss	11	-	(36)
Payments for property plant and equipment	10	(1)	5*
Net cash used by investing activities		(1)	(31)
Net decrease in cash and cash equivalents		(138)	(498)
Foreign exchange difference		1	-
Cash and cash equivalents at the start of the period		154	652
Cash and cash equivalents at the end of the period		17	154

*reversal of entry of 9 from previous period, payment for property, plant and equipment (4)

The accompanying accounting policies and notes on pages 26 to 49 form an integral part of these financial statements.

Company cash flow statement

	Notes	**12 months to 30 June 2020 £'000**	12 months to 30 June 2019 £'000
Cash flows from operating activities			
Loss for the year		(249)	(645)
Loss from equity accounted associate		40	73
Net finance income in the income statement		-	-
Depreciation of property, plant & equipment	10	20	24
Share based payments - options	20	-	13
Impairment of investment in Encryptid Gaming	11	18	-
(Increase)/decrease in trade and other receivables	14	(14)	72
Decrease in trade and other payables	17	23	(10)
Net cash used by operating activities		(162)	(473)
Cash flows from financing activities			
Draw down bank overdraft	16	27	**-**
Net cash generated by financing activities		27	**-**
Cash flows from investing activities			
Financial asset held at fair value through profit and loss	11	-	(36)
Payments for property plant and equipment	10	(1)	5*
Net cash used by investing activities		(1)	(31)
Net decrease in cash and cash equivalents		(136)	(504)
Cash and cash equivalents at the start of the period		147	651
Cash and cash equivalents at the end of the period		11	147

*reversal of entry of 9 from previous period, payment for property, plant and equipment (4)

The accompanying accounting policies and notes on pages 26 to 49 form an integral part of these financial statements.

Notes to the financial statements

1. General information

The principal activity of Online Blockchain Plc ("the Company") and its subsidiaries (together "the Group") is that of an incubator and investor in internet and information businesses, developers, administrators and custodians of blockchains and cryptocurrencies.

The principal trading subsidiaries are Awesome Animation Limited and Online Development Inc.

The Company is a public limited company which is quoted on the AIM of the London Stock Exchange and is incorporated in England and Wales and domiciled in the UK. The address of the registered office is Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA.

The registered number of the company is 03203042.

Exemption from audit
For the year ended 30 June 2020 Online Blockchain Plc has provided a guarantee in respect of all liabilities due by its subsidiary company Awesome Animation Limited (Company No. 11166820) thus entitling it to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

2. Summary of significant accounting policies

Basis of preparation

The consolidated and company financial statements are for the year ended 30 June 2020. They have been prepared in compliance with International Financial Reporting Standards (IFRSs) and IFRS Interpretations Committee (IFRIC) interpretations as adopted by the European Union as at 30 June 2020. The consolidated and company financial statements have been prepared under the historical cost convention and are presented in Sterling rounded to the nearest thousand except where indicated otherwise.

Going concern

The financial statements have been prepared on the going concern basis which assumes the Group will continue in existence for the foreseeable future. The Directors have prepared a detailed forecast of future trading and as the new Faucet products launched since the year end on freefaucet.io increase both registered subscribers and revenues, the Directors believe that trading will gradually improve over the next 12 months. This improvement in trading and the resulting increased income over the next 12 to 18 months is expected to result in the current bank balance stabilising and then increasing. In addition, to maintain liquidity, the Group has access to an overdraft facility amounting to £50,000 which has been utilised this year and, if necessary, the option is available to raise additional funds on the market or, ultimately, to sell shares in ADVFN Plc. Accordingly, the Directors have prepared these financial statements on the going concern basis.

Standards and amendments to existing standards adopted in these accounts

IFRS 16 Leases
The standard is effective for periods commencing on or after 1 January 2019 and has therefore been adopted for the period commencing 1 July 2019. The standard replaces IAS 17 and introduces a single lessee accounting model. Under the provisions of the new standard most leases, including the majority of those previously classified as operating leases, will be brought onto the financial position statement as a right-of-use asset and as an offsetting lease liability. Both asset and liability are based on present values of the lease payments due over the term of the lease with the asset being depreciated in accordance with IAS 16 'Property, plant and equipment' and the liability increased by the addition of interest and reduced as lease payments are made.

The result of the changes brought about by the standard means that the lease payment, which under the old standard appeared as an expense in the income statement, is now replaced by an interest charge and a depreciation charge. These will now be the amount of the expense in the income statement and will appear in the finance charge and administrative charges respectively.

The standards and amendments adopted in these accounts had no material effect on the financial statements.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company in the 30 June 2020 financial statements

IAS 1 Presentation of Financial Statements and IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendment – Definition of Material)
IFRS 3 Business Combinations (Amendment – Definition of Business)
Revised Conceptual Framework for Financial Reporting

The Directors continue to monitor developments in the relevant accounting standards but do not believe that these changes will significantly impact the Group.

Consolidation
The Group's financial statements consolidate those of the parent company and all of its subsidiaries drawn up to 30 June 2020. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated on the date control ceases.

Inter-company transactions, balances and unrealised gains and losses (where they do not provide evidence of impairment of the asset transferred) on transactions between Group companies are eliminated.

Equity accounting
Investments in associates for both the Company and the Group are accounted for using the equity method. This method results in the investor taking a proportionate share of the results of the investee in the income statement and net assets in the balance sheet. The share is based on the percentage ownership the investor has in the investee.

The carrying amount of the investment in associates is increased or decreased to recognise the Group’s share of the profit or loss and other comprehensive income of the associate.

Financial assets at fair value through profit and loss
Investments in equity shares for both the Company and the Group are accounted for as financial assets at fair value through profit and loss. This method results in an initial valuation at fair value with any change in valuation being recognised in the income statement.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Foreign currency translation

a) Functional and presentational currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Company's functional currency and the Group's presentational currency is Sterling.

b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

c) Group companies
The results and financial position of all Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet.
- Income and expenses for each income statement are translated at the rate of exchange at the transaction date. Where this is not possible, the average rate for the period is used but only if there is no significant fluctuation in the rate and;
- On consolidation, exchange differences arising from the translation of the net investment in foreign entities are recognised in other comprehensive income and accumulated in a separate component of equity. Post transition exchange differences are recycled to profit or loss as a reclassification adjustment upon disposal of the foreign operation.

Revenue

Revenue is the fair value of the total amount receivable by the Group for supplies of services. VAT or similar local taxes and trade discounts are excluded. The Group derives revenue from providing management services to its associate company ADVFN plc for the purchase of advertising, from subscriptions to freefaucet.io and from mining for crypto currency. The revenues of the Group are now accounted for under the new standard IFRS 15 'Revenue from contracts with customers' and recognised as follows:

- Management fees - recognised over the period that management services are delivered
- Subscriptions – the Faucet supply of crypto-currency is available through a subscription service which is only available on a month by month basis and therefore creates only an insignificant revenue deferral. The revenue is recognised over each monthly service period.

Mining for crypto currency is out of scope for IFRS 15 as there is no identifiable customer contract. Income is recognised at the point in time that crypto currency is passed to the Group.

Employee benefits

The cost of pensions in respect of the Group's defined contribution scheme is charged to profit or loss in the period in which the related employee services were provided.

Property, plant and equipment
Property, plant and equipment are recorded at cost net of accumulated depreciation and any provision for impairment. Depreciation is provided using the straight-line method to write off the cost of the asset less any residual value over its useful economic life. The residual values of assets are reviewed annually and revised where necessary. Assets' useful economic lives are as follows:

Computer equipment	33% per annum over 3 years
Right of use lease asset	the earlier of the end of the useful life of the asset or the end of the lease term

Impairment
For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. As a result some assets are tested individually for impairment and some are tested at cash-generating unit level.

Assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount of the asset or cash-generating unit. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. The cashflow evaluations are a result of the Director's estimation of future sales and expenses based on their past experience and the current market activity within the business. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Financial assets
Financial assets consist of receivables. Financial assets are assigned to their different categories by management on initial recognition, depending on the characteristics of the asset.

Trade receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that a trade receivable is impaired. The amount of the provision is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within administrative expenses. When a trade receivable is uncollectible it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against administrative expenses in the income statement.

Financial liabilities
The Group's financial liabilities include trade and other payables.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest related charges are recognised as an expense in the income statement. Borrowings consist of a bank overdraft and the lease liability of the leased office accommodation.

Trade payables are recognised initially at their fair value, net of transaction costs and subsequently measured at amortised costs less settlement payments.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Income taxes
Current income tax assets and liabilities comprise those obligations to fiscal authorities in the countries in which the Group carries out its operations. They are calculated according to the tax rates and tax laws applicable to the fiscal period and the country to which they relate. All changes to current tax liabilities are recognised as a component of tax expense in the income statement unless the tax relates to an item taken directly to equity in which case the tax is also taken directly to equity. Tax relating to items recognised in other comprehensive income is recognised in other comprehensive income.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets such as those resulting from assessing deferred tax on the expense of share-based payments, are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Provisions, contingent liabilities and contingent assets
Provisions are recognised when the present obligations arising from legal or constructive commitment resulting from past events, will probably lead to an outflow of economic resources from the Group which can be estimated reliably.

Provisions are measured at the present value of the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Share based employee compensation
The Group operates equity settled share-based compensation plans for remuneration of its employees.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (e.g. profitability or sales growth targets).

All share-based compensation is ultimately recognised as an expense in the income statement with a corresponding credit to the share-based payment reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, up to the nominal value of the shares issued are reallocated to share capital with any excess being recorded as additional share premium.

Where modifications are made to the vesting or lapse dates of options the excess of the fair value of the revised options over the fair value of the original options at the modification date is expensed over the remaining vesting period.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Leases
The Group previously classified leases as operating or finance leases based on its assessment of whether the lease transfers significantly all of the risks and rewards incidental to the ownership of the underlying asset to the Group.

The Group is a lessee of office premises and, under IFRS 16, where the Group had recognised a lease as an operating lease and payments made under the lease were recognised in profit or loss on a straight-line basis over the term of the lease, the Group now recognises a right-of-use asset and a lease liability for most leases i.e. these leases are on-balance sheet.

The Group has applied IFRS 16 using the modified retrospective approach. Under this approach, the Group does not restate its comparative figures but recognises the cumulative effect of adopting IFRS 16 as an adjustment to equity at the beginning of the current period.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- amounts expected to be payable under a residual value guarantee, and
- the exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal period if the group is reasonably certain to exercise such an option to extend and penalties for early termination of a lease unless the group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee or if the group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The group presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Equity
Issued capital
Ordinary shares are classified as equity. The nominal value of shares is included in issued capital.
Share premium
The share premium account represents the excess over nominal value of the fair value of consideration received for equity shares, net of the expenses of the share issue.
Share based payment reserve
The share-based payment reserve represents equity settled share-based employee remuneration until such share options are exercised.
Foreign exchange reserve
The foreign exchange reserve represents foreign exchange gains and losses arising on translation of investments in overseas subsidiaries into the consolidated financial statements.
Retained earnings
The retained earnings include all current and prior period results for the Group and the post-acquisition results of the Group's subsidiaries as determined by the income statement.

Dividends
Final equity dividends to the shareholders of Online Blockchain Plc are recognised in the period that they are approved by shareholders. Interim equity dividends are recognised in the period that they are paid.
Dividends receivable are recognised when the Company's right to receive payment is established.

Notes to the financial statements (continued)

Summary of significant accounting policies (continued)

Use of key accounting estimates and judgements
Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimates is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

Judgements in applying accounting policies

- The Directors have used their judgement to decide whether the Company should be treated as a going concern and whether it will be able to continue in existence for the foreseeable future. Directors must consider the latest forecasts, together with the cash resources, if any, available to them. The Company carries a significant receivable from the associate company ADVFN Plc together with a significant investment in the shares of the same company and therefore the Directors have judged that it is appropriate for the financial statements to be prepared on the going concern basis.
- The investment in Encryptid Gaming Inc originally valued by the directors under a milestone agreement for funding which required a subjective assessment of the value of the investee company as material objective evidence was lacking. Judgement as to the value of the investee has been required to make an estimate of fair value at the balance sheet date.
- The Directors must consider whether the investment in ADVFN gives sufficient influence over the investee so as to require the investee to be considered an associate. Online Blockchain holds an investment of 17.92% and, more significantly, there are joint directorships to the extent that significant influence clearly exists and therefore ADVFN is considered an associate of the company.
- The carrying value of the associate company ADVFN Plc in the balance sheet of the Company requires the use of a discounted present value calculation and the selection of an appropriate discount rate.

Sources of estimation uncertainty

- The Company uses estimation techniques to value the options which are granted to management. The technique is based on the results of the Black Scholes model and requires inputs to calculate the value. The Directors estimate the value of the inputs based on historical data and market experience.

Notes to the financial statements (continued)

3. Segmental analysis

The Directors identify operating segments based upon the information which is regularly reviewed by the chief operating decision maker. The Group considers that the chief operating decision makers are the executive members of the Board of Directors.

The Group has two reportable operating segments, being that of Faucet subscription and the provision of management services. The income derived from mining for crypto currency has fallen to close to zero. Segment information can be analysed as follows for the reporting period under review:

2020	**Provision of management services £'000**	**Faucet subscriptions £'000**	**Mining crypto currency £'000**	**Total £'000**
Revenue from related party	60	-	-	60
Revenue from subscriptions	-	49	-	49
Depreciation and amortisation	(36)	-	-	(36)
Other operating expenses	(193)	(7)	-	(200)
Segment operating loss	(169)	42	-	(127)
Loss after tax from equity accounted associate	(40)	-	-	(40)
Interest income	-	-	-	-
Interest expense	(2)	-	-	(2)
Segment assets	1,335	5	-	1,340
Segment liabilities	(66)	-	-	(65)
Purchases of non-current assets	30	-	-	30

Mining activity has decreased significantly and is now on hold. The assets used for this activity have been allocated to the management services segment.

2019	Provision of management services £'000	Mining crypto currency £'000	Total £'000
Revenue from related party	44	-	44
Revenue from mining	-	6	6
Depreciation and amortisation	-	(24)	(24)
Other operating expenses	(423)	(196)	(619)
Segment operating loss	(379)	(214)	(593)
Interest income	-	-	-
Interest expense	-	-	-
Segment assets	1,453	47	1,500
Segment liabilities	(50)	(11)	(61)
Purchases of non-current assets	-	4	4

During both 2020 and 2019 a related party accounted for more than 10% of the Group's total revenues.

Notes to the financial statements (continued)

4. Operating loss

Operating loss has been arrived at after charging:	**2020 £'000**	2019 £'000
Foreign exchange loss	**-**	(1)
Depreciation and amortisation:		
Depreciation of property plant and equipment:		
Owned	20	24
Leased	16	-
Employee costs (Note 6)	15	228
Audit and non-audit services:		
Fees payable to the company's auditor for the audit of the Company's annual accounts	20	25
Fees payable to the Company's auditor and its associates for other services:		
All other assurance services	-	-
All non-audit services	-	3
Taxation compliance services	-	-

5. Remuneration of key senior management for Group and Company

Key senior management comprises only Directors.	**2020 £'000**	2019 £'000
Salaries and fees	15	186
Annual bonus	-	17
Share based payments	-	2
Post-employment benefits - defined contribution pension plans	-	-
	15	205
Highest paid Director		
Salaries and fees	15	75
Annual bonus	-	7
Share based payments	-	-
Post-employment benefits - defined contribution pension plans	-	-
	15	82

Details of the Directors' emoluments, together with other related information, are set out in the Remuneration Report on page 14.

6. Employees

GROUP

	2020 £'000	2019 £'000
Employee costs (including Directors):		
Salaries and fees	15	196
Annual bonus	-	17
Share based payments	-	2
Post-employment benefits - defined contribution pension plans	-	3
Social security costs	-	10
	15	228
The average number of employees during the year was made up as follows:		
Development	**-**	-
Sales and Administration	4	4
	4	4

The Executive Directors' received no emoluments during the year.

Notes to the financial statements (continued)

7. Finance income and expense

GROUP

	2020 £'000	2019 £'000
Finance expense		
- Finance charge on lease liability	2	**-**
	2	**-**

8. Income tax expense

GROUP

	2020 £'000	2019 £'000
Current Tax:		
UK corporation tax on losses for the year	**-**	-
Adjustments in respect of prior periods	**-**	-
Total current taxation	**-**	-
Deferred tax	**-**	-
Taxation	**-**	-

The tax assessed for the year is different from the standard rate of corporation tax as applied in the respective trading domains where the Group operates. The differences are explained below:

	2020 £'000	2019 £'000
(Loss)/ profit before tax	(201)	(666)
Less profit after tax in equity accounted associate	40	73
	(161)	(593)
Loss before tax multiplied by the respective standard rate of corporation tax applicable in the UK (19.00%) (2019: 19.00%)	(30)	(113)
Effects of:		
Non-deductible expenses	(2)	2
Deferred tax – difference between CT and DT tax rates	-	13
Movements in unrecognised deferred tax	32	98
Tax credit for the year	-	-

The recognised and unrecognised deferred tax assets have been calculated at 19%, being the rate of Corporation Tax effective from 1 April 2020 and enacted by 30 June 2020.

Notes to the financial statements (continued)

9. Loss per share

	12 months to 30 June 2020 £'000	12 months to 30 June 2019 £'000
Loss for the year attributable to equity shareholders	(201)	(666)
Total loss per share – basic and diluted		
Basic	(2.32 p)	(7.69 p)
Diluted	(2.32 p)	(7.69 p)
	Shares	Shares
Weighted average number of Ordinary shares in issue for the year	8,662,348	8,662,348
Dilutive effect of options	-	-
Weighted average shares for diluted earnings per share	8,662,348	8,662,348

Where a loss has been recorded for the year the diluted loss per share does not differ from the basic loss per share as the exercise of share options would have the effect of reducing the loss per share and is therefore not dilutive under the terms of IAS 33. Where a profit has been recorded but the average share price for the year remains under the exercise price the existence of options is likewise not dilutive.

10. Property, plant and equipment

GROUP

	Right of use assets	**Computer equipment** £'000	**Total** £'000
Cost			
At 1 July 2018	-	70	70
Additions (net of correction)*	-	(5)	(5)
At 30 June 2019	-	65	65
Recognised upon adoption of IFRS 16 *Leases*	29	-	29
Additions	-	1	1
At 30 June 2020	29	**66**	**95**
Depreciation			
At 1 July 2018	-	5	5
Charge for the year	-	24	24
At 30 June 2019	-	29	29
Charge for the year	16	20	36
At 30 June 2020	16	**49**	**65**
Net book value			
At 30 June 2020	13	**17**	**30**
At 30 June 2019	-	36	36

*A ledger entry of £9,000 was duplicated in computer equipment in the year to June 2018. The entry was reversed in the following year to June 2019. Additions in that year were £4,000 and after the reversal of (£9,000) show (£5,000).

A fixed and floating charge is held by Barclays Bank which covers all the property and undertakings of the company against the provision of any loan, debenture or other bank liability.

Notes to the financial statements (continued)

COMPANY

	Computer equipment £'000	Total £'000
Cost		
At 1 July 2018	70	70
Additions (net of correction)*	(5)	(5)
At 30 June 2019	65	65
Additions	1	1
At 30 June 2020	66	66
Depreciation		
At 1 July 2018	5	5
Charge for the year	24	24
At 30 June 2019	29	29
Charge for the year	20	20
At 30 June 2020	49	49
Net book value		
At 30 June 2020	17	17
At 30 June 2019	36	36

*A ledger entry of £9,000 was duplicated in the year to June 2018. The entry was reversed in the following year to June 2019. Additions in that year were £4,000 and after the reversal of (£9,000) show (£5,000).

A fixed and floating charge is held by Barclays Bank which covers all the property and undertakings of the company against the provision of any loan, debenture or other bank liability.

11. Investments

GROUP AND COMPANY

Investment in associate

The Company owns 17.92% (2019: 17.92%) of ADVFN plc (ADVFN) which is incorporated in England and Wales and its principal activity is the development and provision of financial information, primarily via the internet, research services and the development and exploitation of ancillary internet sites. The investment in ADVFN plc is treated for the purposes of financial reporting as an associate due to the common directorships held between ADVFN plc and Online Blockchain plc and the resulting level of significant influence over the associate. The investment in ADVFN Plc is accounted for using the equity method in accordance with IAS 28. The amount of the percentage share of the income statement and the net assets are disclosed in the accounts of the Company.

Summarised financial information for ADVFN Plc is set out below:

	2020	2019
	£'000	£'000
Non-current assets	2,795	2,678
Current assets (i)	1,489	1,580
	4,284	4,258
Non-current liabilities (ii)	(238)	-
Current liabilities (iii)	(2,546)	(2,556)
	(2,784)	(2,556)
Net assets of ADVFN	1,500	1,702
i) Includes cash and cash equivalents	915	887
ii) Includes financial liabilities (excluding trade and other payables)	(238)	-
iii) Includes financial liabilities (excluding trade and other payables)	(268)	(195)
Revenue	**7,069**	8,714
Total comprehensive income for the year	(202)	(374)
Tax (expense)/credit	124	24

A reconciliation of the above summarised information to the carrying amount of the investment in ADVFN Plc is set out below:

	2020	2019
	£'000	£'000
Total net assets of ADVFN Plc	1,500	1,702
Proportion of ownership interests held by the group	17.92%	17.92%
Share of net assets of ADVFN Plc	269	305
Cost of investment in ADVFN Plc	868	868
Carrying amount of investment in ADVFN Plc	1,137	1,173

Investment in associate undertakings	**2020**	2019
	£'000	£'000
Listed investments at cost	868	868
Listed investments at market value	737	1,267

No dividends were received from ADVFN Plc for either of the years reported. The market value of ADVFN's shares at 30 June 2020 was 16.00p (2019: 27.50p). The range during the year was 12.00p to 31.00p (2019: 25.00p to 42.50p).

The carrying value of the associate in the balance sheet of Online Blockchain Plc is £1,137,000 and is based on the share of the balance sheet of the associate company. The value in use calculation carried out as part of the impairment assessment each year end provides a value based on the performance forecast of the associate and is valued at £1,535,000 showing headroom of £398,000.

Notes to the financial statements (continued)

Investments (continued)

Financial assets at fair value through profit and loss

Encryptid Gaming Inc (Encryptid) is a small computer game developer working on the Ethereum Blockchain. The Company is working, as a customer, with Encryptid as a supplier to produce games and has set up a series of milestones for the work. At each milestone the Company is buying a tranche of shares. The arrangement has been put on hold in 2020 and is under review. This is the result of certain technical difficulties and, whilst the company hopes that these may be resolved, the Directors have made the decision to impair the carrying value of the investment by 50% which amounts to £18,000.

The current investment represents a holding of 15.75% which is being treated as a financial asset at fair value through profit and loss. The directors have examined the relationship with Encryptid and, having applied the relevant tests, do not believe they have significant control over the investee company and therefore do not treat it as an associate.

	2020	2019
	£'000	£'000
Brought forward	36	-
Investment in Encryptid Gaming	-	36
Impairment of investment	(18)	-
Carrying amount of investment in Encryptid Gaming Inc	18	36

12. Subsidiary companies consolidated in these accounts

COMPANY

	Subsidiaries
	£'000
At 30 June 2019 and 1 July 2018	-
Incorporated	-
30 June 2020	**-**

The subsidiary companies have been incorporated with an immaterial amount of invested capital.

	Country of incorporation	% interest in ordinary shares 30 June 2020	Principal activity	Registered address
Awesome Animation Limited	England & Wales	100.00	Office services	Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA
Coast Exchange Limited	England & Wales	100.00	Dormant	as above
Freefaucet Limited	England & Wales	100.00	Dormant	as above
Online Development Inc.	USA	100.00	Web site operator	P.O. Box 780 Harrisonville Mo. 64701

The subsidiary company Awesome Animation Limited is exempt from audit under s479A of the Companies Act 2006.

13. Deferred tax

The Group has unused trading losses and management expenses of approximately £4,801,000 (2019: £4,655,000) to carry forward against profits of the same trade which will be recovered once the Company makes a profit.

No deferred tax asset has been recognised in respect of the losses due to the unpredictability of future profit streams. Substantially all of the losses may be carried forward indefinitely.

Notes to the financial statements (continued)

14. Trade and other receivables

GROUP

	2020 £'000	2019 £'000
Non-current assets		
Other receivables (rent deposit)	6	6
Current assets		
Prepayments and accrued income	11	21
Other receivables due from an associate undertaking	99	68
Other receivables	4	6
	114	95

The Group endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored.

COMPANY

	2020 £'000	2019 £'000
Current assets		
Prepayments and accrued income	8	17
Other receivables due from an associate undertaking	99	68
Other receivables due from a group entity	23	29
Other receivables	4	6
	134	120

15. Credit quality of financial assets

Neither the Group nor the Company has trade receivables. The significant receivable is from an associate undertaking, ADVFN Plc.

Income streams result from:

i) mining of cryptocurrency where there is no customer
ii) provision of management services which are for marketing and advertising spend. The invoicing for the management services is based on historical practice as there is no contract and payment for the services is sporadic with receivables outstanding for a considerable time, however, there has never been a default on payment by the associate company
iii) Faucet subscription payments where payments are made at the time of the contract and no credit is extended.

The receivables from the associate are within the scope of IFRS 9 and under the standard the application of the expected credit loss basis for impairment would be applied. However, the situation between the two parties is such that there is no history of payment default and no reasonable likelihood of this as the customer is a related party with overlapping directorates. In addition, the amounts invoiced are small at £74,000 in the current year (2019: 50,000). As a result the directors consider that there is no risk of default and so have not made a provision based on the standard.

The remaining receivables comprise VAT refunds from HMRC.

16. Borrowings

GROUP

Borrowings consist of:
- a bank overdraft amounting to £27,000 repayable on demand.
- a lease arrangement comprising a lease liability amounting to £13,000

COMPANY

Borrowings consist of a bank overdraft amounting to £27,000 repayable on demand.

Notes to the financial statements (continued)

17. Trade and other payables

GROUP

	2020 £'000	2019 £'000
Trade payables	15	36
Accrued expenses and deferred income	24	20
Other payables	-	5
	39	61

COMPANY

	2020 £'000	2019 £'000
Trade payables	13	35
Accruals and deferred income	22	12
Other payables	38	3
	73	50

18. Financial instruments

GROUP

Categories of financial instrument	**2020 £'000**	2019 £'000
Non-current		
Trade and other receivables - loans and receivables	6	6
Current		
Trade and other receivables - loans and receivables	103	74
Trade and other receivables - non-financial assets	11	21
	114	95
Cash and cash equivalents - loans and receivables	17	154
Total loans and receivables	126	234
Current		
Borrowings	40	-
Trade and other payables - other financial liabilities at amortised cost	39	61
	79	61
Total financial liabilities	79	61

Notes to the financial statements (continued)

Financial instruments (continued)

COMPANY

Categories of financial instrument	**2020 £'000**	2019 £'000
Current		
Trade and other receivables - loans and receivables	107	103
Trade and other receivables - non-financial assets	27	17
	134	120
Cash and cash equivalents - loans and receivables	11	147
Total loans and receivables	118	251
Current		
Borrowings	27	-
Trade and other payables - other financial liabilities at amortised cost	73	50
	73	50
Total financial liabilities	100	50

19. Issued share capital

GROUP AND COMPANY	Deferred shares of 45p each		Ordinary shares of 5p each	
	Number	£'000	Number	£'000
At 1 July 2018	6,352,539	2,859	8,662,348	433
Share issue	-	-	-	-
At 30 June 2019	6,352,539	2,859	8,662,348	433
Share issue	-	-	-	-
At 30 June 2020	6,352,539	2,859	8,662,348	433

Deferred shares of 45p each	**6,352,539**	**2,859**
Ordinary shares of 5p each	**8,662,348**	**433**
	15,014,887	**3,292**

Share price

The market value of the Ordinary shares at 30 June 2020 was 15.00p (2019: 19.50p). The range during the year was 7.00p to 22.00p (2019: 18.00p to 43.00p). Shareholders are entitled to one vote per Ordinary share held and dividends will be apportioned and paid proportionately to the amounts paid up on the Ordinary shares held.

The Deferred Shares do not entitle the holders thereof to receive any dividend or other distribution nor to receive notice of nor to attend nor vote at any General Meeting of the Company. On a return of capital on a winding up the holders of Deferred Shares are only entitled to receive the amount paid up on such shares after the holders of the Ordinary Shares have received the sum of £100,000 for each Ordinary Share held by them and shall have no other right to participate in the assets of the Company.

Notes to the financial statements (continued)

20. Share based payments

GROUP AND COMPANY

Equity settled share-based payments

The Company has a share option plan for directors and employees which has been running for a number of years. Options and warrants are treated in the same way and are exercisable at a price set at the date of grant. The options vest based on varying periods of continued service and warrants vest at specified dates over a period.

The options and warrants are settled in equity once exercised. If the options and warrants remain unexercised after the specified period from the date of grant, the options expire.

The fair value of options and warrants granted after 7 November 2002 has been arrived at using the Black-Scholes model. The assumptions inherent in the use of this model are as follows:

- The option/warrant life is assumed to be at the end of the allowed period
- There are no vesting conditions which apply to the share options/warrants other than continued service up to 3 years.
- No variables change during the life of the option or warrant (e.g. dividend yield must be zero).
- The risk free interest rate is taken from AAA rated Treasury bonds.
- Volatility has been calculated over the 3 years prior to the grant date by reference to the daily share price.

Details of the number of share options and the weighted average exercise price (WAEP) outstanding during the year are as follows:

	2020 WAEP	
	Number	**Price (p)**
Outstanding at the beginning of the year	926,500	32.60
Granted during the year	-	-
Exercised during the year	-	-
Expired during the year	(76,500)	(40.00)
Outstanding at the year end	850,000	31.91
Exercisable at the year end	850,000	31.91

	2019 WAEP	
	Number	Price (p)
Outstanding at the beginning of the year	926,500	32.60
Granted during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the year end	926,500	32.60
Exercisable at the year end	926,500	32.60

The options outstanding at the year-end are set out below:

Expiry date	Exercise Price (p)	**2020**		2019	
		Share options	**Remaining life**	Share options	Remaining life
31 October 2022	48.50	250,000	2.25	250,000	3.25
15 February 2020	40.00	-	-	76,500	0.63
1 September 2022	40.00	150,000	2.25	150,000	3.25
1 September 2022	20.00	450,000	2.25	450,000	3.25

No options were exercised during the year.

The total expense recognised in the income statement during the year by the Group, for all schemes, was £Nil (2019: £13,000).

Notes to the financial statements (continued)

21. Leases

GROUP

A subsidiary company rents office space which is subject to a lease agreement ending in April 2021. The total amount of rent paid for this financial year was £13,000 (2019: £17,000), the rent is paid monthly.

The Group has applied IFRS 16 using the modified retrospective approach. Under this approach, the Group does not restate its comparative figures but recognises the cumulative effect of adopting IFRS 16 as an adjustment to equity at the beginning of the current period.

Property, plant and equipment comprises owned and leased assets.

GROUP

	2020	2019
	£'000	£'000
Property, plant and equipment - owned	17	-
Right-of-use assets except for investment property	13	-
Right-of-use assets		
The group leases office buildings:		
Balance at 1 July 2019	29	-
Depreciation charge for the year	(16)	-
Balance at 31 June 2020	13	-
Lease Liability		
Maturity analysis – contractual discounted cash flows		
Within one year	13	-
Two to five years	-	-
Over five years	-	-
Total lease liabilities at 30 June	13	-

	2020	2019
	£'000	£'000
Lease liabilities per the statement of financial position		
As at 30 June		
Current	13	-
Non-current	-	-
Amounts recognised in profit or loss		
Interest on lease liabilities	2	-
Amounts recognized in the statement of cashflows		
Total cash outflow for leases	13	-

Notes to the financial statements (continued)

Leases (continued)

On transition to IFRS 16 the Group recognised an additional £29,000 of right-of-use assets and £29,000 of lease liabilities. When measuring lease liabilities the Group discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted average rate applied is 7.5%.

	1 July 2019 £'000
Operating lease commitments at 30 June 2019 as disclosed in the Group's consolidated financial statements	30
Discounted using the incremental borrowing rate at 1 July 2019	29
Finance lease liabilities recognised as at 30 June 2019	-
Recognition exemption for:	
- Short term leases	-
Lease liabilities recognised at 1 July 2019	29

COMPANY

The company carries no leases.

Notes to the financial statements (continued)

22. Financial risk management

The Group and Company's activities expose it to a variety of financial risks: primarily market risk (price risk) and liquidity risk. All companies within the group apply the same risk management programme, overall this focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the Board and their policies are outlined below.

a) Market risk

Price risk
The Company holds an investment of 17.92% of the share capital of ADVFN plc which is traded on the Alternative Investment Market. The share price of this investment will fluctuate and the range during the year was 12.00p to 31.00p (2019; 25.00p to 42.50p). At the balance sheet date the share price of ADVFN Plc was 16.00p and the market capitalisation was £4,113,000. A 10% movement in the share price of the investment would show a movement in the market capitalisation of £411,000 at the balance sheet date.

b) Liquidity risk

Liquidity risk is the risk that the Company will have insufficient funds to meet its liabilities as they fall due. The Directors monitor cash flow on a daily basis and at monthly board meetings in the context of their expectations for the business to ensure sufficient liquidity is available to meet foreseeable needs.

The Group currently holds cash balances in Sterling to provide funding for normal trading activity. The Group also has access to additional equity funding and, for short term flexibility, overdraft facilities would be arranged with the Group's bankers. Trade and other payables are monitored as part of normal management routine. Liabilities are disclosed as follows:

GROUP

2020	**Within 1 year £'000**	**One to two years £'000**	**Two to five years £'000**	**Over five years £'000**
Borrowings (including lease liability)	40	-	-	-
Trade payables	15	-	-	-
Accruals	24	-	-	-
Other payables	-	-	-	-

2019	Within 1 year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Trade payables	36	-	-	-
Accruals	20	-	-	-
Other payables	5	-	-	-

Notes to the financial statements (continued)

Financial risk management (continued)

COMPANY

2020	**Within 1 year £'000**	**One to two years £'000**	**Two to five years £'000**	**Over five years £'000**
Borrowings	27	-	-	-
Trade payables	13	-	-	-
Accruals	22	-	-	-
Other	38	-	-	-

2019	Within 1 year £'000	One to two years £'000	Two to five years £'000	Over five years £'000
Trade payables	35	-	-	-
Accruals	12	-	-	-
Other	3	-	-	-

The Directors consider that the carrying amount of trade and other receivables in both the Group and Company is approximately equal to their fair value.

Borrowing facilities
Committed overdraft facilities of £50,000 are available to the Company and at 30 June 2020 the overdraft facility had been drawn down by £27,000 (2019: £nil). The facilities are repayable on demand and are renewed annually in November.

c) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in a volatile and tight credit economy.

The Group will also seek to minimise the cost of capital and attempt to optimise the capital structure, which currently means maintaining equity funding and keeping debt levels to insignificant amounts of lease and overdraft funding. Share capital and premium together amount to £6,447,000 (see page 20).

Whilst the Group does not currently pay dividends, it is part of the capital strategy to provide returns for shareholders and benefits for other members in the future. However, the Group is planning growth and it will continue to be important to maintain the Groups credit rating and ability to borrow should acquisition targets become available.

Capital for further development of the Group's activities will, where possible, be achieved by share issues and not by carrying significant debt.

23. Capital commitments

GROUP AND COMPANY

There were no capital commitments outstanding at the year end.

Notes to the financial statements (continued)

24. Related party transactions

GROUP

At 30 June 2020 the Company was owed £99,000 by ADVFN plc (2019: £68,000). The Company made management charges and advertising recharges of £75,000 (2019: £44,000) to ADVFN plc for the year. ADVFN plc is related by virtue of having common directors; Michael Hodges, Clement Chambers and Jon Mullins and as the Company holds approximately 18% of the shares in ADVFN plc. The son of Clement Chambers supplies consultancy services to the Company which amounted to £46,000 in the year (2019: £56,000).

No remuneration was paid to the Executive Directors but fees were paid the non-executive director (see page 14 in the Directors' Report); there were no other related party transactions.

COMPANY

At 30 June 2020 the Company was owed £99,000 by ADVFN plc (2019: £68,000). The Company made management charges and advertising recharges of £75,000 (2019: £44,000) to ADVFN plc for the year. ADVFN plc is related by virtue of having common directors; Michael Hodges, Clement Chambers and Jon Mullins and as the Company holds approximately 18% of the shares in ADVFN plc. The son of Clement Chambers supplies consultancy services to the Company which amounted to £46,000 in the year (2019: £56,000).

No remuneration was paid to the Executive Directors but fees were paid to the non-executive director (see page 14 in the Directors' Report); there were no other related party transactions.

25. Events after the balance sheet date

There were no significant events to report after the balance sheet date.

26. Accounts

Copies of these accounts are available from the Company's registered office at Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA or from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

www.companieshouse.gov.uk

and from the Online Blockchain Plc website:

www.onlineblockchain.io

Online Blockchain PLC

NOTICE OF ANNUAL GENERAL MEETING

Notes on arrangements for the Meeting appear under "Notes". **As a result of the Coronavirus (COVID-19 epidemic, and in line with the restrictions on public gatherings imposed by the UK Government, I must regretfully inform you that this year our AGM will be run as a closed meeting, and you will not be allowed to attend in person. This measure is necessary in order to protect our shareholders, staff and Directors.**

We will arrange for the requirements for the holding of the AGM to be satisfied by the attendance of a Director and the Joint Company Secretary, who will form a quorum and will ensure that the proxy votes of shareholders are recorded. **We therefore strongly encourage you to vote by proxy, ensuring that you appoint the Chairman of the meeting as your proxy** (since any other person would not be permitted to attend and cast your vote).

Notice is hereby given that the Annual General Meeting of Online Blockchain PLC will be held at the Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA on 21st December 2020 at 11.00 a.m. for the following purposes:

Ordinary Business

1To receive and adopt the financial statements and reports of the directors and auditors for the financial period ended 30 June 2020.

2 To re-elect Mr. C Chambers as a director of the Company, who will retire by rotation in accordance with the Company's Articles of Association and offers himself for re-election.

3 To re-elect Mr. W Louden as a director of the Company, who will retire by rotation in accordance with the Company's Articles of Association and offers himself for re-election.

4 To authorise the directors to appoint auditors of the Company to hold office until the next Annual General Meeting and to authorise the directors to fix their remuneration.

Special Business

5 To consider, and if thought fit, to pass the following as an ordinary resolution:-
That the directors of the Company (the "**Directors**") be and are hereby authorised generally and unconditionally pursuant to and for the purposes of Section 551 of the Companies Act 2006 (the "**Act**") to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") up to an aggregate nominal amount of £ 191,559 provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2021 save that the Company may make an offer or agreement before the expiry of this authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors may allot shares or grant Rights pursuant thereto as if the authority conferred hereby had not expired, such authority to be in substitution for any existing authorities conferred on the Directors pursuant to Section 80 of the Companies Act 1985.

6 To consider, and if thought fit, pass the following as a special resolution:-
That, conditional on the passing of resolution 5 above, the Directors be and are hereby generally empowered pursuant to Section 570 of the Act to allot equity securities (as defined in Section 560 of the Act) pursuant to the authority conferred by resolution 5 above as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be in substitution for any previous powers conferred on the Directors pursuant to Section 95 of the Companies Act 1985 and shall be limited to:

(a) allotments of equity securities where such securities have been offered (whether by way of a rights issue, open offer or otherwise) to holders of ordinary shares made in proportion (or as nearly as may be) to their existing holdings of ordinary shares in the Company subject to the Directors having a right to make such exclusions or other arrangements in connection with such offering as they may deem necessary or expedient:-

(i) to deal with equity securities representing fractional entitlements; and
(ii) to deal with legal or practical problems under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory; and

(b) other allotments (otherwise than pursuant to sub-paragraph (a) above) of equity securities for cash up to an aggregate nominal amount equal to £ 191,559 and such authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2021 save that the Company may make an offer or agreement before the expiry of this power which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant thereto as if the power conferred hereby had not expired.

Registered Office:
Ongar Business Centre
The Gables, Fyfield Road
Ongar
Essex
CM5 0GA

By order of the Board
Michael Hodges
Director

9th November 2020

Online Blockchain PLC

NOTES:

As a result of the Coronavirus (COVID-19) epidemic, and in line with the restrictions on public gatherings imposed by the UK Government, **this year the AGM will be run as a closed meeting, and you will not be allowed to attend in person**. The Directors have decided to exercise their discretion under Article 60 of the Company's Articles of Association to limit attendance at the Meeting to the number necessary to form a quorum and conduct the business of the Meeting, which they consider is a necessary measure in order to protect our shareholders, staff and Directors. This means that shareholders will not be admitted to the Meeting and are strongly recommended to appoint the Chairman of the Meeting as their proxy to cast their votes on their behalf. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at close of business on 17th December 2020 (or, in the event of any adjournment, close of business on the date which is two business days before the time of the adjourned Meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.

1. A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend, speak and vote instead of him. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. The proxy need not be a member of the Company. Please refer to the notes to the Form of Proxy for further information on appointing a proxy.

2. In the absence of instructions, the person appointed proxy may vote or abstain from voting as he/she thinks fit on the specified resolutions and, unless otherwise instructed, may also vote or abstain from voting on any other matter (including amendments to resolutions) which may properly come before the meeting.

3. In the case of joint holders, the signature of any one of them will suffice but the names of all joint holders should be stated. The vote of the senior who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the votes of the other holders. For this purpose, seniority is determined by the order in which the names stand in the register of members in respect of the joint holding.

4. To be effective, the enclosed Form of Proxy must be duly completed and deposited together with any power of attorney or other authority (if any) under which it is executed (or a duly certified copy of such power or authority) and lodged at the offices of the Company's registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD no later than 11.00 a.m. on 17th December 2020. Please note that the pre-paid address printed on the reverse of the Form of Proxy is only for use if you are posting from within the United Kingdom.

5. The Company, pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those members entered on the register of members of the Company at 6 p.m. UK time on 17th December 2020 shall be entitled to attend and vote at the meeting or, if the meeting is adjourned, 6 p.m. on the day two days prior to the adjourned meeting. Changes to entries on the register of members after such time shall be disregarded in determining the right of any person to attend or vote at the meeting.

Online Blockchain PLC

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING ("AGM") OF ONLINE BLOCKCHAIN PLC (THE "COMPANY")

At the AGM, resolutions will be proposed as explained below.

Resolution 1 – Receiving the accounts

An ordinary resolution will be proposed that the report of the directors and the accounts for the year ended 30 June 2020 together with the report of the auditors on those accounts be received and adopted.

Resolution 2 – Re-election of Mr. C Chambers as a director of the Company

An ordinary resolution will be proposed to re-elect Mr. C Chambers, who is retiring and, being eligible, offers himself for re-election as a director of the Company.

Resolution 3 – Re-election of Mr. W Louden as a director of the Company

An ordinary resolution will be proposed to re-elect Mr. W Louden, who is retiring and, being eligible, offers himself for re-election as a director of the Company.

Resolution 4 – Re-appointment of auditors

An ordinary resolution will be proposed that the director appoint auditors for the Company to hold office until the conclusion of the next annual general meeting of the Company and that their remuneration be fixed by the directors of the Company (the "**Directors**") from time to time.

Special Business

Resolution 5 – Authority to allot relevant securities

An ordinary resolution will be proposed giving the Directors authority pursuant to section 551 of the Companies Act 2006 (the "**2006 Act**") to exercise all powers of the Company to allot shares or grant rights to subscribe for or to convert any security into shares up to a maximum aggregate nominal amount of £ 191,559 to such persons at such times and upon such terms and conditions as the Directors may determine (subject always to the articles of association of the Company). Such authority will, unless renewed, varied or revoked, expire at the conclusion of the Annual General Meeting of the Company to be held in 2021.

Resolution 6 – Authority to disapply pre-emption rights

Subject to the passing of resolution 5, a special resolution will be proposed to empower the Directors to allot equity securities pursuant to the authority conferred by resolution 5 as if the pre-emption rights set out in section 561(1) of the 2006 Act did not apply, in respect of the following matters:

(a) the allotment of equity securities in connection with an offer of such securities by way of a rights issue or other issues pro rata to existing entitlements to holders of relevant equity securities in proportion (as nearly as may be) to the respective amounts of equity securities held by them but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with equity securities which represent fractional entitlements or legal or practical difficulties under the laws of any territory or the requirements of any regulatory body, stock exchange or other authority in any jurisdiction; and

(b) the allotment (otherwise than pursuant to paragraph (a) above) of equity securities up to a maximum aggregate nominal amount of £ 191,559. Such authority will, unless renewed, varied or revoked, expire at the conclusion of the Annual General Meeting of the Company to be held in 2021.

Online Blockchain PLC

FORM OF PROXY
To:
The Directors
Online Blockchain PLC (the Company)
c/o Neville Registrars Limited,
Neville House,
Steelpark Road,
Halesowen,
B62 8HD.

Dear Sirs

I/We……
of……
being a member of the Company hereby appoint……..
of…….
the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 21st December 2020 at 11:00 a.m. and at any adjournment thereof.
I/we direct that my/our proxy vote as indicated below in respect of the resolutions, which are referred to in the notice convening the meeting (see note 1 below).

Resolutions For Against	**For**	**Against**	**Withhold**
Ordinary Resolutions:			
1. To adopt the Report and Accounts for the year ended 30 June 2020	☐	☐	☐
2. To re-elect Mr. C Chambers as a director of the Company	☐	☐	☐
3. To re-elect Mr. W Louden as a director of the Company	☐	☐	☐
4. To appoint Auditors for the Company	☐	☐	☐
Special Business			
5. To authorise the directors to allot shares or grant rights pursuant to section 551 of the Companies Act 2006 (the "**2006 Act**")	☐	☐	☐
6. To authorise the Directors to allot equity securities for cash pursuant to section 570 of the 2006 Act.	☐	☐	☐

Date……. Signature……

Notes :

Shareholders are normally entitled to appoint a proxy of their choice to exercise all or any of their rights to attend and to speak and vote on their behalf at the Meeting. A shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.

On this occasion, however, shareholders wishing to have their votes cast at the Meeting must appoint the Chairman of the Meeting as their proxy, as other proxies will not be permitted to attend.

1. Please indicate with an "X" in the appropriate space how you wish your votes to be cast. If no indication is given your proxy will vote or abstain from voting at his discretion.

2. This form of proxy, if completed by a corporation, should be executed under the common seal of that corporation or be signed by an officer or attorney duly authorised to do so, whose capacity should be stated.

3. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly revoking your proxy appointment to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD. In the case of a corporation, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

4. If you submit more than one valid proxy appointment but the instructions in such appointments are not compatible with each other, the appointment received last before the latest time for the receipt of proxies will take precedence.

SECOND FOLD

Business Reply Plus
Licence Number
RZTE-YRRG-ETSK

NR 1

Neville Registrars Limited
Neville House
Steelpark Road
Halesowen
B62 8HD

THIRD FOLD

FIRST FOLD