

ANGLE plc

Interim Results for the six months ended 31 October 2007

ANGLE plc ('ANGLE' or the 'Company'), the intellectual property and technology commercialisation company, today announces its unaudited interim results for the six months ended 31 October 2007.

Financial Highlights

- ANGLE has moved into profitability with profit before tax of £2.8 million (H1 2006: loss £4.9 million)
- Strong financial progress made within the investment portfolio:
 - Fair value of portfolio more than doubled during H1 2007 to £8.4 million (30 April 2007 £3.7 million)
 - Value of quoted investments increased to £2.5 million at 31 October 2007 (30 April 2007: £1.8 million)
 - Operating costs to manage and develop the portfolio reduced by 33% to £0.9 million (H1 2006: £1.4 million)
- Management services business moved into profitability of £0.5m (H1 2006: loss £0.1 million) through a combination of cost reduction and a focus on long-term contracts.
- Cash balance at 31 October 2007 of £1.1 million (30 April 2007: £2.6 million).

Operational Highlights

- Strong operational progress made with the investment portfolio. Highlights include:
 - Geomerics (enhanced computer game graphics): successful market launch of 'Enlighten' product. Attracted £2.0 million of investment from new investors.
 - Parsortix (prenatal foetal cell diagnostics): significant progress in the separation of foetal cells from maternal blood. Results to date support the viability of the technology for clinical applications.
 - Aguru (rapid capture and recreation of photo-realistic surface images): products launched to the movie animation industry - first sales under negotiation.
- Large equity stakes retained in portfolio companies with highest growth potential.
- Other investments have been restructured so that they have a low cash dependency on ANGLE whilst retaining upside potential from the investment.
- Management contract secured with Innovation Lincolnshire worth £0.9 million over 21 months.
- Realisation of cash through partial divestment of Provexis.

Garth Selvey, Chairman, commented:

“This has been a period during which ANGLE has made significant further progress. Having moved ANGLE into overall profitability and reduced ongoing demands on cash both for operations and for follow-on investment, the major focus continues to be the delivery of substantial cash returns from our investments.

Further progress has also been made with a number of the underlying portfolio companies and the Board believes that several have the potential to deliver high cash returns to ANGLE.”

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

Profitable Results

ANGLE made strong progress in the first half of the year, both operationally and financially. As highlighted in the pre-close trading update in November 2007, the restructuring process initiated in May 2007 has been implemented generating key benefits for ANGLE and its shareholders.

I am pleased to report a Group profit before tax of £2.8 million (H1 2006: loss £4.9 million) in the half year to 31 October 2007. The fair value of the investment portfolio has more than doubled principally as a result of the increase in fair value of Geomerics.

Overheads have been substantially reduced across the business. Consequently, ongoing cash requirements across the Group are now lower, more predictable and more sustainable.

Activity

ANGLE's principal activity remains the management of the portfolio of companies which it has founded and developed. During the initial development stage ANGLE takes direct operational control of its investments, whilst maintaining majority ownership. However, as investments become more mature ANGLE looks to encourage third party participation by other investors in order to control the level of investment required in the future.

ANGLE's Management services business is important in its own right as well as being cash generative and providing unique access to new investment opportunities.

Restructured Portfolio

In the last six months the portfolio has been restructured with the intention of maximising ANGLE's investment return and minimising the investment risk and cash requirements. The investment portfolio has continued to develop under this regime and can now be categorised as follows:

- **Mature investments (2 companies):** these require no further investment from ANGLE and are being held pending their realisation into cash. During the last 12 months, £1.5 million was realised from these investments.
- **High potential returns (4 companies):** these are investments which have made progress and are considered to have the potential to deliver exceptional cash returns to ANGLE. Where appropriate, cash requirements are reduced by attracting third party investment but high equity stakes are maintained.
- **Other investments (3 companies):** these investments have been restructured so that they have a low cash dependency on ANGLE whilst retaining upside potential from the investment.
- **Development portfolio (1 company):** newly created portfolio companies with high potential and modest cash requirements.

Investment Priority

The aim in the second half is to ensure that cash generated from the Management services business exceeds the cost of managing the investment portfolio. This is important as it leaves the business in a cash generative condition prior to discretionary investment spend. Further investment in developing companies can be covered through cash released from more mature investments. This strategy is designed to ensure that ANGLE can generate major returns from its existing investments.

As further cash is realised from the investment portfolio the Board will review opportunities to create further portfolio companies and, where cash returns have been considerable, to return cash to shareholders. The Board believes there to be significant unrealised value for shareholders in the venture portfolio.

Outlook for the full financial year

The second half has started well and the Company expects to deliver positive results for the year in both the investment portfolio and the Management services business. The Board believes that the Company plays a vital role in the development and commercialisation of its intellectual property and technology and that potential exists within the portfolio for fair value gains and cash realisations that will create significant value for ANGLE shareholders.

Garth Selvey
Chairman

30 January 2008

Introduction

During the half year, ANGLE has restructured its business to reduce costs and increase focus on its high potential return portfolio companies.

There has been strong progress in the development of value in the portfolio with the fair value of the portfolio, comprising non-controlled investments and other receivables, increasing by 126% during the half year to £8.4 million (30 April 2007 £3.7 million), principally as a result of the increase in fair value of Geomerics. This excludes any value for the six portfolio companies which were majority owned at the half year. The aggregate cost of investment into these companies at the half year end was £5.2 million.

Large equity stakes are being maintained in the portfolio companies with high potential return, although in some cases, third party investors have been introduced to share the investment cost and minimise the risk.

Results

ANGLE has moved into profitability in the half year reflecting the maturing of the investment portfolio and increased focus on realising value from the existing portfolio companies.

The profit before tax for the half year of £2.8 million (2006: loss £4.9 million), representing a profit per share of 10.6p (2006: loss 17.5p), is as a result of:

- an increase in fair value of non-controlled investments of £4.8 million (2006: decrease £1.9 million);
- expenditure on controlled investments in the half year of £1.5 million (2006: £1.4 million);
- operating costs to establish, develop and create value in Progeny[®] companies decreasing by 33% to £0.9 million (2006: £1.4 million);
- a profit on the Management services business of £0.5 million (2006: loss £0.1 million); and
- a share based payments charge of £0.2 million (2006: £0.2 million).

Portfolio company status

During the half year, a coherent strategy has been deployed across the portfolio with the intention of maximising ANGLE's investment return, whilst controlling the investment risk and cash requirements.

The strategy adopted has involved categorising the investments and adopting a defined investment process for the category as follows:

- **Mature investments:** require no further investment from ANGLE but continue to be held where dealing restrictions apply or when value enhancing events are expected. Cash will be realised if required for investment in other portfolio companies. Over the last 12 months, £1.5 million has been realised from these investments.

- **High potential return:** investments which have made progress and are demonstrating the potential to deliver exceptional cash returns to ANGLE. The investment strategy is to retain substantial equity stakes, normally exceeding 40%, to ensure that significant financial return is secured when the investment achieves its potential. ANGLE's investment cash is prioritised to this category of investment with the aim of holding the investment through to a major valuation event. It is intended that when an exceptional cash return is secured, a proportion will be distributed to shareholders by way of dividend or share buy-back with the balance allocated to the establishment of new investments. Speed to exit will be balanced against the time needed to achieve a high exit value.
- **Other investments:** investments that have been restructured so that they have a low cash dependency on ANGLE whilst retaining upside potential from the investment. The strategy is either to secure third party investment so that the company can progress without further cash from ANGLE or develop the business by generating initial sales and limiting the costs. In the former case it is accepted that ANGLE's equity stake will fall, probably to less than 25% over time, but this is considered sensible in the context of reducing ANGLE's follow-on investment requirements so as to prioritise resources towards the biggest potential winners.
- **Development portfolio:** newly created companies where the investment is considered to have potential but this has not yet been demonstrated. Pending a major cash realisation, investment into this category is limited in order to prioritise investment on high potential return investments already in the portfolio. During the half year only one new company was developed within this category. This was progressed as it was an exceptional opportunity and ANGLE's Progeny[®] business model was adapted to allow development of the company for under £0.1 million. Once a major cash realisation has been made, we expect to establish several new companies to exploit the pipeline of opportunities available to ANGLE.

The status of the portfolio companies, all of which have been founded and developed by ANGLE, is summarised below.

Mature investments

ANGLE's mature investments require no further investment from ANGLE and are being held pending their realisation into cash.

- **Acolyte Biomedica**, ANGLE's "hospital super-bug" company was sold to 3M Corporation in February 2007 at a multiple of up to 8x ANGLE's investment, assuming the earn-out is received in full. See www.acolytebiomedica.com for more information. ANGLE received £0.9 million in cash at exit and has an outstanding earn-out of up to £4.7 million receivable early in 2010. Only £1.9 million of this potential £4.7 million is entered on ANGLE's balance sheet, although there is no indication that the full earn-out will not be achieved.
- **Provexis** (AIM:PXS) (18% holding) develops scientifically-proven functional and medical foods. During the half year Provexis has announced agreements for its patented Fruitflow[®] anti-thrombotic technology with Unilever (owner of Becel/Flora brands) for spreads and Coca-Cola (owner of the Minute Maid brand) for beverages. See www.provexis.com for more information. During the six months to 30 January 2007, ANGLE successfully realised £0.5 million from this investment having made an average of 2.5x the related investment cost in under nine months.

High potential return investments

These companies have the potential to deliver exceptional cash returns to ANGLE.

- **Geomerics** (48% holding) is attracting corporate interest in its computer graphics products and underlying technology platform. Rapid computation of direct and indirect lighting in computer graphics is a key factor in creation of greater realism in computer games. With strong demand anticipated from Asia Pacific and EMEA regions, the computer gaming market is forecast to grow at an average 11.4% compound annual rate. The market size for North America and Europe alone was \$14 billion in 2006 (Source: International Development Group), of which Geomerics' current addressable market is estimated to be \$1.4 billion. The company is poised to make its first sales. During the half year Geomerics received £2.0 million in investment funding from new investors. For more information see www.geomerics.com.
- **Parsortix** (66% holding) is developing its prenatal diagnostic device based on the isolation of foetal cells within maternal blood, eliminating the need for invasive procedures such as amniocentesis. Since the half year Parsortix has made substantial progress in work to separate foetal cells in maternal blood. Results to date support the viability of the technology for clinical applications. Success in this area would be a major technical breakthrough and is the company's priority at present. The next step will be to optimise the design to provide a uniquely non-invasive product for the prenatal diagnostic market. In the high risk category, there are over 375,000 prenatal tests undertaken each year in the US alone costing over \$100 million per annum. The non-invasive nature of Parsortix's test suggests that the market may extend to low risk pregnancies with the potential for 2.6 million tests per annum in the US alone. For more information see www.parsortix.com.
- **Aguru Images** (81% holding) is commercialising technology from New York University and the University of Southern California that enables the rapid capture and recreation of photo-realistic surface images. The technology has a wide range of commercial applications in high value industries, including special effects, animation, computer gaming and medical devices. Since the half year end, Aguru has launched its products to the movie animation special effects industry and is in the process of negotiating its first sales. This industry alone provides a \$300 million market for Aguru. The company's first service bureau opened in January 2008 in Los Angeles to service the film industry. For more information see www.aguruimages.com.
- **Novocellus** (82% holding) The lead product, EmbryoSure™, has the potential to improve pregnancy success rates in IVF by at least a third through the selection of the best embryos for transfer to the uterus. The global IVF market is expected to exceed 1.1 million cycles by 2010 representing a potential global market opportunity of over \$1 billion. The market is evolving as the UK's regulatory body for IVF, the Human Fertilisation and Embryology Authority (HFEA) and other international authorities are moving towards a requirement for single embryo transfer, for which Novocellus is particularly relevant. In the meantime, ANGLE is exploring the potential for a strong, ideally international, co-development partner for Novocellus. For more information see www.novocellus.com.

Other investments

Third party shareholders have been brought into these companies and the businesses structured to reduce the further requirement for investment from ANGLE. The investments offer the potential for reasonable returns on ANGLE's investment without any significant further cash commitment.

- **Synature** (55% holding) has secured initial investment from Amadeus, the leading Cambridge based IT investors since the half year end and is progressing its internet personalisation products. See www.synature.com for more information.
- **Aberro** (65% holding) provides automated software testing that enable customers to increase the overall reliability of their software while reducing both time to market and development costs. See www.aberrosoft.com for product details. The business model has been adjusted to focus on driving revenues and the product sales through consulting.
- **NeuroTargets** (25% holding) is developing therapeutics for pain and nerve injury in the areas of neuropathic and inflammatory pain. The company has completed in vivo trials of its lead compounds and is presently seeking collaboration partners to develop its small molecules.

Development Portfolio

During the half year, ANGLE developed one additional company from its pipeline. This was developed under a reduced investment model costing less than £0.1 million in total. The business model for the new company is predicated on its delivery of early product sales.

- **Mogility** (100% holding) utilises US military technology for agile mobile telephone applications. The company's technology platform makes it easy for anyone to create, modify and deploy applications running on standard data plans or as SMS text messages. Several US police forces are presently considering applications. See www.mogilitytech.com for more information.

The percentage shareholdings are based on issued share capital as at 31 October 2007.

Pipeline

ANGLE's major focus is the realisation of value from the existing portfolio. Operating costs have been streamlined and focused on this key activity. At present we are not progressing the pipeline of new opportunities.

We are confident that when it is appropriate to reactivate the establishment of new ANGLE companies, the pipeline available to us will be strong as a result of ANGLE's long-term management contracts. For example, the Carbon Trust ANGLE Incubator is now one of the largest clean energy incubators in the world when measured by number of companies assisted, according to the October 2007 New Energy Finance (NEF) report titled "Global Clean Energy Incubators" that presents the results of the NEF's third worldwide survey of incubation activity in the clean energy industry. This is one example of the pipeline of opportunities available to ANGLE in its investment business as a result of its Management services business.

Consistent with our focus on the existing portfolio, we have agreed with the University of Reading to move our relationship on to a non-exclusive transactional basis. This approach is consistent with that used successfully by ANGLE to set up companies with the UK universities of Bristol, Cambridge and York and the US universities of New York, Southern California and Virginia as well as other major research organisations including Dstl Porton Down, Rowett Institute and British Telecom.

Management services

The Management services business is developing well. It has continued to win new business, is profitable and cash generative.

The business has been re-shaped during the half year to reduce dependency on short-term consulting contracts and place the major emphasis on long-term management contracts. This has led to increased profitability.

During the half year the Management services business delivered a profit of £0.5 million on turnover of £1.8 million, which compares to a £0.1 million loss on similar turnover for the same period in the previous year.

Plans are being put in place to grow the business over the next two years in order to build critical mass and to replace the management contract in Qatar, which completes in 2009. During the half year, ANGLE won the Innovation Lincolnshire contract worth £0.9 million over 21 months and the Mansfield iCentre was renewed with a base value of £0.6 million for a five year term.

Outlook

The outlook for the full year is encouraging. Continued development and growth in the investment portfolio is expected. There are a number of exciting opportunities under discussion, which may well lead to significant gains or realisations in the short to medium term.

ANGLE plc
CONSOLIDATED INTERIM INCOME STATEMENT
FOR THE SIX MONTHS ENDED 31 OCTOBER 2007

	Note	Six months ended		Year ended								
		31 October 2007 (Unaudited) £	31 October 2006 (Unaudited) £	30 April 2007 (Audited) £								
Turnover	3	1,836,634	1,799,113	3,377,354								
Change in fair value	6	4,837,686	(1,891,088)	(2,036,814)								
Operating costs												
Management services		(1,324,983)	(1,862,293)	(3,769,204)								
Ventures		(938,097)	(1,399,779)	(2,994,989)								
Controlled investments		(1,487,857)	(1,417,592)	(3,126,480)								
Share based payments		(156,593)	(222,241)	(414,741)								
Restructuring charges		-	-	(540,814)								
		<u>(3,907,530)</u>	<u>(4,901,905)</u>	<u>(10,846,228)</u>								
Operating profit / (loss)		2,766,790	(4,993,880)	(9,505,688)								
Net finance income		29,299	122,354	196,821								
Profit / (loss) before tax		<u>2,796,089</u>	<u>(4,871,526)</u>	<u>(9,308,867)</u>								
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Profit/ (loss) before Controlled investments and tax</td> <td style="width: 15%;">4,329,620</td> <td style="width: 15%;">(3,454,448)</td> <td style="width: 15%;">(6,120,766)</td> </tr> <tr> <td>Controlled investments</td> <td>(1,533,531)</td> <td>(1,417,078)</td> <td>(3,188,101)</td> </tr> </table>					Profit/ (loss) before Controlled investments and tax	4,329,620	(3,454,448)	(6,120,766)	Controlled investments	(1,533,531)	(1,417,078)	(3,188,101)
Profit/ (loss) before Controlled investments and tax	4,329,620	(3,454,448)	(6,120,766)									
Controlled investments	(1,533,531)	(1,417,078)	(3,188,101)									
Tax	4	<u>68,841</u>	<u>131,777</u>	<u>201,184</u>								
Profit / (loss) for the period		<u>2,864,930</u>	<u>(4,739,749)</u>	<u>(9,107,683)</u>								
Profit / (Loss) per share	5											
Basic and Diluted (pence per share)		10.56	(17.47)	(33.57)								

ANGLE plc
CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2007

	Note	31 October 2007 (Unaudited) £	31 October 2006 (Unaudited) £	30 April 2007 (Audited) £
ASSETS				
Non-current assets				
Non-controlled investments	6	3,991,667	1,732,831	-
Other receivables	6	1,902,724	-	1,902,724
Property, plant and equipment		91,410	140,750	122,863
Intangible assets		270,330	7,713	389,159
Total non-current assets		6,256,131	1,881,294	2,414,746
Current assets				
Non-controlled investments	6	2,490,099	2,976,989	1,812,197
Trade and other receivables		604,235	1,474,108	964,293
Cash and cash equivalents		1,068,702	4,327,383	2,551,168
Total current assets		4,163,036	8,778,480	5,327,658
Total assets		10,419,167	10,659,774	7,742,404
EQUITY AND LIABILITIES				
Equity				
Issued capital		2,713,293	2,713,293	2,713,293
Share premium account		13,701,935	13,701,935	13,701,935
Share based payment reserve		1,788,458	1,141,117	1,713,289
Other reserves		2,553,356	2,553,356	2,553,356
Translation reserve		(193,478)	(99,499)	(193,813)
Retained earnings		(11,452,438)	(10,052,704)	(14,420,638)
ESOT shares		(370,000)	(370,000)	(370,000)
Total equity		8,741,126	9,587,498	5,697,422
Liabilities				
Non-current liabilities				
Obligations under finance leases		-	13,681	4,560
Controlled investments - convertible loans		72,202	-	-
Total non-current liabilities		72,202	13,681	4,560
Current liabilities				
Trade and other payables		1,592,158	1,040,165	2,022,180
Obligations under finance leases		13,681	18,430	18,242
Total current liabilities		1,605,839	1,058,595	2,040,422
Total liabilities		1,678,041	1,072,276	2,044,982
Total equity and liabilities		10,419,167	10,659,774	7,742,404

ANGLE plc
CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 31 OCTOBER 2007

	Six months ended		Year ended
	31 October 2007 (Unaudited) £	31 October 2006 (Unaudited) £	30 April 2007 (Audited) £
Operating activities			
Operating profit / (loss)	2,766,790	(4,993,880)	(9,505,688)
Depreciation of property, plant and equipment	30,004	29,227	63,964
Amortisation of intangible assets	90,189	1,898	4,164
(Profit) / loss on disposal of property	(1,338)	429	-
Exchange differences	(10,477)	(50,268)	(121,562)
(Increase) / decrease in trade and other receivables	125,890	(199,415)	283,908
Increase / (decrease) in trade and other payables	(296,821)	(438,481)	454,887
Income tax received	118,882	-	142,506
Change in fair value of Non-controlled investments	(4,837,686)	1,891,088	2,036,814
Share based payments	156,593	222,241	414,741
Net cash from operating activities	(1,857,974)	(3,537,161)	(6,226,266)
Investing activities			
Purchase of property, plant and equipment	(6,004)	(24,755)	(43,268)
Disposal of property, plant and equipment	776	-	2,756
Purchase of intangible assets	(36,252)	(5,188)	(10,117)
Purchase of Non-controlled investments	-	-	(262,500)
Provision of convertible loans	(47,000)	(90,780)	(90,780)
Proceeds from sale of investments	360,848	-	1,111,673
Purchase of ESOT shares	-	(350,000)	(350,000)
Net interest received	40,058	129,478	208,935
Net cash used in investing activities	312,426	(341,245)	566,699
Financing activities			
Net proceeds from issue of share capital	-	(14,255)	-
Capital elements of finance lease contracts	(9,120)	(14,809)	(24,118)
Proceeds from issue of convertible loans	72,202	-	-
Net cash from financing activities	63,082	(29,064)	(24,118)
Net increase / (decrease) in cash and cash equivalents	(1,482,466)	(3,907,470)	(5,683,685)
Cash and cash equivalents at start of period	2,551,168	8,234,853	8,234,853
Cash and cash equivalents at end of period	1,068,702	4,327,383	2,551,168

ANGLE plc
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 OCTOBER 2007

Attributable to equity holders of the Group

	Issued capital (Unaudited) £	Share premium (Unaudited) £	Share based payment reserve (Unaudited) £	Other reserves (Unaudited) £	Translation reserve (Unaudited) £	Retained earnings (Unaudited) £	ESOT shares (Unaudited) £	Total Equity (Unaudited) £
At 1 May 2006	2,713,293	13,701,935	918,876	2,553,356	(73,159)	(5,312,955)	(20,000)	14,481,346
For the period to 31 October 2006								
Consolidated profit / (loss)					(26,340)	(4,739,749)		(4,766,089)
Share based payments			222,241					222,241
ESOT shares							(350,000)	(350,000)
At 31 October 2006	2,713,293	13,701,935	1,141,117	2,553,356	(99,499)	(10,052,704)	(370,000)	9,587,498
For the period to 30 April 2007								
Consolidated profit / (loss)					(94,314)	(4,367,934)		(4,462,248)
Share based payments			572,172					572,172
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 period to 31 October 2007								
Consolidated profit / (loss)					335	2,864,930		2,865,265
Share based payments			178,439					178,439
Deemed disposal of subsidiary			(103,270)			103,270		-
At 31 October 2007	2,713,293	13,701,935	1,788,458	2,553,356	(193,478)	(11,452,438)	(370,000)	8,741,126

Share based payment reserve

The share based payment 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). These components are separately identified in the table below.

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.

Share based payments reserve

	Group employees £	Controlled investments employees £	Controlled investments IP £	Total £
At 1 May 2006	904,629	14,247	-	918,876
Charge for the period	198,029	24,212	-	222,241
At 31 October 2006	1,102,658	38,459	-	1,141,117
Acquired intellectual property			379,672	379,672
Charge for the period	157,496	35,004	-	192,500
At 30 April 2007	1,260,154	73,463	379,672	1,713,289
Acquired intellectual property			27,014	27,014
Deemed disposal of subsidiary	-	(19,937)	(83,333)	(103,270)
Charge for the period	113,816	42,777	-	156,593
Exchange movement	-	(1,420)	(3,748)	(5,168)
At 31 October 2007	1,373,970	94,883	319,605	1,788,458

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.

1 Basis of preparation and accounting policies

The Condensed Interim Financial Statements in this document does not constitute statutory financial statements for the purposes of s240 of the Companies Act 1985. The Statutory Financial Statements for the year ended 30 April 2007 ("Report and Accounts 2007") have been filed with the Registrar of Companies. The auditor's report on those Financial Statements, which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), was unqualified and did not contain statements under s237(2) or s237(3) of the Companies Act 1985.

This Condensed Interim Financial Statements is the unaudited interim consolidated financial statements (the "Condensed Interim Financial Statements") of ANGLE plc, a company incorporated in Great Britain and registered in England and Wales, and its subsidiaries (together referred to as the "Group") for the six month period ended 31 October 2007 (the "interim period"). The condensed interim financial statements are unaudited but have been reviewed by the Auditors in accordance with the International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the "Entity" issued by the Auditing Practices Board for use in the United Kingdom.

The Condensed Interim Financial Statements have been voluntarily prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"), as adopted by the EU, and on the basis of the accounting policies set out in the Report and Accounts 2007. The presentation of the Condensed Interim Financial Statements is consistent with the Report and Accounts 2007. Where necessary, comparative information has been reclassified or expanded from the previously reported Condensed Interim Financial Statements to take into account any presentational changes made in the Report and Accounts 2007.

The Condensed Interim Financial Statements were approved by the Board and authorised for issue on 30 January 2008.

Going concern

The Directors have reviewed the projections for the forthcoming 12 month period from the date of approval of these Interim Financial Statements and based on the level of existing cash, projected income and expenditure, 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 Interim Financial Statements.

Critical accounting estimates and judgements

The preparation of the Interim 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 2007, and to the valuation of earn-outs.

2 Summary segmental analysis

The Group operates in one principal area of activity - technology wealth creation through the commercialisation of intellectual property and the development of technology industry.

The primary business segments are:

- **Management services** – provision of management services to clients including research organisations, corporate and governmental organisations on a fee-for-service basis. This business segment provides a platform for the Ventures activities.
- **Ventures** – activities to establish, develop and create value in technology companies. The Group uses a proprietary Progeny[®] process to develop these companies, which are referred to as Progeny[®] companies. ANGLE's unique business model involves ANGLE founding new companies which it controls during the critical early stages of development, before securing third party funding.

Under IFRS, the accounting for Progeny[®] companies divides into controlled investments and non-controlled investments.

- Controlled investments – Progeny[®] companies where the Group has control, typically as a result of owning in excess of 50% of the equity. These are consolidated and the Group's investment costs are expensed in the Income Statement.
- Non-controlled investments – Progeny[®] companies where the Group does not have control. These investments are held on the Balance Sheet at fair value, with changes in fair value passing through the Income Statement.

The nature of these operations is significantly different. The primary format and segmentation by class of business has been provided on the face of the Consolidated Interim Income Statement.

3 Turnover

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

	Six months ended		Year ended
	31 October	31 October	30 April
	2007	2006	2007
	(Unaudited)	(Unaudited)	(Audited)
	£	£	£
Turnover			
Management services	1,828,877	1,792,290	3,364,547
Ventures	7,757	6,308	11,865
Controlled investments	-	515	942
	<hr/>	<hr/>	<hr/>
	1,836,634	1,799,113	3,377,354
	=====	=====	=====

Turnover from Management represents fees received from clients for Management services. Turnover from Ventures represents fees received from the non-controlled investments for accounting and other services provided by the Company until those companies take those activities in-house. Turnover from Controlled investments represents the turnover of those businesses, which is consolidated prior to the company becoming non-controlled.

4 Tax

The Group is eligible for 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%, subject to certain other tests, being free of corporation tax. Tax is therefore based on the profits in the Management services business as relieved by losses incurred in the establishment and development of new Ventures.

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

5 Earnings / (loss) per share

The basic and fully diluted earnings / (loss) per share is calculated on an after tax profit of £2.9 million (6 months to 31 October 2006: loss £4.7 million, year to 30 April 2007: loss £9.1 million).

The basic and fully diluted earnings / (loss) per share are based on 27,132,931 weighted average ordinary 10p shares (6 months to 31 October 2006: 27,132,931, year to 30 April 2007: 27,132,931). Share options are non-dilutive for the period.

6 Non-controlled investments and Other receivables

The Group's investment portfolio comprises investments in Progeny[®] companies.

Where the Group has control of a Progeny[®] company (typically owning more than 50% of the equity), these are 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 six months to 31 October 2007 net costs before taxation relating to Controlled investments of £1.5 million (2006: £1.4 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-current assets Unquoted (Unaudited) £	Current assets Quoted (Unaudited) £	Total - Non controlled investments (Unaudited) £
At 1 May 2006	1,642,051	4,868,077	6,510,128
Investments	90,780	-	90,780
Change in fair value	-	(1,891,088)	(1,891,088)
At 31 October 2006	1,732,831	2,976,989	4,709,820
Investments	-	262,500	262,500
Disposals	*(2,733,647)	(280,750)	(3,014,397)
Change in fair value	1,000,816	(1,146,542)	(145,726)
At 1 May 2007	-	1,812,197	1,812,197
Investments	89,461	-	89,461
Disposals	-	(360,848)	(360,848)
Fair value gain on deemed disposal of subsidiary	#3,991,667	-	3,991,667
Change in fair value	(89,461)	1,038,750	949,289
At 31 October 2007	3,991,667	2,490,099	6,481,766

ANGLE's holding in Provexis plc was valued at £1.3 million at market price on 30 January 2008.

Other receivables

* ANGLE's Progeny® company Acolyte Biomedica was sold to 3M Corporation 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 £1.9 million of this potential £4.7 million earn-out is held on ANGLE's balance sheet under the "Other receivables" category.

Change in fair value

ANGLE's accounting policy is that, in accordance with IAS39 Financial Instruments: Recognition and Measurement, upon initial recognition of an investment it is designated at fair value through the Income Statement. As a result of securing third party funds and reducing the equity position in Geomerics then this is a "deemed" disposal as its status changed from a subsidiary (Controlled Investment) which is consolidated to an associate (Non-controlled investment) which is held at fair value.

	£
Deemed loss from net assets no longer consolidated	(103,270)
Fair value gain on deemed disposal of subsidiary	3,991,667
Change in fair value of investments	949,289
	<hr/>
Change in fair value	4,837,686
	=====

7 Shareholder communications

The announcement is being sent to all shareholders on the register on 31 January 2008. Copies of this announcement are posted on the Company's website www.ANGLEplc.com and are available from Buchanan Communications and the Company's registered office: 20 Nugent Road, Surrey Research Park, Guildford, GU2 7AF.

ANGLE plc
INDEPENDENT REVIEW REPORT TO ANGLE PLC
FOR THE SIX MONTHS ENDED 31 OCTOBER 2007

Introduction

We have been engaged by the Company to review the condensed set of Financial Statements in the Financial Report for the six months ended 31 October 2007 which comprises the Consolidated Interim Income Statement, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity and the Notes to the Interim Financial Information. We have read the other information contained in the interim financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of Financial Statements.

This report, including the conclusion, has been prepared for and only for the Company for the purpose of meeting the requirements of the Alternative Investment Market (AIM) Rules for companies and for no other purpose. We do not, therefore in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Directors' Responsibilities

The Interim Financial Report is the responsibility of, and has been approved by the directors. The directors are responsible for preparing and presenting the Interim Financial Report in accordance with the AIM Rules for Companies.

As disclosed in Note 1, the Annual Financial Statements of the Group are prepared in accordance with International Financial Reporting Standards and International Financial Reporting Interpretations Committee (IFRIC) pronouncements as adopted by the European Union. The condensed set of Financial Statements included in this Interim Financial Report has been prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting" as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of Financial Statements in the Interim Financial Report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of Interim Financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of Financial Statements in the Interim Financial Report for the six months ended 31 October 2007 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the European Union, and the AIM Rules for Companies.

BAKER TILLY UK Audit LLP

Chartered Accountants
Guildford