



Wheelsure

Wheelsure Holdings plc

INTERIM REPORT 2021

Chairman's statement

We are announcing our results for the 6 months ended 28 February 2021.

Sales for the period were £55,683 (6 months to 29 February 2020: £115,730), reflects a difficult trading climate across our primary European market with the impact of COVID-19 adversely affecting all public sector transport spending.

The situation has shown signs of improvement in the latter part of the period and we anticipate a stronger start to the second half of the year.

During the period, we have enjoyed sales from London Underground, despite the reported drop in passenger income of up to 90% during 2020, as well as in both Germany and Italy.

This business has continued in the post-reporting period and we have also opened a new trading opportunity directly into Deutsche Bahn in addition to Siemens.

Against this difficult trading background, exacerbated by the additional challenges of the UK's departure from the EU (Brexit), we are striving to seek new business opportunities.

In particular we are actively seeking new agent relationships in a number of countries, have developed a new commercial approach to manufacturers and are exploring more diverse (non-rail) opportunities.

The Board would like to place on record our thanks to Gerry Mulder, our outgoing Chairman who formally retired on 3 March 2021.

Gerry has worked tirelessly to support the company over 16 years and as Chairman for the last 9 years; we wish him and his family well in retirement.

I have been a Board member since inception and have taken on the role as Interim Non-Executive Chairman whilst we consolidate our business in the short term and plan for the future.

The trading environment remains uncertain due to the ongoing global pandemic but the Board remains confident that the broad fundamentals remain in place to build a strong business as the world recovers.

The Board would like to thank all our shareholders for their continued support.

John Richard Allen
Interim Chairman
20 April 2021

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement.

**Unaudited consolidated statement of comprehensive income
for the six months ended 28 February 2021**

	Six months ended 28.02.2021 £	Six months ended 29.02.2020 £	Year ended 31.08.2020 £
TURNOVER	55,683	115,730	232,539
Cost of sales	<u>(26,592)</u>	<u>(51,133)</u>	<u>(121,221)</u>
GROSS PROFIT	29,091	64,597	111,318
Administrative expenses	<u>(142,053)</u>	<u>(134,923)</u>	<u>(298,855)</u>
	(112,962)	(70,326)	(187,537)
Other operating income	<u>-</u>	<u>2,365</u>	<u>2,297</u>
OPERATING LOSS	(112,962)	(67,961)	(185,240)
Interest payable and similar charges	<u>(4,112)</u>	<u>(6,683)</u>	<u>(18,080)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	(117,074)	(74,644)	(203,320)
Tax on loss on ordinary activities	<u>(343)</u>	<u>-</u>	<u>18,192</u>
LOSS FOR THE PERIOD AFTER TAXATION	<u>(117,417)</u>	<u>(74,644)</u>	<u>(185,128)</u>
Other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u><u>(117,417)</u></u>	<u><u>(74,644)</u></u>	<u><u>(185,128)</u></u>
BASIC AND DILUTED LOSS PER SHARE (NOTE 3)	<u><u>3.3p</u></u>	<u><u>3.1p</u></u>	<u><u>7.7p</u></u>

**Unaudited consolidated balance sheet
as at 28 February 2021**

	As at 28.02.2021		As at 29.02.2020		As at 31.08.2020	
	£	£	£	£	£	£
FIXED ASSETS						
Intangible assets		48,194		50,810		42,473
Tangible assets		372		532		452
		<u>48,566</u>		<u>51,342</u>		<u>42,925</u>
CURRENT ASSETS						
Stocks	34,125		38,434		34,712	
Debtors	75,774		61,892		55,431	
Cash at bank	159		1,756		25,980	
	<u>110,059</u>		<u>102,082</u>		<u>116,123</u>	
CREDITORS						
Amounts falling due within one year	<u>(269,956)</u>		<u>(278,759)</u>		<u>(151,962)</u>	
NET CURRENT LIABILITIES		<u>(159,897)</u>		<u>(176,677)</u>		<u>(35,839)</u>
NET (LIABILITIES)/ASSETS		<u>(111,331)</u>		<u>(125,335)</u>		<u>7,086</u>
CAPITAL AND RESERVES						
Called up share capital		2,413,868		2,402,057		2,413,868
Share premium		3,666,640		3,443,250		3,667,640
Profit and loss account		<u>(6,191,839)</u>		<u>(5,970,642)</u>		<u>(6,074,422)</u>
SHAREHOLDERS' (DEFICIT)/FUNDS		<u>(111,331)</u>		<u>(125,335)</u>		<u>7,086</u>

**Unaudited consolidated statement of changes in equity
for the six months ended 28 February 2021**

Six months ended 28 February 2021	Called up share capital £	Share Premium £	Retained earnings £	Total equity £
Balance at 1 September 2020	2,413,868	3,667,640	(6,074,422)	7,086
Changes in equity				
Issue of share capital	-	(1,000)	-	(1,000)
Total comprehensive loss	-	-	(117,417)	(117,417)
Balance at 28 February 2021	<u>2,413,868</u>	<u>3,666,640</u>	<u>(6,191,839)</u>	<u>(111,331)</u>
Six months ended 29 February 2020	Called up share capital £	Share Premium £	Retained earnings £	Total equity £
Balance at 1 September 2019	2,402,057	3,443,250	(5,895,998)	(50,691)
Changes in equity				
Total comprehensive loss	-	-	(74,644)	(74,644)
Balance at 29 February 2020	<u>2,402,057</u>	<u>3,443,250</u>	<u>(5,970,642)</u>	<u>(125,335)</u>
Year ended 31 August 2020	Called up share capital £	Share Premium £	Retained earnings £	Total equity £
Balance at 1 September 2019	2,402,057	3,443,250	(5,895,998)	(50,691)
Changes in equity				
Issue of share capital	11,811	224,390	-	236,201
Total comprehensive loss	-	-	(185,128)	(185,128)
Capital contribution	-	-	6,704	6,704
Balance at 31 August 2020	<u>2,413,868</u>	<u>3,667,640</u>	<u>(6,074,422)</u>	<u>7,086</u>

**Unaudited consolidated cash flow statement
for the six months ended 28 February 2021**

	<i>Notes</i>	Six months ended 28.02.2021 £	Six months ended 29.02.2020 £	Year ended 31.08.2020 £
Cash flows from operating activities				
Cash used in operations	4	(108,819)	(48,918)	(136,837)
Tax received		17,613	18,681	36,395
Net cash used in operating activities		<u>(91,206)</u>	<u>(30,237)</u>	<u>(100,442)</u>
Cash flows from investing activities				
Capital expenditure		<u>(7,878)</u>	<u>(1,548)</u>	<u>(6,421)</u>
Net cash used in investing activities		<u>(7,878)</u>	<u>(1,548)</u>	<u>(6,421)</u>
Cash flows from financing activities				
New loans in period		75,000	25,000	125,000
Share issue proceeds		-	-	-
Share issue costs		(1,000)	-	-
Interest paid		<u>(737)</u>	<u>(746)</u>	<u>(1,444)</u>
Net cash from financing activities		<u>73,263</u>	<u>24,254</u>	<u>123,556</u>
(Decrease)/increase in cash and cash equivalents		(25,821)	(7,531)	16,693
Cash at bank and in hand at start of period		<u>25,980</u>	<u>9,287</u>	<u>9,287</u>
Cash at bank and in hand at period end		<u><u>159</u></u>	<u><u>1,756</u></u>	<u><u>25,980</u></u>

Notes to the unaudited financial statements for the six months ended 28 February 2021

1. Reporting entity

Wheelsure Holdings plc (the “Company”) is a company incorporated and domiciled in the United Kingdom. The address of the Company’s registered office is 235 Hunts Pond Road, Fareham, Hampshire, PO14 4PJ.

The consolidated interim financial statements of the Group as at and for the half year ended 28 February 2021 comprise the Company and its subsidiaries (together referred to as the “Group”). The financial information set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group’s statutory financial statements for the year ended 31 August 2020 have been filed with the Registrar of Companies. The auditor’s report on those financial statements was unqualified but contained an emphasis of matter paragraph in relation to going concern, and did not contain a statement under Section 498(2) of the Companies Act 2006. The consolidated financial statements of the Group as at and for the year ended 31 August 2020 are available at <http://www.wsgroupglobal.com>.

2. Basis of preparation

These consolidated financial statements for the half year ended 28 February 2021 are unaudited. They have been prepared and approved by the directors following the recognition and measurement principles of Financial Reporting Standard (FRS 102) and with the requirements of the Companies Act 2006. This information has not been reviewed by the Group’s auditors.

The interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 August 2020.

The information in the interim financial statements has not be reviewed by the Group’s auditors.

3. Basic and diluted loss per share

	Six months ended 28.02.2021	Six months ended 29.02.2020	Year ended 31.08.2020
	£	£	£
Loss for the period	(117,417)	(74,644)	(185,128)
Weighted average number of ordinary shares in issue during the period	3,583,058	2,402,057	2,415,000
Basic and diluted loss per share	<u>3.3p</u>	<u>3.1p</u>	<u>7.7p</u>

The weighted average number of shares for the six months ended 29 February 2020 has been adjusted for the share capital reorganisation which took place on 22 May 2020. No shares were deemed to have been issued at nil consideration as a result of the share options granted.

The diluted basic loss per share is stated as the same amount as the basic as there is no dilutive effect in either year.

4. Reconciliation of operating loss to net cash outflow from operating activities

	Six months ended 28.02.2021	Six months ended 29.02.2020	Year ended 31.08.2020
	£	£	£
Operating loss for the period	(112,962)	(67,961)	(185,240)
Depreciation and amortisation charges	2,237	2,358	4,801
Loss on disposal of fixed assets	-	-	10,847
	<u>(110,725)</u>	<u>(65,603)</u>	<u>(169,592)</u>
Decrease / (increase) in stocks	587	(748)	2,974
(Increase) / decrease in trade and other debtors	(38,300)	10,101	17,040
Increase in trade and other creditors	39,619	7,332	12,741
Net cash outflow from operating activities	<u>(108,819)</u>	<u>(48,918)</u>	<u>(136,837)</u>

5. Post balance sheet events

During March 2021 the Company raised £50,000 by way of a placing of 370,370 new Ordinary Shares and secured a Government-backed bounce-back loan totalling £50,000.