

YOLO Leisure and Technology plc
("YOLO" or the "Company")

Final Results for the year ended 30 September 2014

YOLO (AIM:YOLO), the AIM listed company investing in leisure and technology, today announces its final results for the year ended 30 September 2014.

The audited Report and Accounts for the year ended 30 September 2014 will shortly be sent to shareholders and will also be available on the Company's website: www.yolopl.com.

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CHAIRMAN'S STATEMENT

Introduction

I am pleased to welcome you to my first report as Chairman for YOLO Leisure and Technology Plc (YOLO), covering the year ended 30 September 2014.

Financial Review

YOLO Leisure and Technology Plc (formerly Pentagon Protection Plc) was readmitted to trading on AIM on 18 July 2014. The year under review has two distinct periods; the first culminating in the Company Voluntary Arrangement and winding up of legacy business, unrelated to YOLO, whilst enabling the new business to continue as an investing company under the Aim Rules for Companies. The second and more exciting period was the inception of YOLO as an investment business focusing on investment opportunities with high growth and innovative customer focus within the leisure and technology sectors.

At the General Meeting on 11 July 2014 the shareholders;

- approved the appointment of the new Directors of the Company;
- approved the Company Voluntary Arrangement ("CVA");
- approved the disposal of its trading subsidiaries;
- approved the adoption of an Investing Policy under AIM Rule 15 (see below);
- approved the appointment of Peterhouse Corporate Finance Limited ("Peterhouse") as Sole Broker and placing by Peterhouse of 47,046,148 new Ordinary Shares at a price of £0.013 to raise £611,600;
- approved the issue of warrants;
- and approved the change of name to YOLO Leisure and Technology Plc.

The shares issue in July were oversubscribed and as a result the Company was able to raise a further £475,250 before expenses, bringing the total funds raised to £1,086,850 before costs by issue of 83,603,831 new 1p ordinary shares.

A further 7,257,116 shares were issued to settle fees relating to corporate finance fees and fundraise.

I do not propose to dwell on the CVA as this has been well documented in previous announcements and circular issued on 24 June 2014 save to say the sale of the subsidiaries International Glass Solutions LLC (IGS) and Pentagon Protection Global Limited (PPG) were completed in July 2014 and the CVA was completed after the year end in December 2014.

On 22 May 2014 the subsidiary SDS Group Limited (SDS), the Groups' security division, was sold to H ElZayn for a total consideration of £190,000 on an intercompany debt free basis. Then on the 11 July 2014 at a Shareholder General Meeting it was further agreed that the Goodwill and fixed assets of the film division be transferred to a newly formed subsidiary Pentagon Protection Global Limited (PPG). The shares of PPG were then transferred to H ElZayn, the secured creditor of the Company, in consideration for both the waiver of his security and claims including the remaining balance of the loan of £150,000 payable to him by the Company.

Under the CVA arrangements the Company paid £32,800 into the CVA and a further £20,000 towards the cost of the CVA. The CVA concluded on 9 December 2014 with a payout of 9p/£ to registered unsecured creditors.

The Group made an operating loss of £501,921 (2013 - profit £549,990) during the year. An operating loss of £291,576 was attributable to discontinued operations and an operating loss of £210,345 was attributable to continuing operations. All subsidiaries were disposed of during the year resulting in a loss of £91,570 and leaving a clean investment shell for the new team to pursue its investment strategy on behalf of its shareholders.

Investment Strategy

The Company's Investing Policy is that the Company will invest in businesses which have some or all of the following characteristics:

- strong management with a proven track record;
- ready for investment without the need for material re-structuring by the Company;
- generating positive cash flows or imminently likely to do so;
- via an injection of new finances or specialist management, the Company can enhance the prospects and therefore the future value of the investment;
- able to benefit from the Directors existing network of contacts; and
- the potential to deliver significant returns for the Company.

The Company will focus on opportunities in the travel, technology and leisure sectors.

Whilst the Directors will be principally focused on making an investment in private businesses, they would not rule out investment in listed businesses if this presents, in their judgment, the best opportunity for Shareholders.

The Company intends to be an active investor in situations where the Company can make a clear contribution to the progress and development of the investment. In respect of other, more substantial investment opportunities, the Directors expect that the Company will be more of a passive investor.

The Directors believe that their broad collective experience together with their extensive network of contacts will assist them in the identification, evaluation and funding of appropriate investment opportunities. When necessary, other external professionals will be engaged to assist in the due diligence on prospective targets and their management teams. The Directors will also consider appointing additional directors with relevant experience if required.

There will be no limit on the number of projects into which the Company may invest, and the Company's financial resources may be invested in a number of propositions or in just one investment, which may be deemed to be a reverse takeover pursuant to Rule 14 of the AIM Rules. Where the Company builds a portfolio of related assets it is possible that there may be cross-holdings between such assets. The Company does not currently intend to fund any investments with debt or other borrowings but may do so if appropriate.

The Company's primary objective is that of securing for the Shareholders the best possible value consistent with achieving, over time, both capital growth and income for Shareholders through developing profitability coupled with dividend payments on a sustainable basis

Outlook

YOLO has been an investment company since July 2014, and with the appointment of myself as CEO and Sohail Bhatti as CFO, we have been identifying prospects that have growth potential within the leisure and technology sectors.

Between the year end and the date of this report the Company has made three investments for a total consideration of £1,159,802.

Our first investment was in a company called GFinity for a cash consideration of £300,000 for {2.27%} interest of the company. GFinity is an electronic sports ("eSports") business that provides a hub for a rapidly expanding community that plays a range of electronic games such as Call of Duty, League of Legends, FIFA 2015, Halo and Starcraft. GFinity was established in September 2012 and was listed on AIM on 22 December 2014. It has established a popular on-line brand, gfinity.net, where gamers can compete, socialise and enjoy a wide range of content relating to electronic games on a proprietary technology platform. This platform enables GFinity to run a regular roster of on-line competitions, leagues and ladders with the opportunity for gamers to win substantial prize money and/or pit their skills against professional and widely-followed "star" players.

A further investment of £64,314 on 23 January 2015 increased our interest to 2.75%.

Our second investment of £550,000 excluding costs is in a media broadcasting company called Simplestream Limited for an interest of 5.1% of the company and a Board position. The rationale for the investment is based on the disruptive focus, quality and capability of the business model. Consumers are changing the way they consume media broadcasting and Simplestream as a multi-channel aggregator is well positioned to serve both Consumers and media broadcast companies. Our investment will accelerate the expansion of Simplestream's video streaming platform both in the UK and internationally, and the development of TVPlayer, their B2C live TV streaming service, through more channel packs and catch up functionality.

Our third investment is an acquisition of 2,500,000 shares in AudioBoom Group Plc, an AIM listed business, for £245,488. AudioBoom works with some of the biggest names in sports and media such as NFL, Premier League and BBC. The AudioBoom platform allows partners and users to bring non-music content to millions of listeners worldwide via the website, embedded players, apps, Facebook and Twitter.

Further insights of these investments can be viewed on the Company's website. YOLO is now well positioned to move forward and will continue pursuing an investment strategy that generates value for shareholders through considered investments in high performance, ambitious teams that use technology to engage customers across a range of leisure and technology sectors.

Placing of Shares

As discussed earlier the Company issued 83,603,831 new 1p ordinary shares during the year at a price of 1.3p raising funds of £1,086,850 before costs. 1 for 4 Warrants were also issued to the subscribers of the new shares at an exercise price of 1.3p, and a further 7,257,116 was issued to settle corporate finance fees and fundraise costs of £94,342.

Further funds of £576,000 were raised via a placing of 32,000,000 shares at 1.8p on 28 January 2015.

I would like to close by thanking our shareholders and advisers who have contributed to giving the company this platform to grow and we look forward to building an exciting future for the company.

Simon Robinson
Chairman
25 March 2015

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	Notes	Continuing	Discontinued	2014 £	2013 £
Revenue		-	832,645	832,645	5,357,513
Cost of sales		-	(552,864)	(552,864)	(3,440,962)
Gross profit		-	279,781	279,781	1,916,551
Distribution costs		-	-	-	(91,070)
Administrative expenses		(210,345)	(571,357)	(781,702)	(1,275,491)
OPERATING (LOSS)/PROFIT BEFORE FINANCING ACTIVITIES AND DISPOSAL OF TRADING ACTIVITIES		(210,345)	(291,576)	(501,921)	549,990
Other gains and losses		-	271,997	271,997	-
Finance income		1,514	-	1,514	16
Finance costs		(3,214)	-	(3,214)	(158,591)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		(212,045)	(19,579)	(231,624)	391,415
Tax charge		-	(147)	(147)	(1,888)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAX		(212,045)	(19,726)	(231,771)	389,527
Loss on disposal of discontinued operations		-	(91,570)	(91,570)	-
(LOSS)/PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY SHAREHOLDERS		(212,045)	(111,296)	(323,341)	389,527
Other comprehensive income		-	-	-	1,502
TOTAL COMPREHENSIVE (EXPENSES) / INCOME FOR THE YEAR		(212,045)	(111,296)	(323,341)	391,029
(Loss)/Profit attributable to:					
Equity holders of the parent		(212,045)	(111,296)	(323,341)	389,527
Total comprehensive (expenses)/income for the year attributable to					
Equity holders of the parent		(212,045)	(111,296)	(323,341)	391,029
Earnings per share (pence per share)					
Basic	2			(0.3)p	3.5p
Diluted	2			(0.3)p	3.5p

2013 figures all related to discontinued operations, other than £175k of administrative expenses which are continuing.

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	Notes	Group		Company	
		2014 £	2013 £	2014 £	2013 £
ASSETS					
Non-current assets					
Investments		-	-	-	641,921
Goodwill		-	434,536	-	-
Property, plant and equipment		-	30,742	-	23,324
		<u>-</u>	<u>465,278</u>	<u>-</u>	<u>665,245</u>
Current assets					
Inventories		-	144,023	-	8,135
Trade and other receivables		7,597	821,558	7,597	684,846
Cash and cash equivalents		912,301	9,529	912,301	52
		<u>919,898</u>	<u>975,110</u>	<u>919,898</u>	<u>693,033</u>
TOTAL ASSETS		<u>919,898</u>	<u>1,440,388</u>	<u>919,898</u>	<u>1,358,278</u>
EQUITY AND LIABILITIES					
Current liabilities					
Trade and other payables		35,809	822,141	35,808	425,242
Shareholder loan		-	337,888	-	337,888
Obligations under finance lease		-	5,625	-	5,625
		<u>35,809</u>	<u>1,165,654</u>	<u>35,808</u>	<u>768,755</u>
Non-current liabilities					
Obligations under finance lease		-	12,285	-	12,285
Total liabilities		<u>35,809</u>	<u>1,177,939</u>	<u>35,808</u>	<u>781,040</u>
Equity					
Issued capital	3	1,813,675	905,065	1,813,675	905,065
Share premium account		7,197,319	7,160,948	7,197,319	7,160,948
Share based payments		-	81,415	-	81,415
Other reserves		-	11,198	-	11,459
Retained earnings		(8,126,905)	(7,896,177)	(8,126,905)	(7,581,649)
Total equity attributable to equity shareholders of the parent		<u>884,089</u>	<u>262,449</u>	<u>884,089</u>	<u>577,238</u>
TOTAL EQUITY AND LIABILITIES		<u>919,898</u>	<u>1,440,388</u>	<u>919,898</u>	<u>1,358,278</u>

The financial statements were approved and authorised for issue by the Board of Directors on 25 March 2015, and were signed on its behalf by Simon Robinson, Director.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

Group	Share Capital £	Share premium account £	Share based payments £	Other reserves £	Retained Earnings £	Total £
At 1 October 2012	905,065	7,160,948	80,146	9,696	(8,285,704)	(129,849)
Total comprehensive income for the year	-	-	-	1,502	389,527	391,029
Transactions with owners						
Shares issued	-	-	-	-	-	-
Share based payment	-	-	1,269	-	-	1,269
At 1 October 2013	905,065	7,160,948	81,415	11,198	(7,896,177)	262,449
Total comprehensive expense for the year	-	-	-	-	(323,341)	(323,341)
Transfer to retained earnings	-	-	(81,415)	(11,198)	92,613	-
Transactions with owners						
Shares issued	908,610	272,583	-	-	-	1,181,193
Cost of new issue	-	(236,212)	-	-	-	(236,212)
At 30 September 2014	1,813,675	7,197,319	-	-	(8,126,905)	884,089

Group - other reserves	Merger reserve £	Currency Reserve £	Shares held by ESOP £	Total £
At 1 October 2012	16,000	(1,763)	(4,541)	9,696
Total comprehensive expense for the year	-	1,502	-	1,502
At 30 September 2013	16,000	(261)	(4,541)	11,198
Total comprehensive expense for the year	-	-	-	-
Transfer to retained earnings	(16,000)	(261)	4,541	(11,198)
At 30 September 2014	-	-	-	-

All equity is attributable to equity shareholders of the parent company.

Share capital

Represents the par value of shares in issue.

Share premium

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

Share based payments

Represents the reserve account which is used for the corresponding entry to the share based payment charge through the income statement. During the year on disposal of the subsidiaries, this reserve has been released to retained earnings.

Merger reserve

Represents the difference between the fair value and nominal value of the equity consideration provided in exchange for 90% or more of the equity instruments acquired in another entity. During the year on disposal of the subsidiaries this reserve has been released to retained earnings.

Shares held by ESOP

These relate to shares held by the company's Employee Share Ownership Plan and are used to assist in meeting the Group's obligations under employee remuneration schemes. During the year on disposal of the subsidiaries this reserve has been released to retained earnings.

Foreign currency translation reserve

The translation reserve represents the exchange gains and losses that have arisen on the retranslation of overseas operations. During the year on disposal of the subsidiaries this reserve has been released to retained earnings.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Operating activities				
(Loss)/profit before tax	(323,194)	391,415	(638,130)	245,806
Adjustments for:				
Depreciation of property, plant and equipment	3,982	4,882	3,010	2,444
Loss on disposal of property, plant and equipment	-	1,350	3,646	1,350
Amortisation of intangibles	-	8,779	-	-
Share based payments	-	1,269	-	1,269
Exchange adjustment	-	1,502	-	-
Decrease in inventories	25,409	24,523	-	-
Decrease/(increase) in trade and other receivables	442,322	(195,477)	523,463	15,450
Decrease in trade and other payables	(177,024)	(184,633)	(121,589)	(194,015)
Net finance income	1,700	158,575	3,214	13,419
Other gains on disposal of investments	-	-	196,868	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net cash (used in)/generated from operating activities	(26,805)	212,185	(29,518)	85,723
	<hr/>	<hr/>	<hr/>	<hr/>
Investing activities				
Payments to acquire property, plant and equipment	-	(1,456)	-	(1,253)
Cash held by subsidiaries disposed of	(13,557)	-	-	-
Receipts from sale of property, plant and equipment	-	1,100	-	1,100
Interest received	1,514	16	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net cash used in investing activities	(12,043)	(340)	-	(153)
	<hr/>	<hr/>	<hr/>	<hr/>
Financing activities				
Capital element of finance lease contracts	-	(3,123)	-	(3,123)
Decrease in shareholder loan	-	(153,668)	-	(153,668)
Net proceeds from issue of shares	944,981	-	944,981	-
Interest paid	(3,214)	(158,591)	(3,214)	(13,419)
	<hr/>	<hr/>	<hr/>	<hr/>
Net cash generated from/(used in) financing activities	941,767	(315,382)	941,767	(170,210)
	<hr/>	<hr/>	<hr/>	<hr/>
Taxation	(147)	(1,888)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	902,772	(105,425)	912,249	(84,640)
Cash and cash equivalents at the start of the year	9,529	114,954	52	84,692
	<hr/>	<hr/>	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	912,301	9,529	912,301	52
	<hr/>	<hr/>	<hr/>	<hr/>
Cash and cash equivalents consists of:				
Cash and cash equivalents	912,301	9,529	912,301	52
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

1. ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with EU endorsed International Accounting Standards and International Financial Reporting Standards (collectively "IFRS") and the requirements of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements are presented in sterling and have been prepared on the historical cost basis, except where IFRS requires an alternative treatment. The principal variations from historical cost relate to financial instruments (IAS 39).

The Company is a public listed company, quoted on AIM and is incorporated and domiciled in the UK.

Adoption of international accounting standards

Standards adopted early by the Group

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for later accounting periods and which have not been adopted early. There were no new standards, amendments or interpretations that are expected to have a material impact on the company.

1.2 Going Concern

The company had net assets of £884,089 as at 30 September 2014 (2013 net assets of £262,449) and generated a loss before tax of £323,341 (2013 profit before tax of £391,415) in the reporting period.

The directors have prepared a cash flow forecast for the 12 months to 31 March 2016. Having considered all known costs, 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.

In light of this and after taking into account all information that could reasonably be expected to be available, the directors are confident that the Company will remain in operational existence for the foreseeable future and that the going concern basis of preparation is appropriate to the Company's financial statements.

1.3 Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and all its subsidiary undertakings as at 30 September 2014. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, contingent consideration and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the acquisition date.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

The Company has applied the exemptions under s408 of the Companies Act 2006 to not prepare a Company income statement. The result for the year of the company was a loss of £638,130 (2013: profit of £245,806).

The following subsidiaries were sold during the year and consolidated up to date of sale:

SDS Group Limited	22 May 2014
International Glass Solutions LLC	17 July 2014
Pentagon Protection Global Limited	17 July 2014

2. (LOSS)/EARNINGS PER SHARE

The calculations of (loss)/earnings per share are based on the following (losses)/profits and number of shares.

	2014		2013	
	Basic	Diluted	Basic	Diluted
(Loss)/Profit for the financial year	(323,341)	(323,341)	389,527	389,527
Weighted average number of shares for basic and diluted (loss)/earnings per share	101,994,855	101,999,399	11,133,908	11,138,452

In accordance with the provisions of IAS33 in 2014 and 2013 shares under option were not regarded as dilutive in calculating diluted earnings per share.

3. SHARE CAPITAL

	2014	2013
	£	£
Issued and fully paid		
As at 1 October 2013 (11,133,908 Ordinary shares of 1p each)	905,065	905,065
Issue of 90,860,947 (2013: Nil) ordinary shares of 1p each	908,610	-
At 30 September 2014 (101,994,855 Ordinary shares of 1p each)	1,813,675	905,065
The company has the following classes of share capital		
Ordinary shares (101,994,855 (2013:11,133,908) shares of 1p each)	1,019,949	111,339
Deferred shares (8,819,181 shares of 9p each)	793,726	793,726
	1,813,675	905,065

Share transaction history

During the prior year there were no share transactions. During the year 2014 the following share transactions took place.

Quantity of

	1p shares	Value
11 July 2014	90,860,947	908,610

Warrants

During the year warrants were granted as follows:

date	Type	Number	Exercise price	Expiry
2017	Placing	warrants 20,900,951	1.3p	15 July
2019	Broker	Warrants 3,059,846	1.3p	15 July
2017	Director	Warrants 5,000,000	1.3p	15 July

The Ordinary shares have full voting rights, priority dividend rights and priority in the case of winding up.

The Deferred shares have no voting rights and shareholders are not entitled to any dividend, and only received the nominal amount paid up on their share after there shall have been distributed £1,000,000 to the holders of the Ordinary shares. The Deferred shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company.

4. RELATED PARTY DISCLOSURES

As well as remuneration of directors, the following transactions fall within the scope of IAS 24 Related Party Disclosures.

As at 30 September 2014, the Group owed Haytham ElZayn, the former Chairman £Nil (2013 £337,888) in the form of a working capital loan. The loan bears interest at 3% over The Royal Bank of Scotland Plc's base rate and was secured during the previous year by a debenture and share charge over the investments of the Company, and any income and other rights relating to such investments. The interest paid on this loan during the year was £Nil (2013: £7,864).

At 30 September 2014 the company owed £Nil (2013: £3,960) to Service Group Distribution, a company owned by Haytham ElZayn.

As approved at the EGM in July 2014, and under the sales and purchase agreement dated 17 July 2014 Haytham ElZayn took over the trading business of the group in full and final settlement of the loans provided by him.

During the year Sports Resource Group Limited, a company controlled by Chris Akers who is a significant shareholder in Yolo Leisure and Technology Plc was paid £94,343 for corporate services relating to the new share issue.

Simon Robinson's director's fees of £5,000 were paid to Positive Thoughts Limited, a company controlled by him.

Sohail Bhatti's director's fees of £5,000 were paid to Woodhouse Price Limited, a company controlled by him.

5. POST BALANCE SHEET EVENTS

Exercise of warrants:

On 16 December 2014 warrants were exercised for a total of 3,557,692 ordinary shares of 1p each for an exercise price of 1.3p.

Investments:

On 17 December 2014 the Company acquired 2.27% holding in GFinity, an e-gaming business, for a consideration of £300,000. The investment was made pursuant to, and on the same terms as, a placing by GFinity share to AIM.

On 23 January 2015 the Company increased its holding in Gfinity to 2.75% by acquiring further shares for a consideration of £64,314.

On 4 February 2015 the Company invested £550,000 in 5.1% of the equity of Simplestream Limited a company specialising in over the top television (OTT) services.

On 23 February the Company acquired 2,500,000 shares in Audioboom Plc for a consideration of £245,488.18.

Further details of these investments are given in the Chairman's statement set out above.

Issue of shares:

On 28 January 2015 the Company issued 32,000,000 ordinary shares of 1p each at a price of 1.8p to raise £576,000. The Company also issued 8,000,000 subscriber warrants for new ordinary shares at an exercise price of 1.8p.