



Wheelsure

**Wheelsure Holdings plc**

**INTERIM REPORT 2020**

## Chairman's statement

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We are announcing our results for the 6 months ended 29 February 2020. I am pleased to report that sales in this period, from our existing customer base, reflect an 80% increase over the comparable period in 2019. This welcome increase follows on from a strong outcome in the final 6 months of the 2019 financial year which contributed to a 71% increase in sales over the year ended 31 August 2018.

Sales were £118,095 (6 months to 28 February 2019: £65,605), including royalty income of £2,365 (6 months to 28 February 2019: £4,226).

As we announced in the recent publication of 2019 final results, I am delighted to confirm that we have managed to secure additional funding that allows the Board to move forward.

On 22 May 2020, a General Meeting was held to pass the necessary resolutions required to restructure the Company's share capital. As a result of shareholders passing the resolutions, the Company's share capital was reorganised such that each ordinary shares was sub-divided into one ordinary share of 0.01 pence and 1 deferred share of 0.99 pence and, subsequently, every 100 ordinary shares of 0.01 pence each was consolidated into one new ordinary share of 1 penny ("New Ordinary Share"). As detailed in the Company's circular of 6 May 2020, immediately prior to the consolidation taking place, the Company issued 74 ordinary shares in order that the number of shares in issue prior to the reorganisation is divisible by 100.

In our 2018 Annual Report, I informed shareholders that we had secured a working capital facility to support our business and I am pleased to confirm that, as a result of the successful restructuring of the Company's share capital, this facility has been increased and extended to £500,000, of which £125,000 has currently been drawn.

The Board is confident that the continued development and realisation of our core business will deliver more sustainable income and this remains the primary focus of the business. In addition, we will be seeking to realise the opportunity for smart sensor technology which we have previously commented on.

Fuller details of our activities in the core markets were detailed in the full year accounts reported to the market (post fund-raising) on 8 June 2020, and, due to the close proximity of this report, there is nothing further to report of a material nature.

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

G J Mulder  
Chairman  
12 June 2020

This announcement contains information which, prior to its disclosure, was inside information for the purposes of the Market Abuse Regulation.

**Unaudited consolidated statement of comprehensive income  
for the six months ended 29 February 2020**

	<b>Six months ended 29.02.20 £</b>	<b>Six months ended 28.02.19 £</b>	<b>Year ended 31.08.19 £</b>
<b>TURNOVER</b>	115,730	61,379	171,840
Cost of sales	<u>(51,133)</u>	<u>(27,917)</u>	<u>(76,773)</u>
<b>GROSS PROFIT</b>	64,597	33,462	95,067
Administrative expenses	<u>(134,923)</u>	<u>(157,090)</u>	<u>(316,003)</u>
	(70,326)	(123,628)	(220,936)
Other operating income	<u>2,365</u>	<u>4,226</u>	<u>6,604</u>
<b>OPERATING LOSS</b>	(67,961)	(119,402)	(214,332)
Interest receivable and similar income	-	-	16
Interest payable and similar charges	<u>(6,683)</u>	<u>(6,117)</u>	<u>(9,539)</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	(74,644)	(125,519)	(223,855)
Tax on loss on ordinary activities	<u>-</u>	<u>-</u>	<u>17,078</u>
<b>LOSS FOR THE PERIOD AFTER TAXATION</b>	<u>(74,644)</u>	<u>(125,519)</u>	<u>(206,777)</u>
Other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<u><u>(74,644)</u></u>	<u><u>(125,519)</u></u>	<u><u>(206,777)</u></u>
<b>BASIC AND DILUTED LOSS PER SHARE (NOTE 3)</b>	<u><u>3.1p</u></u>	<u><u>5.4p</u></u>	<u><u>8.7p</u></u>

**Unaudited consolidated balance sheet  
as at 29 February 2020**

	As at 29.02.2020		As at 28.02.2019		As at 31.08.2019	
	£	£	£	£	£	£
<b>FIXED ASSETS</b>						
Intangible assets		50,810		73,779		51,540
Tangible assets		532		-		612
		<u>51,342</u>		<u>73,779</u>		<u>52,152</u>
<b>CURRENT ASSETS</b>						
Stocks	38,434		37,602		37,686	
Debtors	61,892		70,774		90,674	
Cash at bank	<u>1,756</u>		<u>9,070</u>		<u>9,287</u>	
	102,082		117,446		137,647	
<b>CREDITORS</b>						
Amounts falling due within one year	<u>(278,759)</u>		<u>(160,658)</u>		<u>(240,490)</u>	
<b>NET CURRENT (LIABILITIES) / ASSETS</b>		<u>(176,677)</u>		<u>(43,212)</u>		<u>(102,843)</u>
<b>NET (LIABILITIES)/ASSETS</b>		<u><u>(125,335)</u></u>		<u><u>30,567</u></u>		<u><u>(50,691)</u></u>
<b>CAPITAL AND RESERVES</b>						
Called up share capital		2,402,057		2,402,057		2,402,057
Share premium		3,443,250		3,443,250		3,443,250
Profit and loss account		<u>(5,970,642)</u>		<u>(5,814,740)</u>		<u>(5,895,998)</u>
<b>SHAREHOLDERS' (DEFICIT)/FUNDS</b>		<u><u>(125,335)</u></u>		<u><u>30,567</u></u>		<u><u>(50,691)</u></u>

**Unaudited consolidated statement of changes in equity  
for the six months ended 29 February 2020**

<b>Six months ended 29 February 2020</b>	<b>Called up share capital £</b>	<b>Share Premium £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
Balance at 1 September 2019	2,402,057	3,443,250	(5,895,998)	(50,691)
<b>Changes in equity</b>				
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>
<b>Six months ended 28 February 2019</b>	<b>Called up share capital £</b>	<b>Share Premium £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
Balance at 1 September 2018	2,277,057	3,443,250	(5,682,471)	37,836
<b>Changes in equity</b>				
Total comprehensive loss	-	-	(125,519)	(125,519)
Issue of share capital	125,000	-	(6,750)	118,250
Balance at 28 February 2019	<u>2,402,057</u>	<u>3,443,250</u>	<u>(5,814,740)</u>	<u>30,657</u>
<b>Year ended 31 August 2019</b>	<b>Called up share capital £</b>	<b>Share Premium £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
Balance at 1 September 2018	2,277,057	3,443,250	(5,682,471)	37,836
<b>Changes in equity</b>				
Total comprehensive loss	-	-	(206,777)	(206,777)
Issue of share capital	125,000	-	(6,750)	118,250
Balance at 31 August 2019	<u>2,402,057</u>	<u>3,443,250</u>	<u>(5,895,998)</u>	<u>(50,691)</u>

**Unaudited consolidated cash flow statement  
for the six months ended 29 February 2020**

	<i>Notes</i>	<b>Six months ended 29.02.20 £</b>	<b>Six months ended 28.02.19 £</b>	<b>Year ended 31.08.19 £</b>
<b>Cash flows from operating activities</b>				
Cash used in operations	4	(48,918)	(147,707)	(231,598)
Tax received		18,681	13,537	23,950
Net cash used in operating activities		<u>(30,237)</u>	<u>(134,170)</u>	<u>(207,648)</u>
<b>Cash flows from investing activities</b>				
Capital expenditure		<u>(1,548)</u>	<u>(1,211)</u>	<u>(1,850)</u>
Net cash used in investing activities		<u>(1,548)</u>	<u>(1,211)</u>	<u>(1,850)</u>
<b>Cash flows from financing activities</b>				
New loans in period		25,000	-	75,000
Share issue proceeds		-	125,000	125,000
Share issue costs		-	(6,750)	(6,750)
Interest paid		(746)	(765)	(1,447)
Interest received		-	-	16
Net cash from financing activities		<u>24,254</u>	<u>117,485</u>	<u>191,819</u>
Decrease in cash and cash equivalents		(7,531)	(17,896)	(17,679)
Cash at bank and in hand at start of period		<u>9,287</u>	<u>26,966</u>	<u>26,966</u>
Cash at bank and in hand at period end		<u><u>1,756</u></u>	<u><u>9,070</u></u>	<u><u>9,287</u></u>

## Notes to the unaudited financial statements for the six months ended 29 February 2020

### 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 29 February 2020 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 2019 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 2019 are available at <http://www.wsgroupglobal.com>.

### 2. Basis of preparation

These consolidated financial statements for the half year ended 29 February 2020 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 2019.

### 3. Basic and diluted loss per share

	Six months ended 29.02.20	Six months ended 28.02.19	Year ended 31.08.19
	£	£	£
Loss for the period	(74,644)	(125,519)	(206,777)
Weighted average number of ordinary shares in issue during the period	2,402,057	2,339,212	2,370,893
Basic and diluted loss per share	<u>3.1p</u>	<u>5.4p</u>	<u>8.7p</u>

The weighted average number of shares 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 29.02.20	Six months ended 28.02.19	Year ended 31.08.19
	£	£	£
Operating loss for the period	(67,961)	(119,402)	(214,332)
Depreciation and amortisation charges	2,358	4,420	8,608
Loss on disposal of fixed assets	-	-	18,078
	<u>(65,603)</u>	<u>(114,982)</u>	<u>(187,646)</u>
Increase in stocks	(748)	(867)	(951)
Decrease / (increase) in debtors	10,101	(13,512)	(26,747)
Increase / (decrease) in creditors	7,332	(18,346)	(16,254)
Net cash outflow from operating activities	<u>(48,918)</u>	<u>(147,707)</u>	<u>(231,598)</u>