sabien managingcarbon through energy reduction

25 February 2010

Sabien Technology Group Plc
("Sabien")

Unaudited Interim Results for the period to 31 December 2009

Sabien Technology Group (AIM: SNT), the manufacturer of the patented M2G energy saving devices, announces its interim results for the six month period ended 31 December 2009:

Highlights in the period

- Sales up 25% to £438k (£351k in 1st half 2008/9)
- Loss before tax down 57% to £213k (£497k in 1st half 2008/9)
- £590k of sales orders already achieved in the first 6 months of this financial year; this equates to 87% of 2008/9 full year revenue.
- £218k orders received since 1 January 2010 giving total orders received for year to date of £808k which compares with 2008/9 full year revenue of £675k
- New orders for M2G received from Vodafone, British Telecom and Lloyds Banking Group for a total of £338k, of which £170k has been reflected in revenue for the period
- Loan from General Capital Venture Finance repaid
- Placing of 4,916,000 ordinary shares at a price of 30p per share raising £1.475m
- Cash at the end of the period was £1,069k (£525k at 30 June 2009)
- Further alliances with large facilities management companies entered into

Commenting on the results Dr Clive Morton, Chairman, and Alan O'Brien, Chief Executive Officer of Sabien said:

" With strong customer demand for our M2G technology, which is reflected in a significant year on year increase in sales quotations and a steadily increasing order book, we are confident that the Group is in a strong position to capitalise on the benefits that M2G brings to its customers.

Whilst we undertake our commercial activities, the Group continues to exercise strong cash management. We anticipate the next six months to be yet another critical period of transition as we begin to realise significant sales from our past and current P10 programs.

We are very pleased with the progress the Group has made over the last six months which has been characterised by a significant level of quotations being made by the company which in turn has led to orders. Over the next six months the key priorities are to achieve increased sales of M2G by converting the quotations made into orders and sales and to execute further P10 programmes with well known UK multi-site organisations. The Board is confident that the Group will continue to deliver during the second half of the year and move towards break-even."

For further information:
Sabien Technology Group plc 020 7993 3700
Alan O'Brien - Chief Executive Officer
Gus Orchard - Finance Director

Arbuthnot Securities 020 7012 2000
Antonio Bossi

About Sabien
Sabien was set up in 2004 to commercialise M2G, an energy saving technology which reduces gas consumption used in commercial boilers. In September 2007, Sabien launched M3G which reduces electricity consumption in commercial air-conditioning units. Both M2G and M3G are proven to reduce carbon and energy consumption by up to 35% with typical payback of under two years.

Chairman's and Chief Executive Officer's report

Market

The blue chip client orders and the investment in developing the Sabien brand have resulted in Sabien being recognised as the UK's leading provider of boiler energy efficiency technology. We have already achieved 87% of last year's total revenue in sales orders in the first 6 months of this financial year and, with the strong sales pipeline, we expect to generate significant orders for the remaining 6 months of this year and into 2010/11. At the date of this report, orders received in the year to date amount to £808k which compares with last year's revenue of £675k.

The pressures on organisations to improve their environmental profile is increasing and the challenge now is for them to implement commercially viable technology as a means of reducing CO2 emissions. 2009 was a challenging time for many UK organisations and the repercussions are still being felt in 2010. The need for organisations to achieve financial savings has increased and reducing energy costs is a prime area of focus.

Although the Copenhagen summit did not deliver global agreements, many of the world's leaders committed to CO2 reductions with the UK being one of the leaders in developing a low carbon economy and encouraging energy reduction within industry and commerce.

In April this year, we will see the launch of the Carbon Reduction Commitment – Energy Efficiency Scheme (CRC). It is estimated that some 5,000 organisations will fall under this scheme. A cap and trade scheme is being introduced which will place financial penalties on poorly performing organisations i.e. those that do not achieve the required carbon reductions. In the last 18 months, organisations have been restructuring to meet the challenge that the CRC poses. The measurement of base-line energy consumption levels (via investment in and installation of automated meters), against which to benchmark any future savings, has been a key priority before rolling out energy efficiency technology.

Organisations involved in the initial pilots of Sabien's M2G have used this opportunity to gauge what savings can be achieved and the benefits of mitigating the effect of the CRC. Among those now beginning to roll out M2G are large organisations such as Lloyds Banking Group and BT. The increased focus within the public sector has also resulted in many central and local government departments piloting M2G and we expect significant revenues from these throughout 2010 and beyond as estate rollouts commence.

Energy prices still remain volatile. In the last 12 months, gas prices dropped significantly as a result of the UK's oversupply of gas and the reduction in manufacturing as a consequence of the recession. However, with the recent cold weather, prices on the spot market have increased significantly adding to pressures on organisations to reduce costs.

Operations

Project 10 - piloting M2G:
When we launched Project 10 in 2007, we realised the need for organisations to verify the energy savings of M2G before they would consider an estate-wide roll out. This approach was similar to that adopted by other providers of energy efficiency technology. As a consequence we have developed a measurement and monitoring package which has become recognised in the industry as being first in its class. These pilots have enabled us to build a list of clients that have begun, or are in the process of, rolling out M2G across their estates and we expect significant revenues to be achieved in 2010 and beyond as a result.

USA:
Our US distributor, Greffen Systems, continues to pilot M2G to large multi-site organisations and is confident of obtaining sizeable orders over the next 12 months.

Indirect Channels:
Our alliance partnership program is consistent with one of our long-term growth strategies which is to form alliances with companies that have complementary client databases.

Since signing alliance agreements with **Serco, Jones Lang LaSalle, British Gas** and **Balfour Beatty**, training and processes have been put in place to enable sales of M2G to their clients. During the last year, many of our partners have restructured their organisations as they addressed the impacts of the recession and in preparation for the growing demand for energy services from their clients. We have begun to generate revenues from our partners and expect them to grow significantly as the market demand increases for energy efficiency. We also expect further new partners to come on board during 2010.

Current Trading

In the first half of the current financial year, Vodafone, British Telecom and Lloyds Banking Group, which had previously piloted M2G, moved to first stage roll-out to their estates. Initial contracts with a total value of £338k were placed with the Group, of which £170k is included in revenue for the period and we are currently in discussion with these clients about further roll-outs in the coming months. Piloting to new clients still continues to form an essential part of the Group's offering and we are fully subscribed with pilots for the current heating season as well as beginning to be subscribed for the next heating season starting in October 2010.

The last six months has seen a significant increase in the level of quotations being made by the Group which in turn has led to orders. Over the next six months the key priorities are to achieve increased sales of M2G by converting the quotations made into orders and sales and to execute further P10 programmes with well known UK multi-site organisations.

Cash
At 31 December, the Group had cash in hand of £1,069k.

Dr Clive Morton and Alan O'Brien

Sabien Technology Group Plc

Unaudited Condensed Consolidated Statement of Comprehensive Income for the period ended 31 December 2009

	Notes	6 months to 31 December 2009 Unaudited £'000	6 months to 31 December 2008 Unaudited £'000	Year to 30 June 2009 Audited £'000
Revenue		438	351	675
Cost of Sales		(66)	(80)	(102)
Gross Profit		372	271	573
Administrative expenses		(695)	(752)	(1,379)
Operating Loss		**(323)**	**(481)**	**(806)**
Investment revenues		1	24	26
Other gains and losses	2	121	-	-
Finance costs		(12)	(40)	(45)
Loss before tax		(213)	(497)	(825)
Corporation tax		-	-	-
Loss for the period attributable to equity holders of the parent company		**(213)**	**(497)**	**(825)**
Other comprehensive income		**-**	**-**	**-**
Transfer from Shares to be issued		18	-	-
Other comprehensive income for the period		**18**	**-**	**-**
Total comprehensive income for the period		**(195)**	**(497)**	**(825)**
Loss per share in pence – basic and diluted	4	(0.8p)	(1.9p)	(3.1p)

Sabien Technology Group Plc

Unaudited Condensed Group Balance Sheet as at 31 December 2009

	Notes	31 December 2009	31 December 2008 (as restated)	30 June 2009
		Unaudited	Unaudited	Audited
		£'000	£'000	£'000
ASSETS				
Non-current assets				
Property, plant and equipment		24	39	34
Other intangible assets		839	987	864
		863	1,026	898
Current assets				
Inventories		167	157	137
Trade receivables		268	152	118
Other current assets		22	27	44
Cash and cash equivalents		1,069	876	525
		1,526	1,212	824
Total Assets		2,389	2,238	1,722
Current liabilities				
Trade and other payables		93	106	35
Short term borrowings	6	-	467	-
Short term provisions		64	86	574
Total current liabilities		157	659	609
Non-current liabilities				
Long-term provisions		184	373	222
Total non-current liabilities		184	373	222
Total Liabilities		341	1,032	831
Net assets		2,048	1,206	891
SHAREHOLDERS' EQUITY				
Share capital	7	1,574	1,329	1,329
Other reserves		2,756	1,636	1,649
Retained earnings/(losses)		(2,282)	(1,759)	(2,087)
Total equity		2,048	1,206	891

Sabien Technology Group Plc

Unaudited Condensed Group Cash Flow Statement for the period ended 31 December 2009

	6 months To 31 December 2009 Unaudited £'000	6 months To 31 December 2008 Unaudited £'000	Year To 30 June 2009 Audited £'000
Cash flows from operating activities			
Loss before taxation	(213)	(497)	(825)
Adjustments for:			
Depreciation and amortisation	35	50	40
Impairment provision	-	-	288
Reduction in long term provisions	-	-	(287)
Finance income	-	(24)	(26)
Finance expense	12	40	45
Transfers to/(from) equity reserves	(29)	14	27
(Increase)/decrease in trade and other receivables	(128)	30	47
(Increase)/decrease in inventories	(30)	(36)	(16)
Increase/(decrease) in trade and other payables	58	33	450
Increase/(decrease) in short term borrowings	(513)	451	-
Cash generated from operations	(808)	61	(257)
Interest paid	(7)	-	-
Net cash (outflow)/inflow from operating activities	(815)	61	(257)
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets	-	(1)	(4)
Finance income	-	24	26
Net cash generated by/(used in) investing activities	-	23	22
Cash flows from financing activities			
Proceeds from share issue	1,399	-	-
(Repayment of) long term borrowings	(40)	(482)	(514)
Net cash from financing activities	1,359	(482)	(514)
Net (decrease)/increase in cash and cash equivalents	544	(398)	(749)
Cash and cash equivalents at beginning of period	525	1,274	1,274
Cash and cash equivalents at end of period	1,069	876	525

Sabien Technology Group Plc

Unaudited Condensed Group Statement of Changes in Equity as at 31 December 2009

	Share Capital	Share Premium	Merger Reserve	Shares to be issued	Share based payment reserve	Retained Earnings	Total Equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 July 2008 (as previously reported)	**1,329**	**2,268**	**(771)**	**92**	**33**	**(1,630)**	**1,321**
Prior year adjustments (note 3)	-	-	-	-	-	368	368
Balance at 1 July 2008 (as restated)	**1,329**	**2,268**	**(771)**	**92**	**33**	**(1,262)**	**1,689**
Loss for the period 1 July 2008 to 31 December 2008	**-**	**-**	**-**	**-**	**-**	**(497)**	**(497)**
Employee share option scheme – value of services provided	-	-	-	-	14	-	14
Balance at 31 December 2008 (as previously reported)	**1,329**	**2,268**	**(771)**	**92**	**47**	**(2,127)**	**838**
Prior year adjustments (note 3)	-	-	-	-	-	368	368
Balance at 31 December 2008 (as restated)	**1,329**	**2,268**	**(771)**	**92**	**47**	**(1,759)**	**1,206**
Loss for the period 1 January 2009 to 30 June 2009	-	-	-	-	-	(328)	(328)
Employee share option scheme – value of services provided	-	-	-	-	13	-	13
Balance at 30 June 2009	**1,329**	**2,268**	**(771)**	**92**	**60**	**(2,087)**	**891**
Loss for the period 1 July 2009 to 31 December 2009	-	-	-	-	-	(213)	(195)
Issue of share capital (net of expenses)	245	1,154	-	-	-	-	1,399
Debit to equity for reduction in Shares to be Issued	-	-	-	(36)	-	-	(36)
Transfer to other comprehensive income	-	-	-	(18)	-	18	-
Employee share option scheme – value of services provided	-	-	-	-	7	-	7
Balance at 31 December 2009	**1,574**	**3,422**	**(771)**	**38**	**67**	**(2,282)**	**2,048**

Notes to the Financial Statements for the period ended 31 December 2009

1. Accounting policies

The interim financial information has not been audited or reviewed by the auditors and does not constitute statutory accounts for the purpose of Sections 434 and 435 of the Companies Act 2006.

The financial information in this document has been prepared using accounting principles generally accepted under International Financial Reporting Standards and is consistent with those used in the preparation of the most recent annual financial statements.

The following significant principal accounting policies have been used consistently in the preparation of the consolidated financial information of the Group. The consolidated information comprises the Company and its subsidiaries (together referred to as "the Group").

a) **Basis of Preparation**: The financial information in this document has been prepared using accounting principles generally accepted under International Financial Reporting Standards ("IFRS"), as adopted by the European Union.

The directors expect to apply these accounting policies which are consistent with International Financial Reporting Standards in the Group's Annual Report and Financial Statements for all future reporting.

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future and have accordingly prepared these financial statements on a going concern basis.

The consolidated financial statements have been prepared on the historical cost basis and are presented in £'000 unless otherwise stated.

b) **Basis of consolidation**: The consolidated balance sheet and statement of comprehensive income includes the financial statements of the Company and its subsidiaries at 31 December 2009. The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December 2009. 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.

Except as noted below, the financial information of subsidiaries is included in the consolidated financial statements using the acquisition method of accounting. On the date of acquisition the assets and liabilities of the relevant subsidiaries are measured at their fair values.

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

Accounting for the Company's acquisition of the controlling interest in Sabien Technology Limited: The Company's controlling interest in its directly held subsidiary, Sabien Technology Limited, was acquired through a transaction under common control, as defined in IFRS 3 Business Combinations. The directors note that transactions under common control are outside the scope of IFRS 3 and that there is no guidance elsewhere in IFRS covering such transactions.

IFRS contain specific guidance to be followed where a transaction falls outside the scope of IFRS. This guidance is included at paragraphs 10 to 12 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. This requires, inter alia, that where IFRS does not include guidance for a particular issue, the directors may also consider the most recent pronouncements of other standard setting bodies that use a similar conceptual framework to develop accounting standards. In this regard, it is noted that the UK standard FRS 6 addresses the question of business combinations under common control.

In contrast to IFRS 3, FRS 6 sets out accounting guidance for transactions under common control. The guidance contained in FRS 6 indicates that merger accounting may be used when accounting for transactions under common control.

Having considered the requirements of IAS 8, and the guidance included in FRS 6, it is considered appropriate to use a form of accounting which is similar to pooling of interest when dealing with the transaction in which the Company acquired its controlling interest in Sabien Technology Limited.

In consequence, the Consolidated Financial Statements for Sabien Technology Group Plc report the result of operations for the year as though the acquisition of its controlling interest through a transaction under common control had occurred at 1 October 2005. The effect of intercompany transactions has been eliminated in determining the results of operations for the year prior to acquisition of the controlling interest, meaning that those results are on substantially the same basis as the results of operations for the year after the acquisition of the controlling interest.

Similarly, the consolidated balance sheet and other financial information have been presented as though the assets and liabilities of the combining entities had been transferred at 1 October 2005.

The Group has taken advantage of section 131 of the Companies Act 1985 and sections 612 and 613 of the Companies Act 2006 and has debited the difference arising on the merger with Sabien Technology Limited to a merger reserve.

c) **Property, plant and equipment**: Property, plant and equipment are stated at cost less accumulated depreciation. Assets are written off on a straight-line basis over their estimated useful life commencing when the asset is brought into use. The useful lives of the assets held by the Group are considered to be as follows:

Office equipment, fixtures and fittings	4 years

d) **Intangible assets**: Intellectual property, which is controlled through custody of legal rights and could be sold separately from the rest of the business, is capitalised where fair values can be reliably measured.

Intellectual property is amortised on a straight line basis evenly over its expected useful life of 20 years.

Impairment tests on the carrying value of intangible assets are undertaken:

- At the end of the first full financial year following acquisition
- In other periods if events or changes in circumstances indicate that the carrying value may not be fully recoverable.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of the fair value, less costs to sell, and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only in so far that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in income immediately.

e) **Fixed asset investments**: Fixed asset investments are stated at cost less any provision for impairment in value.

f) **Deferred consideration**: Deferred consideration is discounted from the anticipated settlement date at the Group's weighted average cost of capital.

g) **Inventories:** Inventories are valued at the lower of average cost and net realisable value.

h) **Financial Instruments**

Financial Assets

The Group classifies its financial assets as loans and receivables and cash. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

Financial Liabilities

The Group has two categories of financial liabilities which are trade payables and other short term monetary liabilities and compound financial instruments (see note k below). Trade payables and other short term monetary liabilities are recorded initially at their fair value and subsequently at amortised cost. They are classified as non-current when the payment falls due greater than 12 months after the balance sheet date.

i) **Trade Receivables**

Trade receivables are recognised at fair value less provision for impairment. Trade receivables, with standard payment terms of between 30 to 65 days, are recognised and carried at the lower of their original invoiced and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision is made when there is objective guidance that the Group will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

j) **Cash and Cash Equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

k) **Compound financial instruments**

Compound financial instruments issued by the Group comprise convertible loan notes. The liability component of the instrument is initially recorded at the fair value of a similar instrument which does not have an equity component. The difference between the net proceeds and the fair value is recorded as the equity component and recognised directly in equity. Subsequent to initial recognition, the liability component is measured at amortised cost using the effective interest method and the amortisation charge arising recorded in the statement of comprehensive income for the period.

l) **Trade payables**: Trade payables are recognised at fair value.

m) **Revenue recognition**: Revenue is recognised upon delivery of goods and services supplied by the Group. Delivery is deemed to have occurred upon delivery of goods either to a customer site or to a customer's incumbent facilities manager. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the group.

Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable.

n) **Share-based payments**: The Group has applied the requirements of IFRS2 Share-based Payments. The Group issues options to certain employees. These options are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period based on the Group's estimate of the shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

Fair value is measured by use of the Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural conditions.

The group has also applied the requirements of IFRS2 to the measurement of fair value of warrants granted.

o) **Operating leases**: Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of comprehensive income on the straight line basis over the lease term.

p) **Taxation**: The charge for current tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interest in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the rates that are expected to apply when the asset or liability is settled. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

q) **Standards, amendment and interpretations effective in 2009**
The Company has adopted the following new and amended IFRS and IFRIC interpretations during the period:

IAS 1 (revised), Presentation of Financial Statements (effective from 1 January 2009)
IAS 23 (Amendment), 'Borrowing Costs' (effective from 1 January 2009);
IAS 27 'Consolidated and separate financial statements (effective from 1 July 2009)
IFRS 8, 'Operating Segments' (effective from 1 January 2009);
IFRS 3 (revised), Business Combination (effective from 1 July 2009).

2. Other gains and losses

	6 months to 31 December 2009 £'000	6 months to 31 December 2008 £'000	Year to 30 June 2009 £'000
Profit on early repayment of short term borrowings	159	-	-
Charge in respect of warrants granted	(38)	-	-
Total other gains	**121**	**-**	**-**

The profit on early repayment of short term borrowings arose from the repayment of the loan from General Capital Venture Finance. On 7 August 2009, the Company entered into an arrangement with TVI 2 Limited ("TV2") and General Capital Venture Finance Limited ("GCVF") whereby TV2 advanced the Company £400k which was used to repay with GCVF's agreement their loan of £500k, which had been scheduled for repayment in December 2009. The gain on repayment includes a credit of £73k in respect of Shares to be Issued and £86k in respect of the difference between the notional amount of the loan (£486k) and the amount repaid (£400k).

The charge in respect of warrants granted represents the notional IFRS2 charge to income in respect of the granting of 1,518,356 warrants to TVI 2 Limited. These warrants are exercisable as to 75% from 7 February 2010 and the remaining 25% from 7 May 2010 at a price of 6.42p each.

3. Prior year adjustment

The prior year adjustment arose as a result of a recalculation of amortisation and interest charges which should have been processed in the year to 30 June 2008 as a result of the impairment review carried out at that date.

4. Loss per share (EPS)

The calculation of the basic loss per share is based on the earnings attributable to the ordinary shareholders, divided by the weighted average number of shares in issue in the period.

Due to the loss incurred in the period under review, the dilutive securities have no effect as at 31 December 2009.

	6 months to 31 December 2009	6 months to 31 December 2008	Year to 30 June 2009
	£'000	£'000	£'000
Loss for the period	(213)	(497)	(825)
Weighted average number of shares in issue	27,975,082	26,570,511	26,570,511
Loss per share - basic	(0.8p)	(1.9p)	(3.1p)

5. Short term borrowings

As noted above, the Company entered into an arrangement with TVI 2 Limited ("TV2") and General Capital Venture Finance Limited ("GCVF") whereby TV2 advanced the Company £400k which was used to repay with GCVF's agreement their loan of £500k, which had been scheduled for repayment in December 2009. The loan from TV2 was repayable in 2 years and bore interest at 8% p.a.. This loan was repaid in full on 26 October 2009.

6. Share capital

The Company's authorised and issued ordinary share capital, at the date of this Balance Sheet is:

	Amount	Number of Ordinary Shares
Authorised	£2,500,000	50,000,000
Issued and fully paid:		
At 31 December 2009	£1,574,326	31,486,511
At 31 December 2008 and 30 June 2009	£1,328,526	26,570,511

On 14 October 2009, the Company announced that it had raised £1.475m before costs by way of a placing agreement with shareholders. 4,916,000 ordinary shares of 5p were issued at a price of 30p.

7. Seasonality

The business of the Group is not seasonal and there are no substantial and recurring variations between the results in the first half-yearly period compared to the second half-year.