

**Vela Technologies plc**  
**("Vela" or the "Company")**

**Unaudited interim results for the six months ended 30 September 2015**

## chairman's statement

### **Half-Yearly Report for the six months ended 30 September 2015**

Dear Shareholders

Your Company continues to advance its stated objective of searching out quality investments in the disruptive technology sector.

During the period the Company made a loss of £92,000 compared to a loss of £90,000 for the comparable six months ending 30 September 2014.

Your company made one new investment during the period namely an investment of £50,000 into Revolve Performance Limited ("Revolve Performance") - a newly incorporated company that acquired 100% of the share capital of Nitec Limited ("Nitec"). Nitec owns 100% of the UK operating company, Revolve Technologies Limited ("Revolve Technologies"), and 91% of Mountune LLC, the US operating company.

Revolve Technologies is a long established and profitable specialist powertrain and performance engineering group that owns a performance brand Mountune. The Mountune products are used by consumers and racing teams to enhance engine performance.

The Company has now built a portfolio of investments that the board believe will create value for shareholders.

Towards the period end, your company raised an additional £250,000 at 0.2 pence per share. Following this raise, £175,000 of the proceeds were invested, in November 2015, in Blockchain Tech Limited a technology company exploring applications of blockchain technology in a variety of industries including money transmission, insurance, voting and smart contracts. Currently the focus is on developing a remittance solution, Interbit - Blockchain Tech Limited (now called BTL Group Limited) trades on the Canadian Venture Exchange.

#### Summary of investment portfolio

In addition to its investments in BTL Group Ltd and Revolve Performance the Company has minority investments in the following businesses:

Portr Limited - is the owner of an on-line demand airport luggage transfer service, AirPortr, and has recently signed a long term agreement to operate its on demand luggage service at Heathrow Airport.

Stream TV Networks Inc - a US company that has developed Ultra - D which enables viewers to view 3D media without glasses and from any angle. Stream has recently won the Lumiere Award from the International 3D and Advanced Imaging Society for technology innovation.

Disruptive Tech Limited - is a private technology investment business focussing on companies that can "disrupt". It owns and manages investments in six technology businesses including Nektan plc, a leading international B2B mobile gaming content developer and platform provider quoted on AIM.

3Legs Resources plc - is an Isle of Man incorporated investing company focused on acquisitions within the life sciences and related technologies sector. 3Legs Resources plc ("3Legs") is quoted on AIM and currently suspended because they have not completed an acquisition within 12 months of becoming an investment company. 3Legs has signed non-binding heads of terms for the acquisition of SalvaRx Limited, which owns 60.5% of iOX, a company developing a series of compounds for cancer immunotherapy.

Advance Laser Imaging Limited - a company using laser scanning hardware and software applications to produce 360 degree 3D images and models.

Rosslyn Data Technologies plc - the AIM quoted holding company for the operating companies Rosslyn Analytics Limited and Rosslyn Analytics Incorporated, whose cloud-based services seek to provide a fast and efficient way for companies to use and understand their data.

The Social Superstore Limited - a private company developing an online social commerce platform with a view to full launch in the UK.

Your directors look forward to 2016 with great interest as a number of the investments evolve further.

N Brent Fitzpatrick MBE  
Chairman  
Vela Technologies PLC

For further information please contact:

**Vela Technologies plc**

Brent Fitzpatrick, Non-Executive Chairman  
Antony Laiker, Director

Tel: +44 (0) 7802 262 443

**Allenby Capital Limited**

(Nominated Adviser)  
Nick Athanas/Katrina Perez/James Reeve

Tel: +44 (0) 20 3328 5656

**Vicarage Capital Limited**

(Broker)  
Rupert Williams/Jeremy Woodgate

Tel: +44 (0) 20 3651 2910

# unaudited statement of comprehensive income

for the six months ended 30 September 2015

	<b>6 months ended 30 September 2015</b>	6 months ended 30 September 2014	year ended 31 March 2015
<b>Notes</b>	<b>£'000</b>	£'000	£'000
<b>Revenue</b>	<b>4</b>	-	8
Gross profit	-	-	8
<b>Administrative expenses</b>			
-share based payments			(107)
- other administrative expenses	<b>(96)</b>	(90)	(204)
Total administrative expenses and loss from operations	<b>(96)</b>	(90)	(311)
<b>Profit/(loss) before tax</b>	<b>(92)</b>	(90)	(303)
Income tax	-	-	-
<b>Profit/(loss)</b>	<b>(92)</b>	(90)	(303)
<b>Other comprehensive income:</b>			
Items that will or may be reclassified to profit/loss:			
Fair value movement on available for sale investments	-	-	253
Other comprehensive income for the year	-	-	253
Total comprehensive income	-	-	(50)
<b>Attributable to:</b>			
Equity holders of the company	<b>(92)</b>	(90)	(50)
Earnings per share			
<b>Basic and diluted earnings/(loss) per share (pence)</b>	<b>5 (0.04)</b>	(0.07)	(0.12)

# unaudited balance sheet

as at 30 September 2015

		30 September 2015 £'000	30 September 2014 £'000	31 March 2015 £'000
	Notes			
<b>Assets</b>				
Investments	6	1,297	854	1,147
<b>Current assets</b>				
Trade and other receivables	7	29	21	31
Cash and cash equivalents		138	10	156
<b>Total current assets</b>		<b>167</b>	<b>31</b>	<b>187</b>
Non current assets held for sale		-	-	-
<b>Total assets</b>		<b>1,464</b>	<b>885</b>	<b>1,334</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Called up share capital	8	584	249	459
Share premium reserve		1,061	-	936
Available for sale reserve		253	-	253
Share-based payment reserve		107	-	107
Share premium account			831	
Retained earnings		(542)	(237)	(450)
<b>Total equity</b>		<b>1,463</b>	<b>843</b>	<b>1,305</b>
<b>Current liabilities</b>				
Trade and other payables		1	42	29
<b>Total liabilities</b>		<b>1</b>	<b>42</b>	<b>29</b>
<b>Total equity and liabilities</b>		<b>1,464</b>	<b>885</b>	<b>1,334</b>

# unaudited cashflow statement

for the six months ended 30 September 2015

	<b>6 months ended 30 September 2015</b>	6 months ended 30 September 2014	year ended 31 March 2015
	<b>£'000</b>	£'000	£'000
<b>Operating activities</b>			
(Loss)/profit before tax	(92)	(90)	(303)
Share-based charge	-		107
Issue of shares in lieu of services	-	-	65
(Increase)/Decrease in receivables	2	285	(5)
(Decrease)/Increase in payables	(28)	1	(12)
<b>Total cash flow from operating activities</b>	<b>(118)</b>	196	(148)
<b>Investing activities</b>			
Consideration for disposal of investment	-	-	6
Consideration for purchase of investment	(150)	(230)	(276)
<b>Total cash flow from investing activities</b>	<b>(150)</b>	(230)	(270)
<b>Financing activities</b>			
Issue of ordinary share capital	250	7	565
Share premium on the issue of ordinary share		28	
<b>Total cash flow from financing activities</b>	<b>250</b>	35	565
Net (decrease)/increase in cash and cash equivalents	(18)	1	147
Cash and cash equivalents at start of year/period	156	9	9
<b>Cash and cash equivalents at the end of the year/period</b>	<b>138</b>	10	156
<b>Cash and cash equivalents comprise:</b>			
Cash and cash in bank	138	10	156
<b>Cash and cash equivalents at end of year/period</b>	<b>138</b>	10	156

## unaudited statement of changes in equity

for the six months ended 30 September 2015

	Share capital	Share Premium	Share Option Reserve	Available for sale reserve	Retained Earnings	Total Equity
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 April 2015</b>	<b>459</b>	<b>936</b>	<b>107</b>	<b>253</b>	<b>(450)</b>	<b>1305</b>
Profit for the period and total comprehensive income for the period					(92)	(92)
Issue of shares in lieu of services						
Issue of shares	125	125				(250)
Balance at 30 September 2015	584	1,061	107	253	(542)	1,463
Balance at 1 April 2014	222	723		-	(147)	798
Issue of shares in lieu of services	7	28				35
Issue of share capital	20	80	-	-	-	100
Loss for the year	-	-	-	-	(90)	(90)
Balance at 30 September 2014	249	831	-	-	(237)	843
Balance at 1 April 2014	222	723	-	-	(147)	798
Issue of share options	-	-	107	-	-	107
Issue of share capital	237	213		-	-	450
Transactions with owners	237	213	107	-	-	557
Loss for the year	-	-	-	-	(303)	(303)
Other comprehensive income	-	-	-	253	-	253
Total comprehensive income	-	-	-	253	(303)	(50)

Balance at 31 March 2015	459	936	107	253	(450)	1305
--------------------------	-----	-----	-----	-----	-------	------

## notes to the interim accounts

for the six months ended 30 September 2015

### 1. General information

Vela Technologies Plc is a company incorporated in the United Kingdom.

These unaudited condensed interim financial statements for the six months ended 30 September 2015 have been prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34 "Interim Financial Reporting" as adopted by the European Union and do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. This condensed set of financial statements has been prepared applying the accounting policies that were applied in the preparation of the Company's published financial statements for the year ended 31 March 2015 and are presented in pounds sterling.

The comparative figures for the financial year ended 31 March 2015 have been extracted from the Company's statutory accounts which have been delivered to the Registrar of Companies and reported on by the company's Auditors. Their report was unqualified and contained no statement under section 298 (2) or (3) of the Companies Act 2006.

### 2. Changes in accounting policy

The assessment of new standards, amendments and interpretations issued but not effective, are not anticipated to have a material impact on the interim financial statements.

### 3. Going concern

The company's activities, together with the factors likely to affect its future development and performance, the financial position of the company, its cash flows and liquidity position have been considered by the Directors, taking account of the current market conditions which demonstrate that the company shall continue to operate within its own resources.

The Directors believe that the company is well placed to manage its business risks successfully, and that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they consider it appropriate to adopt the going concern basis in preparing these condensed financial statements.

### 4. Investments

Fixed asset investments are stated at fair value.

### 5. Earnings per share

Earnings per share has been calculated on a loss after tax of £92,000 (period to 30 September 2014: £90,000 loss; year to 31 March 2015: £303,000 loss) and the weighted number of average shares in issue for the year of 241,872,777 weighted (30 September 2014: 120,044,010 weighted; 31 March 2015: 263,087,300).

Reconciliation of the profit and weighted average number of shares used in the calculations are set out below:

	6 months ended 30 September 2015	6 months ended 30 September 2014	Year ended 31 March 2015
Profit/(loss) (£'000)	(92)	(90)	(303)

Earnings per share (pence)	(0.04)	(0.07)	(0.12)
----------------------------	--------	--------	--------

## 6. Investments

	Other investments
Cost at 1 April 2015	1,147
Purchased in the period	150
Cost at 30 September 2015	<u>1,297</u>

### 3Legs Resources plc

On 13<sup>th</sup> May 2015 the Company acquired a further 4,500,000 existing ordinary shares in 3Legs Resources plc (3Legs) at a price of 0.215 pence per share. Vela's resultant holding in 3Legs is 23,500,000 shares, which represented 5.42% of the total voting rights of 3Legs at the date of purchase. Vela's shareholding in 3Legs has been acquired at an average price of 0.213 pence per share for a total consideration of approximately £50,090

### Investment in Revolve Performance Limited

On 19<sup>th</sup> June 2015 the Company invested £50,000 in Revolve Performance Limited for a minority share in the Company.

### Investment in BTL Group Ltd

BTL signed a binding letter of intent, dated 16 June 2015, with Northern Aspect Resources Ltd ("NARL"), a company listed on the TSX Venture Exchange (NEX:NTH.H), in which NARL agreed, subject to certain conditions, to acquire all of the issued and outstanding share capital of BTL (the "Transaction").

Upon completion of the Transaction the continuing business of NARL will be BTL and the company was re-named BTL Group Ltd. The Transaction was completed on 6<sup>th</sup> November 2015.

The investment by Vela was made into NARL, conditional on the Transaction completing. Vela has a c. 5% equity interest in the fully diluted issued share capital of BTL Group Ltd.

## 7. Trade and other receivables

	30 September 2015	30 September 2014	31 March 2015
	£'000	£'000	£'000
Trade and other receivables	29	21	31
	<u>29</u>	<u>21</u>	<u>31</u>

As announced on 30 September 2014 the Company remains in discussions with Gilbert Elliot on settlement of £12,500 owed to Vela and expects to conclude this in the new year.

## 8. Share capital

	30 September 2015	30 September 2014	31 March 2015
	£'000	£'000	£'000
Authorised capital			
9,999,520,000 ordinary shares of 0.1 pence each	10,000	10,000	10,000
	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>



Allotted, called up and fully paid capital			
584,087,020 (30 September 2014: 249,087,020 31 March 2015: 459,087,020) ordinary shares of 0.1 pence each	584	249	459
	<hr/>	<hr/>	<hr/>
	584	249	459

#### Allotments during the period

The Company allotted the following ordinary shares during the period:

	6 months ended 30 September 2015
Shares in issue at 1 April 2015	459,088,020
Shares issued during the year	125,000,000
Shares in issue at 30 September 2015	<hr/> 584,088,020

	6 months ended 30 September 2014
Shares in issue at 1 April 2014	222,088,021
Shares issued during the period	27,000,000
Shares in issue at 30 September 2014	<hr/> 249,088,021

	Year ended 31 March 2015
Shares in issue at 1 April 2014	222,088,021
Shares issued during the period	236,999,999
Shares in issue at 31 March 2015	<hr/> 459,088,020

On 26<sup>th</sup> August 2015 the Company issued 125,000,000 new ordinary 0.1p shares at a price of 0.2p per placing share.

#### 9. Related party transactions

During the period the Company entered into the following related party transactions. All transactions were made on an arm's length basis:

##### Ocean Park Developments Limited

Nigel Brent Fitzpatrick, Non-Executive director, is also a director of Ocean Park Developments Limited. During the period the Company paid £15,000 (30 September 2014: £6,000; 31 March 2015: £21,000) in respect of his directors fees to the Company. The balance due to Ocean Park Developments at the period end was £nil (30 September 2014 £nil; 31 March 2015: £nil).

##### Risk Alliance Insurance Brokers Limited

Nigel Brent Fitzpatrick, Non-Executive director, is also a director of Risk Alliance Insurance Brokers Limited. During the period the Company paid £5,510 (30 September 2014: £3,975; 31 March 2015: £5,830) in respect of insurance services for the Company. The balance due to Risk Alliance Insurance Brokers Limited at the period end was £nil (30 September 2014 £nil; 31 March 2015: £nil).

##### Widdington Limited

Antony Laiker, director, is also a director of Widdington Limited. During the period the Company paid £23,000 (30 September 2014: £nil; 31 March 2015: £23,000) in respect of his directors fees to the Company. The balance due to Widdington Limited at the period end was £nil (30 September 2014 £nil; 31 March 2015: £nil).

#### 10. Principal risks and uncertainties

Principal risks and uncertainties are set out in the annual financial statements within the directors' report and also in note 13 and are reviewed on an on-going basis.

The Board will provide leadership within a framework of appropriate and effective controls. The Board will set up, operate and monitor the corporate governance values of the company, and will have overall responsibility for setting the company's strategic aims, defining the business objective, managing the financial and operational resources of the Company and reviewing the performance of the officers and management of the company's business both prior to and following an acquisition.

There have been no significant changes in the first six months of the financial year to the principle risks and uncertainties as set out in the 31 March 2015 Annual Report and Accounts.

## **11. Board Approval**

These interim results were approved by the Board of Vela Technologies Plc on 23 December 2015.

### **DIRECTORS RESPONSIBILITY STATEMENT AND REPORT ON PRINCIPAL RISKS AND UNCERTANTIES**

#### **Responsibility statement**

We confirm to the best of our knowledge:

- (a) The condensed set of financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU;
- (b) The interim management report includes a fair review of the information required by:
  - (1) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - (2) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during the period; and any changes in the related party described in the last annual report that could do so.

N Brent Fitzpatrick MBE  
Chairman