

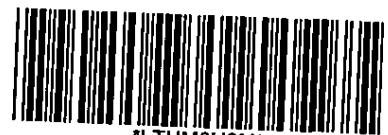
Company Registration No. 05717612

we7 Limited

Directors' Report and Financial Statements

Year ended 31 December 2008

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we7 Limited

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we7 Limited

Company Information

Directors

G J Taysom
S Purdham
G Reakes
M D Large
C Grimsdale
New Media Spark Directors Limited

Company Secretary

Sumit (Company Secretary) Limited

Registered Office

10A Quilter Meadow
Old Farm Park
Milton Keynes
MK7 8QD

Independent auditor

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Thames Valley Office
The Atrium
1 Harefield Road
Uxbridge
UB8 1EX

Bankers

Bank of Scotland
600 Gorgie Road
Edinburgh
EH11 3XP

Solicitors

Manches LLP
9400 Garsington Road
Oxford Business Park
Oxford
OX4 2HN

we7 Limited

Report of the directors for the year ended 31 December 2008

The directors present their annual report and audited financial statements of the Company for the year ended 31 December 2008.

Company registered number

The registered number of the Company is 05717612.

Principal activity

The principal activity of the company during the year was to build, promote and evangelize a new ad-funded business for the distribution of digital music. The strategy of we7 is to let consumers listen to music free, and buy what they love. The model works by supplying relevant adverts which provide the revenue so artists and rights owners get paid, allowing we7 to grow into a sustainable and profitable business.

we7's aspiration is to be the 'play' button of the Internet, where any on-line reference to any album, track or artist can be listened to on-demand, building ad revenues for we7 and the music industry, and ensuring rights owners share in the opportunities that the digital world can provide.

Business review and future developments

2008 saw the culmination of significant work with the music industry, and also the achievement of the goals we7 had defined in 2007. The result of which was the successful closure of licensing deals with Sony Music Group, EMI, Warner Brothers and Universal, together with independent and aggregator deals such as PIAS, Beggars Group and The Orchard. These deals and relationships provide access at an ad-funded streaming and paid for MP3 downloading retail store of almost 4m songs.

Access to this outstanding music catalogue enabled we7 to fully launch its on-line jukebox in November 2008, allowing we7 to move into phase II of its activity; to grow and expand its audience so that it could create and sell a high quality, scalable inventory.

With minimum hype we7's audience saw significant growth reaching 500,000 monthly users within 100 days of the full service launch. Additionally, the we7 'play' concept has gained positive acceptance and strength in many quarters, allowing partnerships with names such as NME, Conde Nast, The Guardian and other publishing partnerships. The first half of 2009 has seen audience growth to almost 1m UK users, plus 750,000 UK users via sharing sites, culminating in We7 becoming the 7th most accessed UK music site by visits.

2008 also saw we7 progress from being a Finalist of the 2007 BT Digital Music Awards to being awarded Winner of the BT Best Digital Music Service, at the award ceremony in London on 1st October 2008.

The success in working with the music industry and the shift to phase II of audience build provides an excellent foundation for 2009, and for building a high quality audience that will enable we7 to attain increased advertising revenues.

2009 will be focussed upon using great music to build great audiences, to build high quality advertising inventory. To that end we7 has focussed on building a high quality sales operation to deliver advertising at three levels:-

- Integrated campaigns
- Targeted campaigns
- Standard campaigns

Report of the directors for the year ended 31 December 2008 (continued)

Audience scale is expected to provide further opportunities for revenue growth and therefore the ability to achieve a greater understanding of the financial metrics and KPI's that will prove that ad-funded music can be both sustainable and scalable.

At a technology level, significant progress has been made in producing a world-class music site that allows people to search, click and instantly play the songs that they want, as well as integrating powerful and targetable advertising functionality. 2009 will see continual step functions in we7's technology at a feature and scalability level. Additionally, increased effort will be made into other layers of strength such as mobile delivery.

In 2008, we7 has captured people's imaginations and has increasingly interwoven its thoughts and ideas into the UK music industry. Challenges for ad-funded music models still exist, but we7's optimism continues to increase. Proving the economics of an ad-funded model in 2009 and into 2010 will be we7's main challenge, and this will also present opportunities for geographical expansion. The we7 opportunity is global, and once sustainability is achieved the objective will be to copy and implement similar models into an increasing number of regions in the future.

Results and dividends

The Company's loss after tax for the year was £2,609,505 (2007: £1,530,306). The directors do not recommend a payment of dividend for the year (2007: Nil).

Post balance sheet events

The Company has signed a term sheet which provides that, subject to contract and certain conditions precedent, existing investors will invest £1.3m in new Preferred "C" Ordinary Shares. If the Company achieves certain targets, a second tranche of funding totalling £1.3m will be available.

Going concern

The financial statements have been prepared on a going concern basis, which is supported by the projected cash flow of the Company for the next 12 months. The projections assume the entire £2.6m is received, and reflect the forecast increases in the level of revenues and costs from the successful implementation of the Company's business strategy. The Directors recognise that the timing and amount of increases in revenues and costs is not guaranteed and that as a result of the Company's financial position cannot be certain.

However, the Directors believe they have a reasonable expectation that the Company will have sufficient working capital for the foreseeable future and consequently believe that it is appropriate for the financial statements to be prepared on a going concern basis.

Donations

No donations were made during the year.

Research and development

Research and development costs are written off to the profit and loss account as incurred.

we7 Limited

Report of the directors for the year ended 31 December 2008 (continued)

Directors

Directors who served during the year and up to the date of signing the financial statements were as follows:

Graham John Taysom

Stephen Purdham

Gareth Owen Reakes

Michael David Large

New Media Spark Directors Limited (appointed 27 May 2008)

John Philip Alexander Simpson (resigned on 17 February 2008)

Charles Grimsdale (appointed on 22 January 2008)

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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 elected to prepare the financial statements in accordance with United

Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

Statement as to disclosure of information to auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

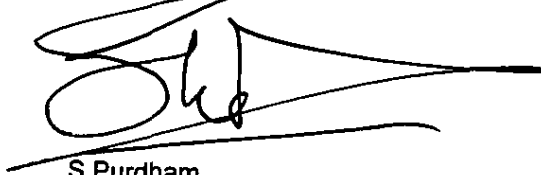
The accounts have been prepared in accordance with the special provisions in Part VII of the Companies Act 1985.

we7 Limited

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

By order of the Board

A handwritten signature in black ink, appearing to be 'S Purdham', written over a horizontal line.

S Purdham
20 January 2010

we7 Limited

Independent auditors' report to the members of We7 Limited

We have audited the financial statements of We7 Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and company information and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Emphasis of matter: Going Concern

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosure made in Note 1 to the financial statements concerning the uncertainty as to the company's future financial position, and since the date of the directors approving the financial statements on 20 January 2010, £1.28m of tranche 1 of the preferred 'C' ordinary shares has been received. The financial statements have been drawn up on a going concern basis. As explained in Note 1, the timing and amount of increases in funding, revenues and costs are not guaranteed and as a result the future financial position cannot be certain. This indicates the existence of a material uncertainty which may cast significant doubt over the company's ability to continue as a going concern. For the reasons explained in Note 1 to the financial statements, the financial statements do not include any adjustments that would arise if the financial statements were not drawn up on a going concern basis.

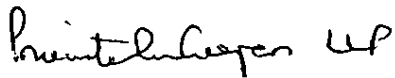
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Independent auditors' report to the members of We7 Limited (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered Accountants & Registered Auditors
Thames Valley

Date: 28 January 2010

we7 Limited

Profit and loss account for the year ended 31 December 2008

		2008	2007
	Note	£	£
Turnover	1	46,382	507
Cost of sales		(491,307)	(472,027)
Gross loss		(444,925)	(471,520)
General and administrative expenses		(2,244,615)	(1,089,251)
Operating loss	2	(2,689,540)	(1,560,771)
Interest income	5	80,035	30,465
Loss on ordinary activities before taxation		(2,609,505)	(1,530,306)
Taxation on loss on ordinary activities	6	-	-
Loss for the financial year after taxation	14	(2,609,505)	(1,530,306)

The operating loss for the year arises from continuing operations.

There are no material differences between the loss on ordinary activities before taxation and the loss for the financial period stated here and their historical cost equivalents.

No separate statement of total recognised gains and losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

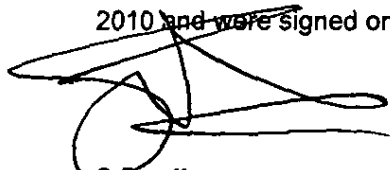
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Balance sheet at 31 December 2008

		2008	2007
	Note	£	£
Fixed assets			
Tangible fixed assets	7	64,368	-
Investments	8	1	1
		<u>64,369</u>	<u>1</u>
Current assets			
Debtors	9	647,728	52,917
Cash at bank and in hand		<u>2,586,455</u>	<u>838,058</u>
Total current assets		3,234,183	890,975
Creditors: amounts falling due within one year	10	<u>(804,510)</u>	<u>(1,221,692)</u>
Net current assets/(liabilities)		2,429,673	(330,717)
Total assets less current liabilities		<u>2,494,042</u>	<u>(330,716)</u>
Net assets/(liabilities)		2,494,042	(330,716)
Capital and reserves			
Called up share capital	12	949	457
Share premium account	14	7,103,824	1,670,053
Profit and loss reserve	15	<u>(4,610,731)</u>	<u>(2,001,226)</u>
Total shareholders' equity		2,494,042	(330,716)

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements on pages 8 to 17 were approved by the board of directors on 20 January 2010 and were signed on behalf of the board of directors by:



B Purdham
Director

WE7 Limited

Notes to the financial statements for the year ended 31 December 2008

1 Accounting policies

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with special provision of Part VII of the Companies Act 1985 applicable to small companies and in accordance with the Financial Reporting Standards for smaller entities (effective January 2007). The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going concern

The Company has signed a term sheet which provides that, subject to contract and certain conditions precedent, existing investors will invest £1.3m in new Preferred "C" Ordinary Shares. If the Company achieves certain targets, a second tranche of funding totalling £1.3m will be available.

The financial statements have been prepared on a going concern basis, which is supported by the projected cash flow of the Company for the next 12 months. The projections assume the entire £2.6m is received, and reflect the forecast increases in the level of revenues and costs from the successful implementation of the Company's business strategy. The Directors recognise that the timing and amount of increases in revenues and costs is not guaranteed and that as a result of the Company's financial position cannot be certain.

However, the Directors believe they have a reasonable expectation that the Company will have sufficient working capital for the foreseeable future and consequently believe that it is appropriate for the financial statements to be prepared on a going concern basis.

The financial statements do not contain any adjustments that would arise if the financial statements were not drawn up on a going concern basis. If required, these adjustments would be made to the balance sheet of the company to increase or reduce the balance sheet values of assets to their recoverable amounts, to provide for future liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

Consolidated accounts

The Company has taken advantage of the exemption afforded to small groups not to prepare group accounts.

Turnover and revenue recognition

Turnover represents the value (excluding VAT) of fees for services provided for advertising and consumer downloads.

The company allows audio downloads from its website for cash. Revenue relating to cash downloads is recognised upon payment of cash and download by the user. Advertising revenue is generated by sales of both display and audio advertising slots on the Company's website. Revenue is recognised over the period of the contract.

WE7 Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

Government grants

Government grants are recognised in the profit and loss account when the conditions for its receipt have been complied with and there is reasonable assurance that the grant will be received so as to match with the expenditure toward which they are intended to contribute.

Tangible fixed assets

All fixed assets are initially recorded at cost, being the purchase price and any costs associated with bringing the asset to full working order.

Assets are valued at historic purchase cost less accumulated depreciation.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment and software	- over 3 years
Fixtures and fittings	- over 5 years

Fixed asset investments

Investments held as fixed assets are held at cost and are subject to any provision for impairment. The extent of any impairment is determined by comparing the book value of the investments with the closing value of the investments' net assets. The directors perform an impairment review on an annual basis.

Share based payments

As permitted under FRSSE (2007), the company is not required to account for share based payments. Disclosures as required under FRSSE are provided under note 13.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Research and development

Research and development costs are written off to the profit and loss account as incurred.

WE7 Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

Royalties

Royalty payments to record labels are accounted for when a track is streamed or downloaded either by accruing the appropriate amount or, by winding down a prepaid amount.

2 Operating loss

	2008 £	2007 £
Operating loss is stated after charging/(crediting):		
Research and development	712,274	835,842
Auditors' remuneration - audit	7,587	4,750
Depreciation of tangible fixed assets	15,457	-
Government grants received	(31,126)	(137,224)

Government grant received relates to grants received during the year in relation to carry out a project to develop a system to provide targeted marketing to podcasts. The grant is receivable based on qualifying expenditure, under the grant, incurred during the period.

3 Directors' emoluments

	2008 £	2007 £
Aggregate emoluments	364,263	341,359

The emoluments relating to the highest paid director amounted to £160,833 (2007: £176,377). No other remuneration was paid to directors in either year.

4 Staff costs and employee information

	2008 £	2007 £
Wages and salaries	1,213,478	689,758
Social security costs	143,798	64,255
	1,357,276	754,013

The number of employees as at year end by activity is as follows:

By Activity	2008 Number	2007 Number
General and administrative	4	1
Sales and marketing	6	6
Research and development	14	10
	24	17

The average number of persons, including directors, employed by the company during the year was 23 (2007: 11).

WE7 Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

5 Interest receivable and similar items

	2008 £	2007 £
Bank interest	80,035	30,465

6 Taxation on loss on ordinary activities

	2008 £	2007 £
Current tax		
Tax charge for the period at rate of corporation tax in the UK of 21% (2007: 20%)	-	-

Factors affecting tax charge for the year

The tax for the period is higher (2007: lower) than the rate of corporation tax for small companies in the UK of 21%. The differences are explained below:

	Year ended 31 December 2008 £	Year ended 31 December 2007 £
Loss on ordinary activities before tax	(2,609,505)	(1,530,306)
Loss on ordinary activities multiplied by rate of corporation tax in the UK of 21% (2006: 20%)	(547,996)	(306,061)

Effects of:

Expenses not deductible	2,234	34,571
Accelerated capital allowances/other timing differences	545,762	285,369
Permanent difference arising from change in rate of corporation tax	-	(13,879)
Current tax charge for the year	-	-

Factors that may affect future tax charges

The deferred tax asset at 31 December 2008 not recognised in the financial statements of £971,841 (2007: £291,462) relates to tax losses. The deferred tax asset has not been recognised due to uncertainty regarding sustainable future profits.

WE7 Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

7 Tangible fixed assets

	Computer Equipment £
Cost	
At 1 st January 2008	-
Additions	79,826
At 31st December 2008	79,826
Accumulated depreciation	
At 1 st January 2008	-
Charge for the year	15,457
At 31st December 2008	15,457
Net book value	
At 31st December 2008	64,368
At 1 st January 2008	-

8 Fixed asset investments

Investments in subsidiary companies	£
Cost and net book value at 1 January and 31 December 2008	1

Name of subsidiary or group undertaking	Nature of business	Country of registration and operation	Proportion of nominal value of shares and voting rights held
Brilliant Publishing Company Limited	Dormant	UK	100%

The directors believe that the book value of investments is supported by their underlying net assets.

9 Debtors: amounts falling due within one year

	Year ended 31 December 2008 £	Year ended 31 December 2007 £
Accounts receivable	38,636	152
VAT receivable	58,943	15,840
Prepayments and other debtors	550,149	36,925
Total debtors	647,728	52,917

WE7 Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

10 Creditors: amounts falling due within one year

	Year ended 31 December 2008 £	Year ended 31 December 2007 £
Trade creditors	189,955	110,135
Accrued expenses	564,660	290,803
Other taxes and social security payables	49,895	26,215
Other payables	-	794,539
Total creditors	804,510	1,221,692

An amount of £791,000 included in other payables at 31 December 2007 related to amounts received from investors in relation to the further funding round that occurred during December 2007 and January 2008. The shares were subsequently issued against these payable during January 2008. See note 12 for further information.

11 Cash flow from operating activities

The company, as a small reporting entity, is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard for Smaller Entities (effective January 2007). Consequently the company has taken advantage of the exemption from preparing a cash flow statement.

12 Called up share capital

Authorised share capital

	Ordinary shares of 0.0001p each		Preferred A shares of 0.0001p each		Preferred B shares of 0.0001p each	
	Number	£	Number	£	Number	£
At 1 st January 2008	3,000,000,000	3,000	890,000,000	890	-	-
Reclassifications during the year	(500,000,000)	(500)	-	-	500,000,000	500
At 31 st December 2008	2,500,000,000	2,500	890,000,000	890	500,000,000	500

Issued share capital

	Ordinary shares of £0.0001 each		Preferred A shares of 0.0001p each		Preferred B shares of 0.0001p each	
	Number	£	Number	£	Number	£
At 1 st January 2008	457,383,600	457	-	-	-	-
Issued during the year	-	-	280,605,447	281	210,589,076	211
At 31 st December 2008	457,383,600	457	280,605,447	281	210,589,076	211

WE7 Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

On 9 January 2008 each of the authorised ordinary shares was subdivided into 3,890,000,000 ordinary shares of £0.000001 each. Further, of the total ordinary shares, 890,000,000 of ordinary shares authorised but unissued were converted, on one-to-one basis, into Preferred "A" ordinary shares of £0.000001 each. The table reflects the position post sub-division.

As part of the December 2008 investment round, 500,000,000 Ordinary shares were reclassified as B Preferred shares.

Two investment rounds were completed during the year – in January 2008 (280,605,447 A Preferred shares were issued) and December 2008 (210,589,076 B Preferred shares were issued). The total cash raised from these two share issues, net of expenses, was £5,435,000.

The A and B Preferred shares have the following rights attaching to them:

- Dividends are payable when the company decide to distribute the,
- No repayment conditions attached to any class of shares.
- On sales of shares the proceeds are distributed in the following order:
 - Preferred B's
 - Preferred A's
 - Ordinary

All shares have voting rights attached.

13 Share based payments

The company operates an employee share option scheme approved by HMRC under EMI provisions for its employees. The principal terms and conditions of the scheme are that the options vest gradually over a period of three years from the date of grant. The options require that the employee shall, on exercise, pay the employers national insurance contribution in addition to income tax and employee's national insurance contributions. The vested options will lapse in ten years from date of grant, if not exercised.

During the year, options were granted over 52,041,600 shares to 15 employees of the company. The options were granted during 2008 and the exercise price was £0.0029.

In addition, the company also has granted unapproved options over its shares. These have substantially the same conditions as the EMI option scheme. Grants were made in April 2008 over 3,150,000 shares at an exercise price of £0.01111169 and in August 2008 over 34,448,160 shares at an exercise price of £0.000001 per share.

There are no performance conditions relating to these options.

WE7 Limited

Notes to the financial statements for the year ended 31 December 2008 (continued)

14 Reserves

Company	Share premium account £	Profit and loss reserve £
1 January 2008	1,670,053	(2,001,226)
Share premium on issue of shares	5,433,771	-
Loss for the year	-	(2,609,505)
31 December 2008	7,103,824	(4,610,731)

15 Reconciliation of movements in equity shareholders' funds/(deficit)

	Year ended 31 December 2008 £	Year ended 31 December 2007 £
At 1 January	(330,716)	(470,814)
Issue of share capital	492	350
Share premium from issue of share capital	5,433,771	1,670,053
Loss for the financial year	(2,609,505)	(1,530,305)
At 31 December	2,494,042	(330,716)

16 Related party transactions

There were no related party transactions during the year (2007 £106,870 paid to Parthenon Computing, in which Gareth Reakes owns a controlling interest).

17 Post balance sheet events

The Company has signed a term sheet which provides that, subject to contract and certain conditions precedent, existing investors will invest £1.3m in new Preferred "C" Ordinary Shares. If the Company achieves certain targets, a second tranche of funding totalling £1.3m will be available.

18 Controlling party

The directors, by virtue of their shareholdings are considered to be the controlling party.