

**Wheelsure Holdings plc**

**("Wheelsure" or the "Group")**

**Final Results for the Year Ended 31 August 2013**

**CHAIRMAN'S STATEMENT**

The results for the year ended 31 August 2013 show a turnover of just over £209k (2012: £39k) and a loss on ordinary activities before taxation of £382k (2012: loss of £482k). Whilst an improvement over the previous year, 2013 has been a most frustrating year for all concerned as the larger orders anticipated this time last year simply have not materialised.

Having said that, a number of vitally important trials are coming to an end and your Board is more than ever convinced that the larger orders will start to materialise in the short term. I outline below the reasons for our optimism.

**Tracksure**

*UK*

The improvement in turnover for the year ended 31 August 2013 was primarily as a result of five large orders being received from London Underground during the year together with the order for the "extended rollout" project which has been discussed in previous reports. These sales relate to two principal applications and we are confident that these orders will continue. In addition, we are expecting the first order for new build crossings.

*Holland*

Working with our new distribution partner, Tracksure is now working on three to six month projects with two major rail contractors at the instigation of Prorail, the Dutch rail operator. The first one commenced in November 2013 and involved the installation of 432 bolts in a crossing application in the Utrecht area. Once proven, it is anticipated that the product will be approved and then used initially for the refurbishment of 70 crossings each incorporating on average 100 Tracksure bolts. The second one, which has yet to commence, is in Amsterdam and is expected to lead to a similar opportunity.

*Italy*

After a year's trial concluded in December 2013, it is now expected that Tracksure will formally be approved by the state rail operator in Q1 2014. This approval will be in respect of crossings and should initially lead to the product being used for new build by their in-house manufacturer who, it is believed, build approximately 2,000 crossings per annum. This would then complement the existing business with Ferroviennord, as reported previously, and the two crossing and switch manufacturers who are now installing Tracksure product into all their new product. In addition, such approval will enable our agent to commence actively selling the product into other markets.

*Germany*

Following previous trials with the Deutsche Bahn, which has proven the product and where type approval has now been granted, a further project is now to take place on a brake retarder system in May 2014. This project is expected to last for three months only, after which time it is anticipated that overall approval will be given in respect of this application and that Tracksure will be specified for all new retarder systems thereafter.

*Australia*

Following attendance at a recent exhibition in Australia, a number of opportunities have presented themselves in both the state and private railroads. Trials are being arranged and agents being appointed. One such opportunity relates to the replacement of some 50,000 bolts in 300km of track.

*United States*

Our distributor, LB Foster Company, has received its first three firm orders from a major railroad operator (one of four) for installation in diamond crossings. A further three orders are pending awaiting bill of materials completion and trial orders are being implemented for other applications. It is believed that this operator replaces over 10,000 bolts in any one year for the diamond crossing application and authorisation from the purchasing department is expected for up to 25% of this maintenance requirement. It is anticipated that once these orders are placed more will follow from other railroad operators. Our distributor is investing a significant amount of time and effort to promote the product throughout the industry. In addition, we are anticipating approval from the Chicago Transit Authority very shortly who would then specify the use of Tracksure throughout its track. Significantly, bolt supplies from our associates in China have now been approved for the USA market and the current orders.

**Wheelsure**

Wheelsure continues to receive small orders in the bus and coach sectors but all efforts are currently being concentrated in the rail industry where it is envisaged the volume orders are to be found.

**Fundraising**

During the year under review the Company successfully completed placings and an open offer for a total of 22,904,506 new ordinary shares raising, in aggregate, gross proceeds of £327k for working capital purposes. However, as a result of continuing losses, shareholder funds have decreased to £187k as at 31 August 2013 from £239k as at 31 August 2012.

We are presently seeking to raise additional funds to ensure that the group can take advantage of the opportunities now being presented to it. This has unfortunately taken longer than we had first envisaged and hence the emphasis of matter in the auditors' report. We are however confident that we should be able to raise the necessary funds that we need.

Finally I would repeat that the board remains optimistic that its efforts will begin to bear fruit by way of increased revenue streams in the foreseeable future. Thank you to all those shareholders who have supported us throughout the year.

GJMulder  
Chairman

**WHEELSURE HOLDINGS PLC**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**for the Year Ended 31 August 2013**

	2013 £	2012 £
<b>TURNOVER</b>	209,066	39,215
Cost of sales	<u>116,271</u>	<u>23,493</u>
<b>GROSS PROFIT</b>	92,795	15,722
Administrative expenses	<u>473,790</u>	<u>497,186</u>
<b>OPERATING LOSS</b>	(380,995)	(481,464)
Interest receivable and similar income	<u>-</u>	<u>1,272</u>
	(380,995)	(480,192)
Interest payable and similar charges	<u>1,222</u>	<u>1,554</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	(382,217)	(481,746)
Tax on loss on ordinary activities	<u>(9,543)</u>	<u>(8,897)</u>
<b>LOSS FOR THE FINANCIAL YEAR FOR THE GROUP</b>	<u>(372,674)</u>	<u>(472,849)</u>

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The group has no recognised gains or losses other than the losses for the current year or previous year.

**WHEELSURE HOLDINGS PLC**  
**CONSOLIDATED BALANCE SHEET**  
**31 August 2013**

	2013		2012
	£	£	£
<b>FIXED ASSETS</b>			
Intangible assets		60,713	64,520
Tangible assets		5,351	5,421
Investments		<u>-</u>	<u>-</u>
		66,064	69,941
<b>CURRENT ASSETS</b>			
Stocks	58,759		62,617
Debtors	42,351		50,166
Cash at bank	<u>100,449</u>		<u>115,759</u>
	201,559		228,542
<b>CREDITORS</b>			
Amounts falling due within one year	<u>80,128</u>		<u>59,005</u>
<b>NET CURRENT ASSETS</b>		<u>121,431</u>	<u>169,537</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>187,495</u>	<u>239,478</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		929,040	699,995
Share premium		3,439,368	3,372,145
Profit and loss account		<u>(4,180,913)</u>	<u>(3,832,662)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>187,495</u>	<u>239,478</u>

The financial statements were approved by the Board of Directors on 28 January 2014 and were signed on its behalf by:

G Dodl - Director

## NOTES TO THE FINANCIAL STATEMENTS

### 1. PUBLICATION OF NON-STATUTORY ACCOUNTS

The financial information set out in this preliminary announcement does not constitute statutory accounts as defined in the Companies Act 2006.

The financial information for the year ended 31 August 2013 has been extracted from the audited financial statements to that date, which were prepared in accordance with UK GAAP and with the requirements of the Companies Act 2006. These financial statements have yet to be delivered to the Registrar of Companies. The financial statements for the year ended 31 August 2012, which received an unqualified auditors' report, have been delivered to the Registrar of Companies.

### 2. ACCOUNTING POLICY – GOING CONCERN

The Group made a loss in the year to 31 August 2013 of £372,674 and its net assets at that date were £187,495.

The Group has prepared forecasts for the period to 31 January 2015 which indicate that the Group will need to raise an additional net £250,000 of working capital and to achieve its increased sales targets to continue to trade for that period.

Having spoken to agents and potential investors the directors of the parent company are confident that the additional net £250,000 can be raised by way of an equity placing. However no binding commitments have yet been made and there can be no certainty in this matter.

The directors are also confident that the increased sales targets can be met.

The financial statements have been prepared on a going concern basis on the assumption that the additional working capital of net £250,000 will be raised and sales targets achieved to allow the Group to continue its operational activities until at least 31 January 2015. However the directors are aware that until the additional net £250,000 of working capital has been raised and sales targets achieved there is a material uncertainty about the future of the Group as a going concern.

Taking into account all the information that could be reasonably expected to be available the directors consider it appropriate to prepare the accounts on a going concern basis.

### 3. LOSS PER ORDINARY SHARE

Loss per ordinary share is based on the loss for the financial year ended 31 August 2013 of £372,674 (2012: £472,849) and 77,774,925 (2012: 61,867,749) ordinary shares being the weighted average number of ordinary shares in issue during the period.

	Loss £	Number of shares	Loss per share Pence
<b>2013</b>			
Basic loss per share	372,674	77,774,925	0.48
<b>2012</b>			
Basic loss per share	472,849	61,867,749	0.76

### 4. DIVIDENDS

No dividends are proposed for the year ended 31 August 2013.

5. Copies of the Report and Accounts will be sent to shareholders shortly and will be available from the registered office of the Company, 8 Woburn Street, Amptill, Bedfordshire, MK45 2HP.

6. The Company confirms that it meets the recommendation at Guidance Note 69.1 of the ISDX Growth Market - Rules for Issuers.

7. The statement and figures above are extracted from the Company's full audited accounts.

Enquires:

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Gerhard Dodl, CEO

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29 January 2013