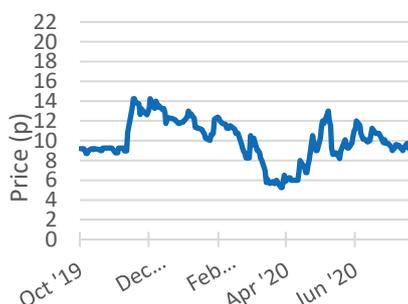


August 14, 2020

### Stock Data

Ticker (AIM)	WSG LN
Share Price	9.12p
Market Cap	£14.6M
EV	£16.3M
Yr High/Yr Low	15p/5.1p

### Price Chart



SOURCE: Bloomberg

## H1 2020: Positive EBITDA & Earnings

Westminster Group Plc (WSG.LN) listed on the AIM Exchange in London is an integrated security services company. WSG is segmented into two primary divisions, Managed Services and Technology, delivering services and solutions to customers in three key markets – Land, Sea and Air. Under Managed Services, WSG contracts for the design and implementation of complete security services solutions in airports, sea ports and other infrastructure, including the supply of staff and training services. The Technology division includes the supply and maintenance of technology-based security products for surveillance, detection, tracking and interception.

**Event:** WSG reported H120 financial results with another period of double-digit revenue growth and positive EBITDA, and EPS for the first time.

### Highlights:

- **Revenue up 24% y/y:** Revenue for the period reached £7.0m, +24% y/y (H119: £5.6m), comprised of Services revenue of £2.2m (H119: £2.5m) and Technology revenue of £4.7m (H119: £3.1m). Services revenue was down 12% year on year, mostly impacted by the impacts of COVID-19 and the lockdowns around the world. Technology revenue was up 54% to £4.7m, primarily due to a 323% increase in product sales (£3.4m vs. £0.8m in H119).
- **EBITDA positive:** EBITDA and profit before tax were £0.89m (H119: loss of £0.05m) and £0.24m (H119: loss of £0.79m) respectively. Gross profit was £2.8m or 40% and Admin Expenses were flat y/y at £2.3m despite the y/y double digit revenue growth. Exceptional items were £0.3m.
- **EPS positive:** Earnings per share were £0.0016 (H119: loss of £0.0058) after financing costs of £0.24m (H119: £0.5m) reflecting interest on the convertible loan notes and non-cash financing charges from the extension of convertible loan notes.
- **Cash balance of £1.6m at June 30, 2020:** This includes cash from operations of £0.7m, cash used in investing of £0.2m and an equity placing and sharing agreement (EPSA) generated cash of £1.85m before expenses.
- **Convertible Loan Notes reduced to £1.6m outstanding:** Using the mezzanine loan facility, drawing down £1.5m out of an available £3.0m, WSG paid down £0.5m of the CLNS outstanding, and £0.1m of the CLNs were converted into ordinary shares. WSG intends to redeem the CLNs at the earliest opportunity.
- **Mezzanine loan facility:** £1.5m of the mezzanine facility remains available, if required. Each drawdown includes a commitment fee of 0.75%, a repayment term of 18 months at a rate of 6.5%, as well as a 5% drawdown fee. Repayments begin 3 months after the initial drawdown in 15 equal monthly payments. The associated EPSA is structured to offset the costs of capital and interest on the mezzanine loan.

### Outlook

WSG has demonstrably weathered the COVID-19 pandemic very well so far, with its multiple revenue streams and diverse range of clients around the world. Past experiences enabled management to steer the Company towards opportunities for growth during the early stages of the pandemic lockdown resulting in a number of new opportunities for the business in both divisions. This underscores our belief that WSG is well positioned to take advantage of potentially transformational growth opportunities presented in its target markets.

While the pandemic continues to present challenges globally, there is a growing movement to get things running again and find ways to manage through the crisis to avoid future lockdowns en masse. As such, the West African airport has re-opened and passenger flights are gradually increasing, the container port operations in Ghana are continuing with the opening of new berths as planned, training operations are re-starting, and other large-scale project initiatives are getting back on track. WSG has a goal to secure at least one large-scale managed services contract before year-end 2020. While management has little control over the timing of these long-lead-time projects, WSG has many irons in the fire with potential from the Menzies Aviation trial completed at the Stockholm International Airport for fever screening systems, as well as the partnership with Hazar International in the Kingdom of Saudi Arabia. We also expect continued growth in technology product sales with one of the largest security websites and e-commerce platforms available in the industry today.

## Special Sits Research

### Tania Maciver

tania.maciver@spangel.co.uk  
+44 20 3470 0531

### Equity Sales

#### Richard Parlons

+44 20 3470 0472  
richard.parlons@spangel.co.uk

#### Abigail Wayne

+44 20 3470 0534  
abigail.wayne@spangel.co.uk

#### Rob Rees

+44 20 3470 0535  
[rob.rees@spangel.co.uk](mailto:rob.rees@spangel.co.uk)

## H1 2020 Interim Results (June 30, 2020)

WSG's interim results for the six-month period ended June 30, 2020 mark a turning point to bottom line profitability. The Company has reported 4 consecutive years of double-digit revenue growth to the end of 2019, and has extended this to H120 with total revenue growth for the period of 24% year over year.

### REVENUE BREAKDOWN

Total revenue for the period reached £7.0m, +24% y/y (H119: £5.6m), comprised of Services division revenue of £2.2m (H119: £2.5m) and Technology division revenue of £4.7m (H119: £3.1m).

TABLE 1: Revenue Breakdown

(£'000s)	Managed Services			Technology			Other			Total		
	2018A	2019A	H120A	2018A	2019A	H120A	2018A	2019A	H120A	2018A	2019A	H120A
Supply of products	-	-	22.0	1,216.0	1,598.0	3,360.0	-	-	-	1,216.0	1,598.0	3,382.0
Supply and Installation contracts	-	-	-	1,420.0	3,468.0	1,184.0	-	-	-	1,420.0	3,468.0	1,184.0
Maintenance and services	3,471.0	5,291.0	2,146.0	342.0	298.0	167.0	-	-	-	3,813.0	5,589.0	2,313.0
Training Courses	219.0	234.0	80.0	-	-	-	-	-	-	219.0	234.0	80.0
Ferry Ticket sales	-	-	-	-	-	-	-	-	-	-	-	-
<b>Revenue</b>	<b>3,690.0</b>	<b>5,525.0</b>	<b>2,248.0</b>	<b>2,978.0</b>	<b>5,364.0</b>	<b>4,711.0</b>	-	-	-	<b>6,668.0</b>	<b>10,889.0</b>	<b>6,959.0</b>
Y/y growth	3.7%	49.7%	-59.3%	68.2%	80.1%	-12.2%	-	-	-	-	-	-
Segment Underlying EBITDA	829.0	1,084.0	966.0	(272.0)	525.0	1,060.0	(911.0)	(1,555.0)	(1,133.0)	(354.0)	54.0	893.0
Share option expense	-	-	-	-	-	-	(281.0)	(556.0)	-	(281.0)	(556.0)	-
Exceptional items	(401.0)	(105.0)	(309.0)	-	-	-	-	(1.0)	-	(401.0)	(106.0)	(309.0)
Impairments	170.0	-	-	-	-	-	-	-	-	170.0	-	-
Depreciation & amortisation	(158.0)	(72.0)	(54.0)	(11.0)	(30.0)	(4.0)	-	(113.0)	(50.0)	(169.0)	(215.0)	(108.0)
<b>Segment operating profit</b>	<b>440.0</b>	<b>907.0</b>	<b>603.0</b>	<b>(283.0)</b>	<b>495.0</b>	<b>1,056.0</b>	<b>(1,192.0)</b>	<b>(2,225.0)</b>	<b>(1,183.0)</b>	<b>(1,035.0)</b>	<b>(823.0)</b>	<b>476.0</b>
Y/y growth	-10.6%	106.1%	-33.5%	-379.7%	274.9%	-113.3%	79.9%	-86.7%	46.8%	81.1%	20.5%	157.8%
Finance cost	(4.0)	(1.0)	-	1.0	(3.0)	-	(330.0)	(616.0)	(240.0)	(333.0)	(620.0)	(240.0)
Income tax credit	492.0	18.0	-	380.0	-	-	-	8.0	-	872.0	26.0	-
<b>Profit/(Loss) Financial Year</b>	<b>928.0</b>	<b>924.0</b>	<b>603.0</b>	<b>98.0</b>	<b>492.0</b>	<b>1,056.0</b>	<b>(330.0)</b>	<b>(608.0)</b>	<b>(240.0)</b>	<b>(496.0)</b>	<b>(1,417.0)</b>	<b>236.0</b>
Y/y growth	88.6%	-0.4%	-34.7%	266.1%	402.0%	114.6%	47.6%	-84.2%	60.5%	91.9%	-185.7%	116.7%
Segment Assets	5,033.0	2,949.0	4,234.0	1,960.0	2,023.0	1,724.0	1,854.0	1,997.0	3,550.0	1,854.0	1,997.0	1,997.0
Segment Liabilities	1,129.0	1,072.0	2,584.0	3,336.0	1,433.0	692.0	3,238.0	2,534.0	2,311.0	3,238.0	2,534.0	2,534.0
Capital Expenditure	23.0	48.0	28.0	-	4.0	9.0	35.0	18.0	150.0	35.0	18.0	18.0

	2018A	2019A	H120A	2018A	2019A	H120A	2018A	2019A	H120A	2018A	2019A	2019A
Supply of products	0.0%	0.0%	1.0%	40.8%	29.8%	71.3%	0.0%	0.0%	0.0%	18.2%	14.7%	48.6%
Supply and Installation contracts	0.0%	0.0%	0.0%	47.7%	64.7%	25.1%	0.0%	0.0%	0.0%	21.3%	31.8%	17.0%
Maintenance and services	94.1%	95.8%	95.5%	11.5%	5.6%	3.5%	0.0%	0.0%	0.0%	57.2%	51.3%	33.2%
Training Courses	5.9%	4.2%	3.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.3%	2.1%	1.1%
Ferry Ticket sales	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Revenue</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Company reports

- Services Division** – Revenue in this division was down 12% year on year, mostly impacted by the impacts of COVID-19 and the lockdowns around the world. Long-term maintenance and security contracts including the West African airport security contract in Q120, and container security screening operations in Ghana were the primary revenue drivers for Services during H120.

While the **West African airport** closed in March 2020, WSG maintained full employment of its team during the closure in order to maintain security of the airport. WSG also provided support to local West African communities throughout the period with supply of commodities such as rice, sugar and clean water. While this activity represents an exceptional item cost of just under £0.3m for the period, it was important to maintain airport security during the downtime and provided an opportunity to undertake refresher training for on-site teams. With all infrastructure in place, WSG has been able to restart security and maintenance operations at the airport on short notice, and has assisted with the installation of sanitisation operations since the airport re-opened on July 22, 2020.

The **container screening operations in Ghana** continued throughout the lockdown period in the region. Despite the impacts of COVID-19, the container screening operations generated over US\$1m in revenue for WSG during the period. There is significant growth potential anticipated going forward, as the third berth at the container port opened recently and the fourth is due to open before year-end 2020.

**Aviation security and associated training** were mostly put on hold during the months of COVID-19 lockdowns, and a number of training staff were furloughed during the period. The in-person training courses resumed in July 2020, and other training programmes are expected to resume in the coming weeks/months. The strategic alliance with JP International Training Ltd extends WSG's e-learning services and products platform, providing clients with distance learnings and certification opportunities, a sector that has experienced accelerated growth as a result of the COVID-19 pandemic.

- **Technology Division** – H120 revenue was up 54% to £4.7m, primarily due to a 323% increase in product sales (£3.4m vs. £0.8m in H119). As a result of its experience during the Ebola outbreak in West Africa, WSG management took early action to protect its business operations and supply chain sources. The company proactively increased its stockholding of detection and safety equipment by ~£0.4m early in Q120 and secured additional supply chains of new products from new suppliers. Throughout the period, WSG has supplied safety and screening systems and products to clients around the world. New opportunities continue to arise for the Company as a result of the pandemic, including: 1. The roll-out of fever screening and sanitisation equipment to a number of high-profile clients in the investment and sports industries; 2. Fever screening detection trials with Menzies Aviation which were successfully completed, and discussions for collaboration and business opportunities are now ongoing; and 3. WSG has secured rights to medical vending machines for the UK, and is now working with SV365 (private) to roll-out systems to shopping malls, and other transport hubs.

**Geographic Revenue Mix:** Notably revenue was driven by services contracts in Africa (27.7% of revenue) and technology product sales in the UK & Europe (21% of revenue), as well as the Rest of World (43% of revenue). We expect the geographic mix to continue to vary as product sales grow, and the number of longer-term, longer lead-time managed service contracts are awarded.

**TABLE 2: Revenue by Geography**

YE Dec (£000s)	H117	H217	H118	H218	H119	H219	H120	2017A	2018A	2019A
United Kingdom & Europe	489	430	554	383	1,204	753	1,458	919	171	1,957
Africa	2,033	1,746	1,842	2,042	2,085	2,814	1,930	3,779	3,884	4,899
Middle East	129	23	3	1,875	2,226	171	582	152	1,878	2,397
Rest of the World	268	278	187	548	95	1,541	2,989	546	735	1,636
<b>Total Revenue</b>	<b>2,919</b>	<b>2,477</b>	<b>2,586</b>	<b>4,082</b>	<b>5,610</b>	<b>5,279</b>	<b>6,959</b>	<b>5,396</b>	<b>6,668</b>	<b>10,889</b>

% of Total	2017A	2018A	2019A
United Kingdom & Europe	16.8%	17.4%	18.0%
Africa	69.6%	70.5%	45.0%
Middle East	4.4%	0.9%	22.0%
Rest of the World	9.2%	11.2%	15.0%
<b>Total Revenue</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Company reports

#### OPERATIONS

- **Gross profit** was £2.8m or 40% vs. H119 gross profit of £2.0m or 36%. The y/y improvement is primarily due to product sales mix.
- **Admin expenses** remain unchanged y/y at £2.3m, despite the double-digit sales growth y/y, implying a relatively high fixed cost base and careful expense management.
- **Exceptional items** were £0.3m (H119: £0.1m), primarily driven by costs associated with keeping security operations running at the West African airport.
- **EBITDA and profit before tax** were £0.89m (H119: loss of £0.05m) and £0.24m (H119: loss of £0.79m) respectively.
- **EPS** was £0.0016 (H119: loss of £0.0058) after financing costs of £0.24m (H119: £0.5m) reflecting interest on the convertible loan notes and non-cash financing charges from the extension of convertible loan notes.

#### BALANCE SHEET ITEMS

- **Cash** at the end of June 2020 was £1.6m (Dec 2019: £0.3m) with net cash from operations of £0.7m, £0.2m used in investing, and £1.85m from new equity.

- **Convertible Loan Notes (CLNs)** outstanding at the end of June 2020 totalled £1.6m, after £0.5m was paid down during the period and £0.1m was converted into ordinary shares. The CLN carries an interest rate of 15% paid quarterly in arrears, a conversion price of 10p/share and an expiry of May 2021. WSG intends to redeem the CLNs at the earliest opportunity.
- **Mezzanine Loan:** The first tranche of the £3.0m mezzanine loan facility was drawn down during the period for £1.5m. The balance undrawn of £1.5m remains available should WSG require it. Each drawdown adds a commitment fee of 0.75%, a repayment term of 18 months at a rate of 6.5%, as well as a 5% drawdown fee. Repayments begin 3 months after the initial drawdown in 15 equal monthly payments. The Company has the option to issue a convertible note valid for 12 months to convert its monthly payments into ordinary shares. Early repayment for any outstanding amount can be made subject to a 5% early redemption fee.
- **Equity placing:** The mezzanine lender also subscribed to £1.75m of ordinary shares at a price of 12.5p per share under an Equity Placing and Sharing Agreement (EPSA), on deferred payment terms and subject to a 3% placing commission. These subscription shares can be sold by the investor, subject to volume restrictions, over a 12 months period (extendable to 24 months). Under the EPSA the investor will make a payment to the Company in the amount of 1/12 of the Subscription Amount adjusted by the difference between the market price and the benchmark price of 13.625p; if the market price is greater, the Company and the investor are to share in the benefit equally. The 14m shares were issued in January 2020, and the funds from share sales have been used to offset capital and interest payments on the mezzanine loan. The Company has also issued warrants at a 34% premium to the closing price of the stock on 21 January 2020 exercisable between 6 and 48 months from issue.

#### OUTLOOK

WSG has demonstrably weathered the COVID-19 pandemic very well so far, with its multiple revenue streams and diverse range of clients around the world. Past experiences enabled management to steer the Company towards opportunities for growth during the early stages of the pandemic lockdown resulting in a number of new opportunities for the business.

We believe WSG is well positioned for continued growth in its core business divisions, across each of its targeted sectors, Land-Sea-Air. While the pandemic continues to present challenges around the world, there is a growing movement to get things running again and find ways to manage through the crisis to avoid future lockdowns en masse. As such, the West African airport has re-opened and passenger flights are gradually increasing, the container port operations in Ghana are continuing with the opening of new berths as planned, training operations are re-starting, and other large-scale project initiatives are getting back on track. WSG has a goal to secure at least one large-scale managed services contract before year-end 2020, though that could reasonably slip into next year. However, the Company has many irons in the fire with potential from the Menzies Aviation trial completed at the Stockholm International Airport for fever screening systems, as well as the partnership with Hazar International in the Kingdom of Saudi Arabia, and we expect continued growth in technology product sales with one of the largest security websites and e-commerce platforms available in the industry today.

**Income Statement**

YE Dec (£000s)	H117	H217	H118	H218	H119	H219	H120	2016A	2017A	2018A	2019A
Supply of products and solutions	906.0		708.0		799.0	799.0	3,382.0	1,286.0	1,470.0	1,216.0	1,598.0
Supply and installation contracts	15.0		13.0		2,122.0	1,346.0	1,184.0	177.0	36.0	1,420.0	3,468.0
Maintenance and service	99.0		136.0		2,512.0	3,077.0	2,313.0	2,921.0	3,650.0	3,813.0	5,589.0
Airport Security Fees	1,755.0		1,616.0		-	-	-	-	-	-	-
Training and consultancy	93.0		113.0		177.0	57.0	80.0	16.0	174.0	219.0	234.0
Guarding	-		-		-	-	-	-	-	-	-
Ferry Ticket Sales	51.0		-		-	-	-	6.0	66.0	-	-
<b>Revenue</b>	<b>2,919.0</b>	<b>2,477.0</b>	<b>2,586.0</b>	<b>4,082.0</b>	<b>5,610.0</b>	<b>5,279.0</b>	<b>6,959.0</b>	<b>4,406.0</b>	<b>5,396.0</b>	<b>6,668.0</b>	<b>10,889.0</b>
<i>Growth y/y</i>			<i>-11.4%</i>	<i>64.8%</i>	<i>116.9%</i>	<i>29.3%</i>	<i>24.0%</i>			<i>23.6%</i>	<i>63.3%</i>
Cost of Sales	(1,870.0)	(327.0)	(1,012.0)	(2,008.0)	(3,592.0)	(2,852.0)	(4,186.0)	(1,296.0)	(2,197.0)	(3,020.0)	(6,444.0)
Gross Profit	1,049.0	2,150.0	1,574.0	2,074.0	2,018.0	2,427.0	2,773.0	3,110.0	3,199.0	3,648.0	4,445.0
<i>Gross Profit Margin</i>	<i>35.9%</i>	<i>86.8%</i>	<i>60.9%</i>	<i>50.8%</i>	<i>36.0%</i>	<i>46.0%</i>	<i>39.8%</i>	<i>70.6%</i>	<i>59.3%</i>	<i>54.7%</i>	<i>40.8%</i>
Administrative Expenses	(2,202.0)	(6,484.0)	(2,287.0)	(2,396.0)	(2,302.0)	(2,966.0)	(2,297.0)	(4,499.0)	(8,686.0)	(4,683.0)	(5,268.0)
Operating Profit	(1,153.0)	(4,334.0)	(713.0)	(322.0)	(284.0)	(539.0)	476.0	(1,389.0)	(5,487.0)	(1,035.0)	(823.0)
<i>Operating Profit Margin</i>	<i>-39%</i>	<i>-175%</i>	<i>-28%</i>	<i>-8%</i>	<i>-5%</i>	<i>-10%</i>	<i>7%</i>	<i>-32%</i>	<i>-102%</i>	<i>-16%</i>	<i>-8%</i>
Depreciation & Amortization	207.0	107.0	82.0	87.0	106.0	109.0	108.0	234.0	314.0	169.0	215.0
Share option expenses	-	63.0	-	281.0	-	556.0	-	103.0	63.0	281.0	556.0
Impairment Charges	-	2,888.0	-	-	-	-	-	-	2,888.0	(170.0)	-
Exceptional Items	305.0	683.0	229.0	172.0	129.0	(23.0)	309.0	1,077.0	988.0	401.0	106.0
<b>EBITDA</b>	<b>(641.0)</b>	<b>(593.0)</b>	<b>(402.0)</b>	<b>218.0</b>	<b>(49.0)</b>	<b>103.0</b>	<b>893.0</b>	<b>25.0</b>	<b>(1,234.0)</b>	<b>(354.0)</b>	<b>54.0</b>
Interest Received	-	-	-	1.0	-	-	-	-	-	1.0	-
Finance costs on lease liabilities	-	-	-	-	-	(54.0)	(240.0)	-	-	(4.0)	(54.0)
Interest payable on borrowings	(9.0)	(35.0)	(37.0)	-	(50.0)	49.0	-	(30.0)	(44.0)	(37.0)	(1.0)
Interest expenses on convertible loan notes	(475.0)	(111.0)	(448.0)	155.0	(453.0)	78.0	-	(536.0)	(586.0)	(293.0)	(375.0)
Other	-	-	-	-	-	(190.0)	-	-	-	-	(190.0)
<b>Total Finance Costs</b>	<b>(484.0)</b>	<b>(146.0)</b>	<b>(485.0)</b>	<b>156.0</b>	<b>(503.0)</b>	<b>(117.0)</b>	<b>(240.0)</b>	<b>(566.0)</b>	<b>(630.0)</b>	<b>(333.0)</b>	<b>(620.0)</b>
<b>Profit before tax</b>	<b>(1,637.0)</b>	<b>(4,480.0)</b>	<b>(1,198.0)</b>	<b>(166.0)</b>	<b>(787.0)</b>	<b>(656.0)</b>	<b>236.0</b>	<b>(1,955.0)</b>	<b>(6,117.0)</b>	<b>(1,368.0)</b>	<b>(1,443.0)</b>
Tax	-	-	(5.0)	-	-	26.0	-	46.0	-	872.0	26.0
Tax Rate	0.0%	0.0%	0.4%	0.0%	0.0%	-4.0%	0.0%	-2.4%	0.0%	-63.7%	-1.8%
<b>Net Income</b>	<b>(1,637.0)</b>	<b>(4,480.0)</b>	<b>(1,203.0)</b>	<b>(166.0)</b>	<b>(787.0)</b>	<b>(630.0)</b>	<b>236.0</b>	<b>(1,909.0)</b>	<b>(6,117.0)</b>	<b>(496.0)</b>	<b>(1,417.0)</b>
EPS	(0.016)	(0.041)	(0.010)	(0.001)	(0.006)	(0.005)	0.0016	(0.0246)	(0.0560)	(0.0039)	(0.0102)
Shares outstanding	100,929.0	109,194.0	124,453.0	126,152.0	133,951.0	138,862.0	151,589.0	77,716.0	109,194.0	126,152.0	138,862.0

**Balance Sheet**

YE Dec (£000s)	H117	H217	H118	H218	H119	H219	H120	2016A	2017A	2018A	2019A
<b>CURRENT ASSETS</b>											
Inventories	48.0	39.0	42.0	74.0	47.0	47.0	444.0	198.0	39.0	74.0	47.0
Trade & Other receivables	786.0	693.0	1,256.0	4,616.0	1,610.0	2,566.0	3,767.0	894.0	693.0	4,616.0	2,566.0
Cash & Cash Equivalents	759.0	392.0	318.0	290.0	309.0	557.0	1,582.0	152.0	392.0	290.0	557.0
	1,593.0	1,124.0	1,616.0	4,980.0	1,966.0	3,170.0	5,793.0	1,244.0	1,124.0	4,980.0	3,170.0
<b>NON-CURRENT ASSETS</b>											
Goodwill	397.0	-	-	596.0	607.0	614.0	616.0	397.0	-	596.0	614.0
Intangible assets	173.0	129.0	112.0	100.0	130.0	129.0	205.0	132.0	129.0	100.0	129.0
PP&E	4,488.0	1,952.0	1,916.0	1,898.0	2,077.0	1,979.0	1,947.0	4,635.0	1,952.0	2,112.0	1,979.0
Deferred tax asset	-	-	-	889.0	889.0	907.0	907.0	-	-	889.0	907.0
	5,058.0	2,081.0	2,028.0	3,483.0	3,703.0	3,629.0	3,675.0	5,164.0	2,081.0	3,697.0	3,629.0
Assets of disposal groups classified as held for sale	-	-	-	170.0	170.0	170.0	-	-	-	170.0	170.0
<b>TOTAL ASSETS</b>	<b>6,651.0</b>	<b>3,205.0</b>	<b>3,644.0</b>	<b>8,633.0</b>	<b>5,839.0</b>	<b>6,969.0</b>	<b>9,468.0</b>	<b>6,408.0</b>	<b>3,205.0</b>	<b>8,847.0</b>	<b>6,969.0</b>
<b>CURRENT LIABILITIES</b>											
Deferred Income	5.0	-	639.0	2,438.0	432.0	73.0	58.0	27.0	-	2,438.0	73.0
Trade and other payables	1,055.0	1,096.0	1,049.0	2,511.0	1,641.0	2,396.0	2,246.0	1,026.0	1,096.0	2,569.0	2,396.0
Borrowings	2,073.0	-	-	-	2,462.0	60.0	3,137.0	-	-	-	60.0
	3,133.0	1,096.0	1,688.0	4,949.0	4,535.0	2,529.0	5,441.0	1,053.0	1,096.0	5,007.0	2,529.0
<b>NON-CURRENT LIABILITIES</b>											
Borrowings	-	2,184.0	2,200.0	2,387.0	298.0	2,510.0	231.0	3,059.0	2,184.0	2,545.0	2,510.0
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-
	-	2,184.0	2,200.0	2,387.0	298.0	2,510.0	231.0	3,059.0	2,184.0	2,545.0	2,510.0
Liabilities of disposal group classified as held for sale	-	238.0	152.0	151.0	53.0	-	-	-	238.0	151.0	-
<b>TOTAL LIABILITIES</b>	<b>3,133.0</b>	<b>3,518.0</b>	<b>4,040.0</b>	<b>7,487.0</b>	<b>4,886.0</b>	<b>5,039.0</b>	<b>5,672.0</b>	<b>4,112.0</b>	<b>3,518.0</b>	<b>7,703.0</b>	<b>5,039.0</b>
<b>EQUITY</b>											
Called up share capital	11,324.0	12,074.0	12,503.0	13,003.0	13,503.0	14,540.0	16,040.0	8,711.0	12,074.0	13,003.0	14,540.0
Share premium account	9,136.0	9,226.0	9,597.0	9,568.0	9,525.0	9,577.0	9,579.0	9,169.0	9,226.0	9,568.0	9,577.0
Merger relief reserve	299.0	299.0	299.0	299.0	300.0	300.0	300.0	299.0	299.0	299.0	300.0
Share based payment reserve	598.0	621.0	598.0	858.0	858.0	1,166.0	1,318.0	569.0	621.0	858.0	1,166.0
Equity reserve on convertible loan note	506.0	186.0	506.0	222.0	352.0	423.0	398.0	186.0	186.0	222.0	423.0
Revaluation reserve	134.0	134.0	134.0	134.0	133.0	133.0	133.0	134.0	134.0	134.0	133.0
<b>Retained earnings</b>											
		(16,772.0)		(22,256.0)	(22,594.0)	(23,346.0)	(23,844.0)	(14,739.0)	(16,772.0)	(22,258.0)	(22,594.0)
Profit/(Loss) for the year		(5,917.0)		(349.0)	(762.0)	(636.0)	182.0	(1,909.0)	(5,917.0)	(349.0)	(1,398.0)
other charges		36.0		13.0	10.0	138.0	-	(124.0)	36.0	13.0	148.0
	<b>(18,155.0)</b>	<b>(22,653.0)</b>	<b>(24,033.0)</b>	<b>(22,592.0)</b>	<b>(23,346.0)</b>	<b>(23,844.0)</b>	<b>(23,662.0)</b>	<b>(16,772.0)</b>	<b>(22,653.0)</b>	<b>(22,594.0)</b>	<b>(23,844.0)</b>
Owners of the company	3,518.0	(113.0)	(199.0)	1,492.0	1,324.0	2,295.0	4,106.0	2,296.0	(113.0)	1,490.0	2,295.0
Non controlling interest	-	(200.0)	(197.0)	(346.0)	(371.0)	(365.0)	(310.0)	-	(200.0)	(346.0)	(365.0)
<b>TOTAL</b>	<b>3,518.0</b>	<b>(313.0)</b>	<b>(396.0)</b>	<b>1,146.0</b>	<b>953.0</b>	<b>1,930.0</b>	<b>3,796.0</b>	<b>2,296.0</b>	<b>(313.0)</b>	<b>1,144.0</b>	<b>1,930.0</b>
<b>EQUITY+LIABILITIES</b>	<b>6,651.0</b>	<b>3,205.0</b>	<b>3,644.0</b>	<b>8,633.0</b>	<b>5,839.0</b>	<b>6,969.0</b>	<b>9,468.0</b>	<b>6,408.0</b>	<b>3,205.0</b>	<b>8,847.0</b>	<b>6,969.0</b>

**DISCLAIMER: Non-independent research**

This note has been issued by SP Angel Corporate Finance LLP (“SP Angel”) in order to promote its investment services and is a marketing communication for the purposes of the European Markets in Financial Instruments Directive (MiFID) and FCA’s Rules. It has not been prepared in accordance with the legal requirements designed to promote the independence or objectivity of investment research and is not subject to any prohibition on dealing ahead of its dissemination.

SP Angel considers this note to be an acceptable minor non-monetary benefit as defined by the FCA which may be received without charge. In summary, this is because the content is either considered to be commissioned by SP Angel’s clients as part of our advisory services to them or is short-term market commentary. Commissioned research may from time to time include thematic and macro pieces. For further information on this and other important disclosures please see the Legal and Regulatory Notices section of our website [Legal and Regulatory Notices](#)

While prepared in good faith and based upon sources believed to be reliable SP Angel does not make any guarantee, representation or warranty, (either express or implied), as to the factual accuracy, completeness, or sufficiency of information contained herein.

The value of investments referenced herein may go up or down and past performance is not necessarily a guide to future performance. Where investment is made in currencies other than the base currency of the investment, movements in exchange rates will have an effect on the value, either favourable or unfavourable. Securities issued in emerging markets are typically subject to greater volatility and risk of loss. The investments discussed in this note may not be suitable for all investors and the note does not take into account the investment objectives and policies, financial position or portfolio composition of any recipient. Investors must make their own investment decisions based upon their own financial objectives, resources and appetite for risk.

This note is confidential and is being supplied to you solely for your information. It may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published in whole or in part, for any purpose. If this note has been sent to you by a party other than SPA the original contents may have been altered or comments may have been added. SP Angel is not responsible for any such amendments.

Neither the information nor the opinions expressed herein constitute, or are to be construed as, an offer or invitation or other solicitation or recommendation to buy or sell investments. Opinions and estimates included in this note are subject to change without notice. This information is for the sole use of Eligible Counterparties and Professional Customers and is not intended for Retail Clients, as defined by the rules of the Financial Conduct Authority (“FCA”).

Publication of this note does not imply future production of notes covering the same issuer(s) or subject matter.

SP Angel, its partners, officers and or employees may own or have positions in any investment(s) mentioned herein or related thereto and may, from time to time add to, or dispose of, any such investment(s).

SPA has put in place a number of measures to avoid or manage conflicts of interest with regard to the preparation and distribution of research. These include (i) physical, virtual and procedural information barriers (ii) a prohibition on personal account dealing by analysts and (iii) measures to ensure that recipients and persons wishing to access the research receive/are able to access the research at the same time.

SP Angel Corporate Finance LLP definition of research ratings: Expected performance over 12 months: Buy - Expected return of greater than +15%, Hold - Expected return from -15% to +15%, Sell - Expected return of less than -15%.