

# YOLO Leisure and Technology plc

("YOLO" or the "Company")

## Unaudited Interim Results for the six months ended 31 March 2019

### Introduction and Key highlights

The board is pleased to announce the Company's unaudited results for the six month period ending 31 March 2019. The key highlights during the period were:

- As at 31 March 2019 YOLO's net asset value equates to 6.81p per ordinary share versus a share price of 3.0p as at 29 April 2019.
- On 5 February 2019 the Company successfully raised £300,000 before costs via a placing ("Placing") of 8,000,000 new ordinary shares of 0.01p each with new and existing investors at an issue price of 3.75p per share ("Placing Shares"). Under the Placing each investor received one warrant for every four Placing Shares exercisable at 5.00p per share at any time for a period of three years from the date of admission of the Placing Shares.
- On 5 February 2019 the Company invested £100,000 in Sparkledun Ltd ("Sparkledun") to acquire 3.41% of its issued share capital. Sparkledun through its trading subsidiary, Fast to Fibre Limited, has rights to exploit and further develop a technology solution utilising a unique patented process for the extraction of the inner core of telecoms and power cables, allowing the insertion of fibre optic cable without the need for excavation or other disruptive techniques.

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

For further details please see below

### YOLO Leisure and Technology plc

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# YOLO LEISURE AND TECHNOLOGY PLC

## CHAIRMAN'S STATEMENT FOR THE SIX MONTHS ENDED 31 MARCH 2019

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### Introduction

I am pleased to report that the Company has had an active six month period ended 31 March 2019.

YOLO is an investing company, making investments in early stage technology, media content and leisure companies. YOLO's status provides an opportunity for shareholders to gain exposure to early stage investments in our chosen sectors.

We identify and invest in entrepreneurial businesses with visionary founders that with the required support and investment have the potential to scale quickly. We will invest in pre-revenue businesses, but we generally look for evidence of commercial traction. Our current focus is companies in our chosen sectors that have the potential to exit or list within two years after our investment.

We have continued to actively support our existing investee companies whilst also continuing to actively source and review new opportunities. During the first six months of the 2018-19 year the board has evaluated over 20 opportunities based on our investment criteria. We made one new investment in Sparkledun Limited, the owner of Fast to Fibre Limited (details of which are set out below).

### Summary of investment portfolio

Details of the current principal investments are set out below.

#### Simplestream Limited ("Simplestream")

Simplestream provides software as a service (SaaS) based live and video on demand (VoD) streaming solutions to global media brands via a portfolio of related products.

The company's **Cloud TV Platform** enables broadcasters to rapidly deploy "next generation" TV services across multiple devices and territories. Cloud TV is used by many well-known media companies in the UK including UKTV, Channel 4, Sony, A+E, AMC Networks, Newscorp and QVC amongst others. Internationally, British Forces Broadcasting Services (BFBS) deployed Cloud TV to bring British TV to British service personnel across the world. The company has launched its first service in the emerging African market with TracePlay, a global urban music and entertainment group which uses Cloud TV to deliver an SVOD services to desktop, iOS and Android devices.

Simplestream's award winning **VOD-In-A-Box** solution enables non-broadcasters to launch over the top (OTT) video services in three easy steps: (1) add content, (2) set commercials, and (3) customise apps. Customers include Law & Crime, Blaze, Love Nature, History Hit, Real Stories, Marquee and CountryLine.

**Hybrid TV** provides BARB (Broadcasters' Audience Research Board) rated OTT functionality for existing broadcast channels across the UK's majority TV platforms. Features include automated 28-day catch up, series stacking, content recommendations and real time viewing analytics. Customers include CBS and Sony.

Launched in 2019, the **Sports Video Platform** enables sports leagues, federations and rights holders to rapidly deploy OTT services multi-platform, including low latency live streaming of sporting events, instant highlight creation and in-app betting. The first customer is a leading UK public service broadcaster who will use the Sports Video Platform to streamline their online coverage of major sporting events.

**Telco TV** is specially designed for telecommunications companies to rapidly deploy in and out of home TV services using the Apple TV platform, with a companion app for both iOS and Android devices. Nova, Iceland's fastest growing telco used Telco TV to launch its TV services for its 100,000 customers. NOVA TV broadcasts six local TV channels free of charge with multiple subscription packages comprising local and international premium channels.

YOLO holds 9,943 shares in Simplestream, which represents a 6.34% holding on a fully diluted basis.

### **TVPlayer Limited ("TVPlayer")**

Launched in 2014, TVPlayer has developed into the only TV streaming service in the UK to offer over 100 free and pay broadcast channels aggregated within a single app, providing access to mainstream TV without the need for cable, satellite or antenna.

TVPlayer's operates within the fast changing global consumer television market, providing OTT access for consumers. The OTT market caters for the needs of millions of consumers worldwide who wish to move away from the traditional means of enjoying broadcast TV.

TVPlayer has licensing agreements with the UK's major TV companies and operates the service using its proprietary OTT platform. Apps are available for all major devices. TVPlayer currently focuses on the UK market, but has the potential to offer rapid deployments in other geographical markets.

The business is continuing to explore options of further strategic investment or a trade sale.

YOLO holds 11,067 shares in TVPlayer which represents 3.28% on a fully diluted basis.

### **Magic Media Works Ltd ("MMW"):**

Magic Media Works mission is to bring loved ones together through shared music entertainment experiences through its innovative ROXi music entertainment console.

Featuring a comprehensive music library from all major rights owners including Universal Music, Sony Music and Warner Music and worldwide internet radio, ROXi also includes unique additional features including karaoke-style Sing With The Stars, Name The Song trivia game, art shows and therapeutic Sound Machine. ROXi works right out of the box, taking just two minutes to set up.

ROXi is riding on the waves of increasing government and parental concern about the amount of time that children spend on social media and small screen devices. A survey commissioned by the company shows that UK children now spend six hours and 11 minutes with personal devices every day and only 49 minutes together as a family. 66% of UK parents say they wish they had more time to spend together as a family. ROXi provides an antidote to this world of me-only personal devices and tech isolationism.

MMW launched its Direct Response TV campaign in October 2018 with TV ads and infomercials and digital campaigns on Facebook and Google, all endorsed by celebrities such as Sheryl Crow and Alesha Dixon. During Q4 2018 ROXi achieved a core marketing efficiency ratio ("MER") of 7.0 against the target of 5.0 and industry norm of 2.8.

MMW has plans to substantially increase ramp up its scale, spending significantly more on TV media and on the development of new products over the next 24 months. In order to achieve this, MMW is progressing a fundraising of up to £5m of growth capital.

YOLO holds 1,646,682 shares which represents 15.8% of the fully diluted share capital. YOLO also holds £500,000 of convertible loan notes.

## **Fast to Fibre Limited ("F2F")**

On 5 February 2019 YOLO invested £100,000 to acquire 3,260 ordinary shares in Sparkledun Ltd ("Sparkledun"). Fast to Fibre Limited ("F2F") is a 100% subsidiary of Sparkledun and has the right to exploit and further develop a technology solution utilising a patented process for the extraction of the inner copper core of telecoms and power cables, allowing the insertion of fibre optic without the need for excavation or other disruptive techniques.

The F2F commercial proposition is to reduce the cost of fibre optic deployment particularly in difficult to access areas such as urban and city centres, thereby increasing the pace of adoption in line with government targets around the world to provide ultra-fast internet access.

F2F has successfully completed several trials in a variety of different geographical locations and complex situations and is pursuing a number of major commercial opportunities in Europe and the West Indies working with the leading telcos.

Yolo holds 3,260 shares in Sparkledun which represents 3.41% of the issued shares.

## **YOLO also holds two other investments in listed companies**

Gfinity is an end to end eSports (also known as competitive gaming) business. YOLO holds 400,000 shares.

AudioBoom is one of the world's leading spoken-word audio or podcasting platforms for hosting, distributing and monetising content. YOLO holds 5,340,000 shares.

## **Issue of new shares**

On 5 February 2019, YOLO successfully raised £300,000 before costs via a placing ("Placing") of 8,000,000 new ordinary shares of 0.01p each with new and existing investors at an issue price of 3.75p per share ("Placing Shares"). Under the Placing each investor received one warrant for every four Placing Shares exercisable at 5.00p per share at any time for a period of three years from the date of admission of the Placing Shares.

I would like to thank our shareholders and advisers for continuing to support the board and its vision.

Simon Robinson  
Chairman

29 April 2019

# YOLO LEISURE AND TECHNOLOGY PLC

## INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 MARCH 2019

|   |       | Unaudited<br>six months ended<br>31 March 2019 | Unaudited<br>six months ended<br>31 March 2018 |
|---|-------|--|--|
|   | Notes | £  | £  |
| Other income  |       | 7,000  | 13,250   |
| Unrealised (loss) on remeasurement to fair value      | 3     | (19,837)                                       | (26,635)                                       |
| Administrative expenses                               |       | (139,923)                                      | (150,186)                                      |
| (LOSS) FROM OPERATIONS BEFORE FINANCING ACTIVITIES    |       | (152,760)                                      | (163,571)                                      |
| Finance income  |       | 145  | 24   |
| (LOSS) BEFORE TAX                                     |       | (152,615)                                      | (163,547)                                      |
| Tax   |       | -  | -  |
| (LOSS) FOR THE PERIOD                                 |       | (152,615)                                      | (163,547)                                      |
| TOTAL COMPREHENSIVE (EXPENSE) / INCOME FOR THE PERIOD |       | (152,615)                                      | (163,547)                                      |

(Loss) before tax and total comprehensive (expense) for the period are all attributable to the equity shareholders of the parent.

### (Loss) per share

|         |        |         |
|---------|--------|---------|
| Basic   | (0.33) | (0.37)p |
| Diluted | (0.33) | (0.37)p |

Income and profit from operations for the current period all derive from continuing operations.

# YOLO LEISURE AND TECHNOLOGY PLC

## INTERIM STATEMENT OF FINANCIAL POSITION FOR THE SIX MONTHS ENDED 31 MARCH 2019

|  |       | <b>Unaudited</b>        | <b>Audited</b>          |
|--|-------|-------------------------|-------------------------|
|  |       | <b>31 March</b>         | <b>30 September</b>     |
|  |       | <b>2019</b>             | <b>2018</b>             |
|  | Notes | £                       | £                       |
| <b>ASSETS</b>  |       |                         |                         |
| <b>Non-current assets</b>  |       |                         |                         |
| Investments  | 3     | 3,164,158               | 3,083,994               |
|  |       | <u>3,164,158</u>        | <u>3,083,994</u>        |
| <b>Current assets</b>  |       |                         |                         |
| Trade and other receivables                                      |       | 71,140                  | 86,986                  |
| Cash and cash equivalents  | 4     | 354,170                 | 270,524                 |
|  |       | <u>425,310</u>          | <u>357,510</u>          |
| <b>TOTAL ASSETS</b>  |       | <u><u>3,589,468</u></u> | <u><u>3,441,504</u></u> |
| <b>EQUITY AND LIABILITIES</b>                                    |       |                         |                         |
| <b>Equity</b>  |       |                         |                         |
| Share capital  | 5     | 5,207,754               | 5,206,954               |
| Share premium account  |       | 7,864,973               | 7,574,273               |
| Retained earnings  |       | (9,525,031)             | (9,372,416)             |
| <b>Total equity attributable to equity holders of the parent</b> |       | <u>3,547,696</u>        | <u>3,408,811</u>        |
| <b>Current liabilities</b>                                       |       |                         |                         |
| Trade and other payables   |       | 41,772                  | 32,693                  |
| <b>Total liabilities</b>   |       | <u>41,771</u>           | <u>32,693</u>           |
| <b>TOTAL EQUITY AND LIABILITIES</b>                              |       | <u><u>3,589,468</u></u> | <u><u>3,441,504</u></u> |

# YOLO LEISURE AND TECHNOLOGY PLC

## INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 MARCH 2019

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|  | Share<br>capital | Share<br>Premium<br>Account | Retained<br>Earnings | Total            |
|--|------------------|-----------------------------|----------------------|------------------|
|  | £                | £                           | £                    | £                |
| <b>Audited as at 1 October 2017</b>            | 5,206,954        | 7,574,273                   | (8,267,202)          | 4,514,025        |
| Total comprehensive income for<br>the period   | -                | -                           | (163,547)            | (163,547)        |
| <b>Unaudited as at 31 March 2018</b>           | <u>5,206,954</u> | <u>7,574,273</u>            | <u>(8,430,749)</u>   | <u>4,350,478</u> |
| <b>Audited as at 1 October 2018</b>            | 5,206,954        | 7,574,273                   | (9,372,416)          | 3,408,811        |
| Total comprehensive expenses for<br>the period |                  |                             | (152,615)            | (152,615)        |
| Share issue                                    | 800              | 299,200                     |                      | 300,000          |
| Cost of new issue                              |                  | (8,500)                     |                      | (8,500)          |
| <b>Unaudited as at 31 March 2019</b>           | <u>5,207,754</u> | <u>7,864,973</u>            | <u>(9,525,031)</u>   | <u>3,547,696</u> |

All equity is attributable to equity shareholders.

### Share premium

Represents amounts subscribed for share capital in excess of its nominal value, net of directly attributable issue costs.

# YOLO LEISURE AND TECHNOLOGY PLC

## INTERIM STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 MARCH 2019

|   | Unaudited<br>six months ended<br>31 March 2019<br>£ | Unaudited<br>six months ended<br>31 March 2018<br>£ |
|---|---|---|
| <b>Operating activities</b>                                   |   |   |
| (Loss) before tax   | (152,615)   | (163,571)   |
| Loss on current fair value adjustment                         | 19,837  | 26,635  |
| <b>Changes in working capital:</b>                            |   |   |
| Decrease / (Increase) in trade and other receivables          | 15,845  | (10,394)  |
| Increase / (Decrease) in trade and other payables             | 9,079   | (4,739)   |
| Net finance cost  | (145)   | -   |
| <b>Net cash used in operating activities</b>                  | <u>(107,999)</u>                                    | <u>(152,069)</u>                                    |
| <b>Investing activities</b>                                   |   |   |
| Interest received   | 145   | 24  |
| Investments   | (100,000)   | (50,000)  |
| <b>Net cash used in investing activities</b>                  | <u>(99,855)</u>                                     | <u>(49,976)</u>                                     |
| <b>Financing activities</b>                                   |   |   |
| Net proceeds from issue of shares                             | 291,500   | -   |
| <b>Net cash received from financing activities</b>            | <u>291,500</u>                                      | <u>-</u>  |
| <b>Taxation</b>   | -   | -   |
| <b>Net increase / (decrease) in cash and cash equivalents</b> | 83,646  | (202,045)   |
| Cash and cash equivalents at the start of the period          | 270,524   | 619,939   |
| Cash and cash equivalents at the end of the period            | <u>354,170</u>                                      | <u>417,894</u>                                      |

# YOLO LEISURE AND TECHNOLOGY PLC

## NOTES TO THE INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 MARCH 2019

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### 1 General information

YOLO Leisure and Technology plc ('the Company') is an investment company as defined under AIM Rule 15.

The Company is a publicly listed company on AIM, is incorporated and domiciled in England and its registered office is 4 More London Riverside, London, SE1 2AU.

This interim financial information was approved for issue on 29 April 2019.

### 2 Accounting policies

#### 2.1 Basis of preparation

The interim financial information comprises the Statements of Financial Position at 31 March 2019 and 30 September 2018 and the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the periods ended 31 March 2019 and 31 March 2018 and the related notes of YOLO Leisure and Technology plc, (hereinafter referred to as 'the interim financial information').

The interim financial information has been prepared in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. In preparing this information, management have used the accounting policies set out in the Company's annual financial statements as at 30 September 2018.

This interim financial information does not constitute a set of statutory accounts under the requirements of the Companies Act 2006 and is neither audited nor reviewed. The comparative figures for the financial year ended 30 September 2018 are an extract from the Company's 2018 financial statements, which have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified.

This document (the Interim Statement 2019) will be published on the company's website and will be publicly available from the London Stock Exchange regulatory publications. The maintenance and integrity of the YOLO Leisure and Technology plc website is the responsibility of the directors. Legislation in the UK governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

#### 2.2 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 cashflow and liquidity position have been considered by the directors and the board is of the opinion that there are sufficient funds available to continue as a going concern for the foreseeable future. The board is also planning to raise additional funds to continue to carry out its investment strategy as opportunities arise. Accordingly the board consider it appropriate to adopt the going concern basis in preparing these condensed financial statements.

#### 2.3 Investments

Financial assets and liabilities are fair valued using a hierarchy that reflects the significance of the inputs used in making the fair value assessment. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices for identical assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

### 3 Investments

|  | Level 1<br>£ | Level 3<br>£ | Unaudited<br>Total<br>£ |
|--|--------------|--------------|-------------------------|
| <b>Audited fair value at 30 September 2018</b> | 160,045      | 2,923,950    | 3,083,995               |
| Cost of acquisitions during the period         | -            | 100,000      | 100,000                 |
| Unrealised loss on remeasurement to fair value | (19,837)     | -            | (19,837)                |
| <b>Unaudited fair value at 31 March 2019</b>   | 140,208      | 3,023,950    | 3,164,158               |

### 4 Cash and cash equivalents

For the purpose of the interim cash flow statement, cash and cash equivalents are comprised of the following:

|                          | Unaudited<br>31 March<br>2019<br>£ | Unaudited<br>31 March<br>2018<br>£ |
|--------------------------|------------------------------------|------------------------------------|
| Cash at bank and in hand | 354,170                            | 417,894                            |

### 5 Share capital

|   | Unaudited<br>six months ended<br>31 March 2019<br>£ | Unaudited<br>six months ended<br>31 March 2018<br>£ |
|---|---|---|
| <b>Issued and fully paid</b>                                    |   |   |
| As at 31 March 2018   |   |   |
| Ordinary shares (44,132,276 shares of 0.01p each)               | 4,413   | 4,413   |
| 5 Feb 2019 new ordinary shares issued (8,000,000 of 0.01p each) | 800   | -   |
| Deferred shares (44,132,276 shares of 9.99p each)               | 4,408,815   | 4,408,815   |
| Deferred shares (8,819,181 shares of 9.00p each)                | 793,726   | 793,726   |
|   | 5,207,754   | 5,206,954   |

### 6 Dividends paid and proposed

#### Equity dividends on ordinary shares:

No interim dividend was paid or is proposed for the half year ended 31 March 2019.

## 7 (Loss) per share

The calculations of (loss) per share are based on the following results and number of shares.

|   | <b>Unaudited<br/>six months ended<br/>31 March 2019<br/>£</b> | <b>Unaudited<br/>six months ended<br/>31 March 2018<br/>£</b> |
|---|---|---|
| (Loss) for the financial period                                 | <u>(152,615)</u>  | <u>(163,547)</u>  |
| Weighted average number of shares<br>for diluted loss per share | <u>46,532,276</u>   | <u>44,132,276</u>   |
| Weighted average number of shares<br>for basic loss per share   | <u>46,532,276</u>   | <u>44,132,276</u>   |

At 31 March 2019, the number of ordinary shares in issue was 52,132,276.

In accordance with the provisions of IAS 33 for the periods ended 31 March 2019, 30 September 2018 and 31 March 2018, shares under option were not regarded as dilutive in calculating earnings per share.

## 8 Seasonality of interim operations

YOLO Leisure and Technology plc does not operate in a seasonal or cyclical business environment.