

ANGLE plc

Preliminary Results for the year ended 30 April 2009

Strong profitability in the Management services business

ANGLE plc ('ANGLE' or the 'Company'), the international venture management company focusing on the commercialisation of technology and the development of technology-based industry, today announces preliminary results for the year ended 30 April 2009.

Financial Highlights

- ◆ Revenues increased by 31% to £5.1 million (2008: £3.9 million)
- ◆ Profit before tax from Management services increased by 41% to £1.6 million (2008: £1.1 million)
- ◆ Operating costs to manage and develop the portfolio reduced by 44% to £0.9 million (2008: £1.6 million)
- ◆ Planned expenditure on controlled investments reduced to £1.1 million (2008: £2.3 million)
- ◆ Fair value of investment portfolio on the balance sheet reduced to £4.4 million to reflect adverse market conditions (30 April 2008: £7.3 million)
- ◆ Resultant loss before tax £3.4 million (2008: profit £1.1 million)
- ◆ Cash balance at 30 April 2009 in line with expectation at £0.3 million (31 October 2008: £0.4 million; 30 April 2008: £1.0 million)

Operational Highlights

Management services

- ◆ Successful completion in March 2009 of five year contract to develop the highly successful Qatar Science & Technology Park
- ◆ Continued progress in winning significant cash generative management contracts:
 - London Development Agency expanded to £5.4 million over three years
 - Carbon Trust contract renewal worth up to £1.4 million over three years, agreed after the year end
 - London Manufacturing Advisory Services contract worth an estimated £0.7 million over three years, agreed after the year end
- ◆ Significant business development in the Middle East with strong growth prospects developing

Portfolio

- ◆ Investment portfolio substantially cash independent of ANGLE
- ◆ Corporate deal for Novocellus (IVF embryo viability) with Origio (formerly MediCult)
- ◆ Parsortix world break-through by isolating foetal cells in maternal blood

Group

- ◆ Group cash generative prior to discretionary expenditure on investment portfolio

Garth Selvey, Chairman, commented:

"ANGLE is successfully reshaping its Management services business and has done much to protect its portfolio against clearly adverse market conditions and increased risks. The outlook is challenging but the potential for success remains."

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Notes to Editors

Founded in 1994, ANGLE is an international venture management company focusing on the commercialisation of technology and the development of technology-based industry. ANGLE creates, develops and advises technology businesses on its own behalf and for its clients.

ANGLE's specialist Management services business provides support on a fee-for-service basis to major clients around the world involved in incubation, IP commercialisation, SME innovation and growth and the operation of science & technology parks.

ANGLE also owns a portfolio of companies with high growth potential in the medical and technology sectors in both the UK and the US. These have been developed whilst subsidiaries of ANGLE using its proprietary Progeny® process. ANGLE seeks to retain a substantial shareholding in these companies with a view to ongoing returns from dividend, milestone, royalty and capital returns.

ANGLE's venture management and technology commercialisation skills are of increasing relevance as global economies focus on regeneration, innovation and value added components to their industries. ANGLE's technology skills in IT and software, medical and life sciences, clean tech and renewable energies are directly relevant to major growth markets of the future and are marketed as specialised Management services.

ANGLE is quoted on AIM (AGL.L); further information can be found on www.ANGLEplc.com

CHAIRMAN'S STATEMENT

Introduction

ANGLE has continued to make progress during a difficult economic period.

Cash remains well managed; the growth rate in the ongoing Management services business, excluding the now completed Qatar contract, is high; an extensive Middle East prospect list has been developed; and much has been done to protect the potential of the portfolio companies.

Equally, cash remains tight; large management services contracts take time to win; funding and exit opportunities have reduced for portfolio companies, revenue development within those companies has slowed and valuations have consequently been reduced.

ANGLE is successfully reshaping its Management services business and has done much to protect its portfolio against clearly adverse market conditions and increased risks. The outlook is challenging but the potential for success remains.

Results

I am pleased to report strong profitability in the Management services business for the year ended 30 April 2009 with sharply increased revenues and profits. Profit before tax from Management services increased by 41% to £1.6 million (2008: £1.1 million) after all costs.

This profit was offset by the costs of operating, managing and developing the portfolio, which reduced by 44% to £0.9 million (2008: £1.6 million) and by planned expenditure on the controlled investments, which was down 52% at £1.1 million (2008: £2.3 million).

The fair value of the investment portfolio was written down by £2.9 million during the year (2008: write up £3.9 million) to reflect concerns as to how the recession will affect the prospects for these businesses.

After these provisions, the loss before tax was £3.4 million (2008: profit £1.1 million).

Overheads have been substantially reduced across the business and during the year operating profits substantially exceeded operating costs prior to discretionary expenditure on controlled investments.

Management services

ANGLE's Management services business is cash generative and has continued to grow profitably with revenues up 28% at £4.9 million (2008: £3.8 million). The business has thus far proved resilient in current economic conditions as a result of its specialist areas of activity and the long term contracts under which it operates.

Portfolio companies

ANGLE has continued to tighten its focus on its existing portfolio of investments, with increasing emphasis on its leading investments. ANGLE continues to retain large equity stakes in a small number of portfolio companies with high growth potential and, because of its high level of ownership is able to control and manage these investments to maximise the eventual return to ANGLE shareholders. ANGLE has holdings ranging from 47% to 82% in its leading investments.

ANGLE's controlled investments are consolidated so that their fair value is not included in the

investment portfolio fair value on the balance sheet and their operating costs are expensed in the results.

During the year, Novocellus, ANGLE's 82%-owned IVF embryo viability subsidiary completed a corporate deal with Origio a/s (formerly known as MediCult a/s). This deal has the potential to deliver substantial returns to ANGLE from milestone payments and royalties for many years.

The adverse market conditions have resulted in a severe lack of funding for venture capital investment on reasonable terms. ANGLE has therefore focused its portfolio companies on revenue generation, cost containment and corporate deals.

Cashflow

Cash was carefully managed during the year and at £0.3 million at 30 April 2009 is in line with management expectations, slightly reduced from the position at 31 October 2008. The reduction in cash since 1 May 2008 was as a result of discretionary investment expenditure on our controlled investments.

The profit before tax generated during the year by the Management services business of £1.6 million (2008: £1.1 million) substantially exceeded the Ventures and all other cash operating costs of the business for the year of £0.8 million (2008: £1.4 million) leaving the surplus available for discretionary expenditure on controlled investments.

With a modest level of new sales and continuing strong management of overheads, the cash generated by the Management services business is expected to more than cover the costs of managing the portfolio thus allowing ANGLE to take the time necessary to maximise the value of its investments.

Outlook

ANGLE is seeking to grow its specialist Management services business further and has strengthened its business development activities in the Middle East with that in mind. It will also retain and manage its investments in the portfolio of substantially cash independent companies which ANGLE has founded and developed. The medium term business plan envisages growing trading profits from Management services enhanced by returns from dividend, milestone payments, royalties and capital returns from its investments.

ANGLE's venture management and technology commercialisation skills are marketable and of increasing relevance as global economies focus on regeneration, innovation and value added components to their industries. ANGLE's technology skills in IT and software, medical and life sciences, clean tech and renewable energies are directly relevant to major growth markets of the future.

The substantial efforts involved during the year to deliver strong profitability in the Management services business and encouraging progress in the portfolio companies reflect the hard work of ANGLE's staff and the Board thanks them sincerely for their continuing efforts.

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Garth Selvey
Chairman
23 July 2009

CHIEF EXECUTIVE'S STATEMENT

Introduction

The year ended 30 April 2009 has been a year of continued execution of our established strategy to build the cash generative Management services business as a strong platform for the future. Costs have been reduced, revenues increased and portfolio companies have been progressed against key milestones.

Management services

ANGLE's specialist Management services business has continued to grow year-on-year. Revenues increased 28% during the year to £4.9 million (2008: £3.8 million) and net profit before tax for this business was 41% higher at £1.6 million (2008: £1.1 million). These results reflect the Company's success in generating new and additional business to replace revenues from the Qatar contract, which was completed in March 2009.

Successful completion of ANGLE's five year contract to develop the Qatar Science & Technology Park (QSTP) was a highlight of the year. The QSTP project was the largest of its kind in the world in recent times, with the first phase development costing in excess of US\$600 million. Under ANGLE's management, QSTP has developed a world class physical infrastructure and environment for technology development and R&D and has attracted some of the world's leading companies including Chevron, Cisco, ConocoPhillips, EADS, ExxonMobil, GE, Hydro, Microsoft, Shell, Tata and Total as well as leading early stage technology companies.

Excluding the QSTP contract, during the year the revenues of the Management services business grew 60% to £3.2 million. ANGLE has secured new long term contracts including:

- ♦ the London Development Agency's Knowledge Connect Programme was expanded to £5.4 million over three years;
- ♦ Carbon Trust contract renewal worth up to £1.4 million over three years, agreed after the year end;
- ♦ London Manufacturing Advisory Services contract worth an estimated £0.7 million over three years, agreed after the year end.

ANGLE's Management services business is focused on long term management contracts, typically of three years or more in duration, and this gives good visibility on future revenues.

Technology based economic development is critical to the future of many economies. In the current economic conditions, Governments are seeking to expand their activities in ANGLE's core areas of activity including incubation, innovation, support for SMEs (small and medium sized enterprises) and developing the knowledge-based economy.

The sold order book for the next three years is solid at £4.8 million at 30 June 2009 (30 April 2008: £5.1 million) and there are major efforts under way to build new business notably in the Middle East.

Portfolio value

ANGLE's portfolio of investments comprises both non-controlled investments and controlled

investments.

The non-controlled investments are held on the balance sheet at a fair value of £4.4 million (30 April 2008: £7.3 million). The Board has taken a robust view of fair values reflecting very difficult economic conditions and in particular the need to mark to market, an extremely difficult fund raising and exit environment and uncertainties as to how businesses will be able to develop in the present climate.

Non-controlled investments

Provexis, which is quoted on AIM, completed a £2.5 million equity placing during the year. ANGLE reduced its holding during the year, releasing cash for investment in other portfolio companies and at 30 April held shares to the value of £0.5 million. Since the year end, the value of Provexis has risen following its announcement of successful European Health Claim Adoption for the Company's Fruitflow® anti-thrombotic technology by the European Food Safety Authority ("EFSA").

The deferred consideration due in respect of the sale of the investment in **Acolyte Biomedica** (medical diagnostics / MRSA detection) is subject to dispute between the former Acolyte shareholders and the purchaser. Legal advice has been received that the former Acolyte shareholders have a strong case although the matter will take some time to resolve. ANGLE has adopted a strategy to ensure it will not be exposed to significant legal costs in this matter.

Geomerics (computer games middleware), in which ANGLE holds 47%, has completed its product development and is building a pipeline of customers for its Enlighten product. The strength of the product offering has been demonstrated through sales to Electronic Arts (DICE), CCP, Zombie and FunCom, and there is now corporate interest from Intel, nVidia, AMD and Autodesk amongst others.

NeuroTargets (neuropathic pain), in which ANGLE has a 25% stake, has licensed its intellectual property in relation to neuropathic pain therapeutic molecules to the University of Bristol, who have used that background IP to successfully raise further funds to advance the galanin programme.

Controlled investments

Controlled investments are consolidated as subsidiaries and are not shown at fair value on the balance sheet. Their value is excluded from the fair value of £4.4 million discussed above. During the year, a further £1.1 million was invested in these companies and expensed.

Novocellus (ANGLE's 82% subsidiary in medical diagnostics IVF embryo viability) completed a deal during the year with Origio a/s (formerly known as MediCult a/s) (OSE: ORO), a leader in Assisted Reproductive Technologies to acquire the patented, non-invasive embryo selection technology (EmbryoSure™) that Novocellus has developed. Origio's leading market position in global IVF gives access to the largest IVF customer base in the world for sale of the EmbryoSure product. The success based milestone and royalty arrangements provide ANGLE with the potential for exceptional returns on its investment.

Origio will fund and manage a 400 patient trial in a number of leading UK clinics to statistically validate the extent to which the use of EmbryoSure will increase the chances of

successful pregnancy compared to current visual techniques used to select the most viable embryo. Building on the work already undertaken by Novocellus, this trial is expected to take around twelve months to complete with the product being commercially launched by the end of 2010.

On successful completion of the trial demonstrating a significant uplift in clinical pregnancy rates, Origio will make milestone payments to Novocellus. In addition to milestone payments, Origio will make royalty payments to Novocellus on net sales of EmbryoSure products in countries in which patent protection exists, which as at the date of the agreement are Europe, USA, Japan, Canada, China, India and Australia.

In 2009, it is estimated that there will be over 1,000,000 cycles of IVF carried out globally, a figure that is growing at more than 4% a year. A single cycle of IVF costs between £4,000 and £8,000 in a UK private clinic according to the Human Fertilisation and Embryology Authority. Assuming the trial substantiates the increased pregnancy rates offered by EmbryoSure, Origio believes that EmbryoSure will be widely adopted and, by virtue of the increased success rates it offers, will justify a premium price.

Parsortix (ANGLE's 78% subsidiary in medical diagnostics / foetal cell capture) achieved a world break-through during the year by isolating foetal cells in maternal blood. Pregnant women have a very small number of their baby's cells circulating in their blood. There are thought to be at most one foetal cell in 500 million maternal cells. Parsortix has developed a patent protected micro fluidic device which, when 1.5 ml of the mother's blood is flowed through the device, can uniquely capture intact foetal cells for analysis. A number of multinationals have already expressed interest in Parsortix and ANGLE is exploring the potential for a corporate deal.

Early definitive diagnosis for chromosomal abnormalities associated with Down's, Turner and Klinefelter syndromes, as well as other disorders due to genetic abnormalities such as spina bifida, can help physicians better care for both the mother and the foetus during pregnancy. It also gives families earlier information with respect to the health of the unborn child and is increasingly important as the mother's average age increases.

At present, diagnosis is only possible through invasive procedures such as amniocentesis and chorionic villus sampling (CVS). These carry a risk to both the baby and the mother and as a result are limited only to high risk pregnancies. Parsortix's new device allows completely non-invasive testing of the unborn baby removing the risk and allowing diagnosis to be extended as a matter of course to all babies not just those known to be at high risk. The physical separation process used is simple and cost-effective. It requires no pre-treatment of the sample and no reagents.

Commercially, Parsortix's unique patented separation technique will reduce overall medical costs. In the high risk category, there are currently 375,000 tests per annum in the US market alone. With a non-invasive test, the market is likely to expand to cover lower risk patients with a theoretical maximum in the US market alone of 2.6 million tests per annum. Parsortix has the potential to secure a dominant position in this separation market. The current cost of the amniocentesis procedure in the US is around \$1,200.

ANGLE has secured strong corporate interest in Parsortix and is currently exploring corporate deals to bring this technology to market.

Aguru Images completed its first commercial contract successfully during the year with

deployment of its technology in Paramount's "GI Joe", but has since been severely frustrated in its sales process by the year-long actors' dispute and the threat of a Hollywood strike. Considerable progress was made towards a corporate deal and towards securing investment capital but in both cases the delay in securing sales made it impossible to complete these transactions. As a result of the exceptionally adverse trading conditions, the company now faces serious difficulties. This is very disappointing given the strength of the company's technology offering. The investment is held at nil value on ANGLE's balance sheet.

*Percentage shareholdings based on issued share capital as at 30 April 2009.

Outlook

The Management services business is well established and growing strongly. Growth prospects in the Middle East are promising and the Company is in discussions with a number of major new clients.

Lack of liquidity in the wider market has placed considerable stress on the Group but this is being managed proactively through the reduction in costs, building of revenues and securing corporate deals for the portfolio companies.

Cash balances are expected to remain tight for a period before growing with continued success in the Management services business.

In the future ANGLE may benefit from a range of cashflows including profits from the Management services business, capital gains from the sale of investments, dividends from trading investments, and returns from milestone payments from corporate partners and ongoing royalty payments.

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Andrew Newland
Chief Executive
23 July 2009

ANGLE PLC

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 30 APRIL 2009

	Not e	2009 £	2008 £
Revenue	5	5,064,381	3,873,477
Change in fair value	8	2,931,460)	,911,031
Operating costs			
anagement services		3,364,063)	2,732,866)
entures		880,052)	1,579,409)
ontrolled investments		1,082,145)	2,254,897)
hare based payments		185,599)	258,751)
estructuring charges		-	130,359
		<u>(5,511,859)</u>	<u>(6,695,564)</u>
Operating profit / (loss)		(3,378,938)	1,088,944
Finance income		13,940	49,524
Finance costs		<u>(286)</u>	<u>(17,751)</u>
Net finance income		13,654	31,773
Profit / (loss) before tax		(3,365,284)	1,120,717
Tax	6	(230,205)	89,199
Profit / (loss) for the year		<u>(3,595,489)</u>	<u>1,209,916</u>
Earnings / (loss) per share	7		
Basic and Diluted (pence per share)	(13. 42)	4.52	

All attributable to equity shareholders of the parent

All activity arose from continuing operations.

ANGLE PLC
CONSOLIDATED BALANCE SHEET
AS AT 30 APRIL 2009

	Not e	2009 £	2008 £
ASSETS			
Non-current assets			
on-controlled investments	8	,395,000	,373,504
ther receivables	8	,520,239	,902,724
roperty, plant and equipment		7,846	1,723
ntangible assets		<u>163,853</u>	<u>191,529</u>
Total non-current assets		<u>4,126,938</u>	<u>6,539,480</u>
Current assets			
on-controlled investments	8	99,165	,042,331
rade and other receivables		04,425	28,025
ash and cash equivalents		<u>319,819</u>	<u>970,197</u>
Total current assets		<u>1,323,409</u>	<u>2,640,553</u>
Total assets		<u>5,450,347</u>	<u>9,180,033</u>
EQUITY AND LIABILITIES			
Equity			
ssued capital		,713,293	,713,293
hare premium account		3,701,935	3,701,935
hare based payments reserve		,523,488	,522,429
ther reserves		,553,356	,553,356
ranslation reserve		320,881)	297,311)
etained earnings		16,008,032)	12,617,357)
SOT shares		342,115)	355,453)
Total equity attributable to equity holders of the parent		<u>3,821,044</u>	<u>7,220,892</u>
Liabilities			

Non-current liabilities

Controlled investments – convertible loans	<u>321,011</u>	<u>125,976</u>
Total non-current liabilities	<u>321,011</u>	<u>125,976</u>

Current liabilities

Trade and other payables	,065,274	,828,605
Taxation	43,018	
Obligations under finance leases	-	<u>4,560</u>
Total current liabilities	<u>1,308,292</u>	<u>1,833,165</u>
Total liabilities	1,629,303	1,959,141
Total equity and liabilities	<u><u>5,450,347</u></u>	<u><u>9,180,033</u></u>

ANGLE PLC

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2009

	2009	2008
	£	£
Operating activities		
Profit / (loss) before tax	3,365,284)	,120,717
Adjustments for:		
depreciation of property, plant and equipment	9,563	9,518
Profit) / loss on disposal of fixed assets	,116	83
amortisation and impairment of intangible assets	6,323	2,574
exchange differences	1,799	6,551)
net finance (income) / cost	13,654)	31,773)
change in fair value	,931,460	3,911,031)
share based payments	85,599	58,751
Changes in working capital:		
Increase) / decrease in trade and other receivables	06,942	32,696
increase / (decrease) in trade and other payables	757,987)	84,891)
Operating cashflows:		
research and development tax credits received	<u>44,960</u>	<u>118,882</u>
Net cash from / (used in) operating activities	(789,163)	(2,260,925)
Investing activities		
purchase of property, plant and equipment	11,909)	19,528)
disposal of property, plant and equipment	0	,485
purchase of intangible assets	2,214)	28,722)
revisions of convertible loans	13,250)	47,000)
proceeds from sale of investments	0,249	38,692
netted disposal of subsidiaries		20,260)
interest paid	1,063)	2,717)
interest received	<u>15,759</u>	<u>49,458</u>

Net cash from / (used in) investing activities	,592	71,408
Financing activities		
Capital elements of finance lease contracts	4,560)	18,242)
Proceeds from issue of convertible loans	<u>135,753</u>	<u>226,788</u>
Net cash from / (used in) financing activities	<u>131,193</u>	<u>208,546</u>
	_____	_____
Net increase / (decrease) in cash and cash equivalents	(650,378)	(1,580,971)
Cash and cash equivalents at start of year	970,197	2,551,168
	_____	_____
Cash and cash equivalents at end of year	<u><u>319,819</u></u>	<u><u>970,197</u></u>

ANGLE PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2009

	Issued capital £	Share premi um £	Share based paymen ts reserve £	Other reser ves £	Translati on reserve £	Retaine d earnin gs £	ESOT shares £	Total equity £
At 1 May 2007	2,713,293	13,701,935	1,713,289	2,553,356	(193,813)	(14,420,638)	(370,000)	5,697,422
For the year to 30 April 2008								
Consolidated profit / (loss)					(103,498)	1,209,916		1,106,418
Share based payments			288,485					288,485
Released on forfeiture / lapse			(145,391)			145,391		-
Utilised on share schemes							14,547	14,547
Deemed disposal of subsidiaries			(333,954)			333,954		-
Partial disposal of subsidiaries						114,020		114,020
	—	—	—	—	—	—	—	—
At 30 April 2008	2,713,293	13,701,935	1,522,429	2,553,356	(297,311)	(12,617,357)	(355,453)	7,220,892
For the year to 30 April 2009								
Consolidated profit / (loss)					(23,570)	(3,595,489)		(3,619,059)
Share based payments			185,599					185,599
Released on forfeiture / lapse			(184,540)			184,540		-
Utilised on share schemes							13,338	13,338
Partial disposal of subsidiaries						20,274		20,274
	—	—	—	—	—	—	—	—
At 30 April 2009	2,713,293	13,701,935	1,523,488	2,553,356	(320,881)	(16,008,032)	(342,115)	3,821,044

All attributable to equity shareholders of the parent.

Share based payments reserve

The share based payments reserve account is used for the corresponding entry to the share based payments charged through a) the Income Statement for staff incentive arrangements in the Group; b) the Income Statement for staff incentive arrangements in the controlled investments; and c) the Balance Sheet for acquired intangible assets in the controlled investments comprising intellectual property (IP).

Transfers are made from this reserve to retained earnings as the related share options are exercised, lapse or expire or as a controlled investment becomes non-controlled (a deemed disposal).

Translation reserve

The translation reserve account comprises cumulative exchange differences arising on

consolidation from the translation of the Financial Statements of international operations. Under IFRS this is separated from retained earnings.

ESOT shares

These relate to shares purchased by the ANGLE Employee Share Ownership Trust and used to assist in meeting obligations under employee remuneration schemes.

ANGLE PLC

NOTES TO THE PRELIMINARY ANNOUNCEMENT FOR THE YEAR ENDED 30 APRIL 2009

1 Preliminary announcement

The preliminary announcement set out above does not constitute the Company's statutory financial statements for the years ended 30 April 2009 or 2008 within the meaning of section 434 of the Companies Act 2006 but is derived from those audited financial statements. The accounting policies used are unchanged from those used for the statutory financial statements for the year ended 30 April 2008. The 2009 statutory accounts will be delivered to the Registrar of Companies following the Company's Annual General Meeting. The auditors have reported on these accounts and their reports were unqualified and did not contain statements under s498(2) or (3) of the Companies Act 2006.

2 Compliance with accounting standards

While the financial information included in this preliminary announcement has been computed in accordance with IFRS, this announcement does not itself contain sufficient information to comply with IFRS.

At the date of authorisation of these financial statements the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective:

IFRS 3 (Rev)	Business Combinations (Revised)
IFRS 8	Operating segments
IFRIC 13	Customer Loyalty Programmes
IFRIC 15	Agreements for the Construction of Real Estate
IFRIC 16	Hedges of a Net Investment in a foreign Operation
IFRIC 17	Distributions of non-cash assets to owners
IFRIC 18	Transfers of assets from customers

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Group when the relevant standards and interpretations come into effect.

3 Going concern

The Financial Statements have been prepared on a going concern basis which assumes that the Group will be able to continue its operations for the foreseeable future.

The Group's business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Chairman's and Chief Executive's Statements.

In order to improve the Group's working capital position the Directors have implemented a number of initiatives which have reduced costs and improved cash flows. Business development efforts have built a strong sales pipeline and the Directors are confident of winning new contracts as a result. With a modest level of

new sales and continuing strong management of overheads, the cash generated by the Management services business will more than cover the ongoing operating costs of the business. The Group's forecasts and projections show that in the event that the modest level of new sales does not materialise as expected, there may be a need for short term funding. In mitigation of this potential risk, the Directors have applied for bank funding. Funds are also available if required from further disposals of current assets and from committed shareholder support.

The Directors have reviewed the projections for the forthcoming 12 month period from the date of signing of these Financial Statements and based on the level of existing cash, projected income and expenditure and other sources of funding the Directors are satisfied that the Company and Group have adequate resources to continue in business for the foreseeable future. Accordingly the going concern basis has been used in preparing the Financial Statements.

4 Critical accounting estimates and judgements

The preparation of the Financial Statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates and assumptions are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities relate to the valuation of unlisted investments held at fair value in accordance with IAS39 and on the basis of the accounting policies in the Report and Accounts, and to the fair value of other receivables – see Note 8.

5 Revenue

The breakdown of revenue by business segment is set out below:

	2009	2008
	£	£
Management services	4,921,800	3,834,543
Ventures	52,688	26,727
Controlled investments	89,893	12,207
	5,064,381	3,873,477
	=====	=====

Revenue from Management services represents fees received from clients for management consulting services. Revenue from Ventures represents fees received from non-controlled investments for accounting and other services provided by the Group. Revenue from controlled investments represents the consolidated revenue of those businesses.

6 Tax

The Group is eligible for and takes advantage of the substantial shareholdings relief UK

corporation tax exemption. This results in the gain from any disposals of UK investments where the Group has an equity stake greater than 10%, and subject to certain other tests, being free of corporation tax.

Tax is therefore based on the net of profits in the Management services business as relieved by losses incurred in the establishment and development of new ventures. Loss relief may not absorb the tax in relation to all of the profits and where this occurs tax is provided on the basis of the estimated effective tax rate for the full year.

Controlled investments undertake research and development activities. In the UK these activities qualify for tax relief and result in tax credits.

7 Earnings / (loss) per share

The basic and fully diluted earnings / (loss) per share is calculated on an after tax loss of £3.60 million (2008: profit £1.21 million).

The basic and fully diluted earnings / (loss) per share are based on 26,799,442 weighted average ordinary 10p shares (2008: 26,745,485). Share options are non-dilutive for the respective years.

8 Non-controlled investments and Other receivables

The Group's investment portfolio comprises investments in Progeny® companies. Progeny® companies are businesses established by ANGLE to commercialise intellectual property (IP) using ANGLE's proprietary Progeny® process.

Where the Group has control of a Progeny® company (typically owning more than 50% of the equity), these are defined as controlled investments and are consolidated as subsidiaries. At the point control no longer exists, a deemed profit arises and the non-controlled investment is held at fair value on the Consolidated Balance Sheet. In the year to 30 April 2009 costs relating to controlled investments of £1.1 million (2008: £2.3 million) were charged to the Income Statement.

Where the Group does not control a Progeny® company (typically owning less than 50% of the equity), these are defined as non-controlled investments and held on the balance sheet at fair value, as set out in the table below:

Non-controlled investments

	Non-current assets	Current assets	Total Non- control- led investm- ents
	Unquoted	Quoted	
	£	£	£
At 1 May 2007	-	1,812,197	1,812,197
Investments	89,461	-	89,461
Disposals	-	(538,692)	(538,692)
Fair value gain on deemed disposal of subsidiaries	4,373,504	-	4,373,504

Change in fair value	(89,461)	(231,174)	(320,635)
)

At 30 April 2008	4,373,504	1,042,331	5,415,835
			=====
Disposals	-	(20,249)	(20,249)
Change in fair value	*(1,978,504)	(522,917)	(2,501,421)

At 30 April 2009	2,395,000	499,165	2,894,165
			=====
			=====

Investments are made directly and in the form of loans. The loans are normally convertible into equity and are non-interest bearing.

* The Board has considered a number of factors in determining whether there is evidence that the fair value of an investment has been impaired since its last valuation. These factors have included 1) the positives and negatives in the progress of the investment 2) the current and forecast financial situation of the investment and its ability to make timely sales 3) the original funding environment and the current funding environment, in particular as it relates to new venture capital financing and associated terms, including the pressures on prices and 4) the performance of various small cap and tech indices including AIM, Techmark and NASDAQ in the relevant period.

Other receivables

ANGLE's Progeny[®] company Acolyte Biomedica was sold in February 2007. ANGLE's share of the proceeds was an initial £0.9 million in cash and an earn-out of up to £4.7 million receivable early in 2010. A fair value of £1.5 million (2008: £1.9 million) in relation to the potential £4.7 million earn-out is held on ANGLE's balance sheet under the "Other receivables" category.

During the year a dispute has arisen between the former Acolyte shareholders and the purchaser. The Company has received legal advice that there is a strong case and that it is highly probable the action will succeed. The matter is currently being pursued by the major shareholder with the other shareholders reserving their rights; therefore ANGLE has limited exposure to any litigation costs at this stage.

Based on the currently available information and legal advice, the Directors believe that there will eventually be a significant return from this investment, although indications are that this may take longer to resolve than previously anticipated. In view of the dispute, it is difficult to form a reliable estimate of the fair value of this investment. In present circumstances, the Directors believe that it is appropriate to hold the asset at its last fair value, but to discount this further for the time value of money recognising it may take longer to resolve the matter. The Directors note that the value may be revised in the future as further information becomes available.

Change in fair value through Income Statement

	Year ended 30 April	
	2009	2008
	£	£
Deemed loss from net assets no longer consolidated	-	(141,838)
Fair value gain on deemed disposal of subsidiaries	-	4,373,504
Change in fair value of investments	(2,501,421)	(320,635)
Change in fair value of Other receivables	(402,724)	-
Change in fair value of intangible assets	(27,315)	-
Change in fair value	(2,931,460)	3,911,031
	=====	=====

9 Shareholder communications

Copies of this announcement are posted on the Company's website www.ANGLEplc.com.

The Annual General Meeting of the Company will be held at 2pm on 10 September 2009 at ANGLE's offices, 3 Frederick Sanger Road, Surrey Research Park, Guildford, GU2 7YD. Notice of the meeting will be enclosed with the audited statutory financial statements.

The audited statutory financial statements for the year ended 30 April 2009 are expected to be distributed to shareholders by 18 August 2009 and will subsequently be available on the Company's website or from the registered office, 3 Frederick Sanger Road, Surrey Research Park, Guildford, GU2 7YD.

This preliminary announcement was approved by the Board on 23 July 2009.