

LifeSafe Holdings plc
(‘LifeSafe’, the ‘Group’ or the ‘Company’)

Interim Results

Strong operational performance; revenue ahead of Board’s expectations

LifeSafe (AIM:LIFS), a fire safety technology business with innovative fire extinguishing fluid and fire safety products, reports its maiden unaudited Interim Results for the six months ended 30 June 2022 (‘H1 2022’ or ‘the Period’).

Highlights:

- Successful IPO and Admission to AIM on 6 July 2022 raising gross proceeds of £3.0 million
- Revenue up significantly to £1.3 million (H1 2021: £41,000), almost twice the revenue of FY21 in H1 2022
- Gross profit of £709,000 at 56% margin (H1 2021: gross loss of £61,000 at (149%) margin)
- Underlying loss from operations¹ of £729,000 (H1 2021: £661,000)
- Non-underlying costs of £895,000 (H1 2021: nil) comprising IPO costs charged to the income statement of £725,000 and share-based payment charges of £170,000; finance expenses of £573,000 (H1 2021: 18,000) largely relating to interest on convertible loans converted to equity on Admission to AIM after the Period end
- Cash and cash equivalents of £22,000 (H1 2021: £40,000) with £3.0 million of committed subscriptions to the Company’s placing of shares at 30 June 2022, received on 6 July 2022
- Launched in the US on Amazon in February 2022 and in Canada through the LifeSafe website in April 2022, building on the position of Amazon Prime’s top selling fire extinguisher in the UK
- UK patent granted post period end for the Group’s FER1000 eco-friendly fire extinguishing fluid
- Three further patent applications for derivations and new uses of the Group’s core fluid filed post period end, showing the strength of the Group’s R&D including extensive development and successful testing of the Group’s new lithium-ion battery fire extinguishing fluid
- The effectiveness of the new lithium-ion battery fire extinguishing fluid has been demonstrated through a series of live fire tests to a number of industry leaders to help and support the commercialisation of the fluid into the industrial market sector
- Strong pipeline of innovative new products and fluid derivatives expected to launch in H1 2023

¹ Underlying loss from operations represents loss before tax, finance expense and non-underlying items (which comprise IPO listing costs and share-based payment charges).

Commenting on the Interim Results, Dominic Berger, Executive Chairman of LifeSafe, said: “We are pleased to report today our maiden set of Interim Results since our Admission to AIM in July 2022. The Group has delivered strong operational and strategic progress in H1 2022, which reflects the successful commercialisation of our StaySafe 5-in-1 product since its launch in August 2021. In H1 2022, we have almost doubled the revenues that we generated in all of 2021 and this strong momentum has continued into H2 2022 with revenues continuing to grow ahead of the Board’s expectations.

“With the funds raised at IPO now underpinning our expansion, we look forward to 2023 where we are confident of further consolidating our leading direct to consumer strategy, of growing sales in the UK, North America and Europe and of accessing new markets. In addition, our continued development and optimisation of our eco-friendly fire extinguishing fluids is beginning to resonate in the wider B2B fire safety market, where we are very excited about the potential game-changing opportunities in the industrial supply of LifeSafe’s fluids.

“Not least of course, is the opportunity the Group has in working with industry leaders and innovators to address the very real and present threat of dealing with lithium-ion battery fires, a market we believe to have significant potential.

“As such, the Group is well placed to drive further growth and are confident of delivering shareholder value.”

Analyst meeting and Investor Meet Company presentation

A virtual meeting for sell-side analysts will be held at 09.30 a.m. today, 27 September 2022. Please contact Buchanan via LifeSafe@buchanan.uk.com if you wish to join the meeting.

LifeSafe will also be presenting via the Investor Meet Company platform on Thursday, 29 September 2022 at 6.00 p.m. (BST). The meeting will be hosted by Dominic Berger (Executive Chairman), Neil Smith (CEO) and Mike Stilwell (CFO), and there will be an opportunity for Q&A at the end of the session. Questions can be submitted pre-event via the Investor Meet Company dashboard up until 9.00 a.m. the day before the meeting or at any time during the live presentation. To sign up to the LifeSafe Holdings presentation via Investor Meet Company please click the following link:

<https://www.investormeetcompany.com/lifesafe-holdings-plc/register-investor>.

This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended (“MAR”). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

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Notes to Editors

LifeSafe is a fire safety technology business that develops eco-friendly, novel and innovative fire extinguishing fluids with a range of life-saving fire safety products. LifeSafe has a highly experienced management team which is seeking to create new markets for the Group in fire safety through new technologies, digital marketing, multi-channel sales and the LifeSafe App.

LifeSafe has developed what the Directors believe to be a market disrupting range of eco-friendly fire safety protection products to both protect (via fire extinguishers) and detect (via carbon monoxide, smoke and heat alarms) fires. At the centre of the Group's product range is the FER1000 extinguishing fluid, for which the Group has been granted a patent in the UK. The FER1000 fluid has been developed by LifeSafe to extinguish five different types of fire: electrical, paper, textiles, cooking oil, and petrol and diesel.

The Group's best-selling product using this extinguishing fluid is the StaySafe 5-in-1 fire extinguisher. It was launched on Amazon Prime in the UK in August 2021 and subsequently became Amazon Prime's top-selling fire extinguisher in the UK in the same month. The StaySafe 5-in-1 and the PanSafe pan fire extinguisher were launched in Screwfix in Spring 2022 with the StaySafe range of smoke, heat and carbon monoxide detectors.

LifeSafe is developing new fluid derivations and products for launch in 2023.

LifeSafe was admitted to trading on AIM in July 2022 with the ticker LIFS.L. For additional information please visit <https://www.lifesafeholdingsplc.com>.

LinkedIn: <https://www.linkedin.com/company/lifesafe-technologies>

Twitter: <https://twitter.com/LifesafeT>

Chairman's Statement

Business Review

I am very pleased to report on the strong operational and strategic progress made by the Group in H1 2022. This achievement is particularly significant given the huge time and effort demanded of the management team and its advisors in preparing the Group for the IPO and Admission to AIM on 6 July 2022. It is testament to the hard work of the team, and the significant potential of the business model and proposition, that LifeSafe was one of only a handful of successful AIM listings this year. This was a superb achievement given the worsening domestic and international macro-economic landscape as the year progressed.

Notwithstanding the inevitable time commitments imposed by the IPO process and the deteriorating global economic scenario, LifeSafe made excellent progress in achieving its operational and strategic goals in H1 2022. The latter was achieved by creating and meeting increased demand for the Group's consumer products via its proven digital international multi-channel sales strategy. Following the successful UK launch on Amazon in August 2021 of the Group's best-selling StaySafe 5-in-1 fire extinguisher, followed by selected European countries in October 2021, the Group launched on Amazon in the US in February 2022 and, through its LifeSafe website, began to sell products into Canada in April 2022.

In addition to this, the StaySafe 5-in-1 and the PanSafe pan fire extinguisher were introduced into 740 Screwfix trade stores nationwide in Spring 2022 with the StaySafe range of smoke, heat and carbon monoxide detectors also now available on www.screwfix.com. LifeSafe also successfully trialed the StaySafe 5-in-1 on the TJC shopping channel in the UK after the period end in August 2022 demonstrating the potential that this sales channel could bring to the Group's consumer strategy. Further European TV shopping channel activity is planned this year.

The speed of progress has meant that the Group's revenues are slightly ahead of, and margins in line with, the Board's expectations.

Although LifeSafe has adopted a consumer and digital first approach to driving growth in the business, the Group remains very mindful of the game-changing potential its eco-friendly and novel fluids have in the wider fire-related market. Consequently, it is particularly pleasing to see increasing enquiries from major players with interests in the fire safety sector intent on understanding more about the potential applications of the Group's current fluid as well as those in development. Although LifeSafe believes every home should have a StaySafe 5-in-1, in itself a huge addressable market, it is already clear from initial enquiries that the Group's current and planned fluids have even bigger potential across a wide range of industries and their markets.

Results

LifeSafe's revenue for H1 2022 increased significantly to £1.3 million, compared with £41,000 in the same period last year as the business successfully began the commercialisation of a number of years' investment in developing its innovative, market disrupting eco-friendly fire extinguishing fluid.

Gross profit for H1 2022 increased to £709,000 (H1 2021: gross loss of £61,000) at a gross margin of 56% in line with the Board's expectations.

The Group recorded an underlying loss from operations² of £729,000 (H1 2021: £661,000) before non-underlying items totalling £895,000 comprising IPO costs and share-based payment charges.

Finance expenses of £573,000 were recorded in the Period (H1 2021: £18,000), of which £569,000 related to interest on convertible loans which subsequently converted to equity on Admission to AIM after the Period end.

The underlying loss before tax was £1,302,000 (H1 2021: £665,000). The basic and diluted earnings per share were (£0.14) (H1 2021: (£0.04)).

Cash and cash equivalents as at 30 June 2022 were £22,000 (H1 2021: £40,000). Included within Trade and other receivables in the statement of financial position as at 30 June 2022 is £3.0 million of committed subscriptions to the Company's placing of shares and Admission to AIM on 6 July 2022. The committed subscriptions were in the form of placing letters held by the Company's Broker and Nominated Adviser with funds received by the Company on Admission to AIM.

Trade and other payables as at 30 June 2022 were £1,583,000 (H1 2021: £279,000). Included within this balance were IPO costs of £984,000 which were paid after the Period end.

On Admission to AIM, the Company issued 4,000,000 new Ordinary Shares and 2,716,550 Ordinary Shares to the providers of convertible loans, taking the number of Ordinary Shares in issue to 22,108,050. The total gross proceeds amounted to £3.0 million. The costs of issue, which were committed as at 30 June 2022, amounted to £1,092,000 of which £725,000 was recognised as a non-underlying expense in the consolidated income statement in H1 2022 and £367,000 was recognised as a deduction from committed share issue proceeds of £3.0 million in equity in the consolidated statement of financial position as at 30 June 2022.

² Underlying loss from operations represents loss before tax, finance expense and non-underlying items (which comprise IPO costs and share-based payment charges).

Research and development

As set out in its Admission Document published on 1 July 2022, the Group has a strong pipeline of innovative new products and fluid derivatives which are expected to be launched in H1 2023. Given the strong interest from major industry players in the potential applications of the fluids within LifeSafe's development pipeline, the Group has taken steps to accelerate the programme of innovation. Accordingly, capitalised expenditure on technology development during the six-month period increased to £184,000 (H1 2021: £10,000).

Technology and intellectual property

The FER1000 extinguishing fluid is at the centre of the Group's product range and has been developed by LifeSafe to extinguish five different types of fire: electrical, paper, textiles, cooking oil, and petrol and diesel.

Following a successful testing programme, an initial patent application for this fluid was submitted in April 2017, with the patent being granted with effect from 17 August 2022. The additional protection afforded by the patent grant lasts for 20 years from the date of the initial patent application in 2017.

The Group recognises the importance of appropriately protecting its innovative intellectual property and has taken out intellectual property defence and pursuit insurance to protect its investment.

New lithium-ion battery fire extinguishing fluid

Subsequent to the Period end, LifeSafe has also filed three further patent applications for derivations and new uses of the Group's core fluid, including fluid developed to extinguish lithium-ion battery fires, to further enhance and protect its novel fire extinguishing fluid capabilities.

The effectiveness of the new lithium-ion battery fire extinguishing fluid has been demonstrated through a series of live fire tests to a number of industry leaders to help and support the commercialisation of the fluid into the industrial market sector.

Outlook

Following the IPO, LifeSafe's revenues continue to grow ahead of the Board's expectations, with margins and costs continuing in line. LifeSafe is looking forward to 2023 where the Board is confident of further consolidating the Group's leading direct to consumer strategy, to grow sales in the UK, North America and Europe and to accessing new markets.

The continued development and optimisation of the Group's eco-friendly fire extinguishing fluids is beginning to resonate in the wider business-to-business fire safety market, where the Board is very excited about the potential game-changing opportunities in the industrial supply of LifeSafe's fluids.

Not least of course, is the opportunity the Group has in working with industry leaders and innovators to address the very real and present threat of dealing with lithium-ion battery fires, a market we believe to have significant potential. As such, the Group is well placed to drive further growth and is confident of delivering shareholder value.

Dominic Berger
Executive Chairman
27 September 2022

Unaudited consolidated statements of profit or loss and other comprehensive income
For the six months ended 30 June 2022

	Note	(Unaudited) Six months ended 30 June 2022 £000	(Unaudited) Six months ended 30 June 2021 £000	(Unaudited) Year ended 31 Dec 2021 £000
Revenue	3	1,277	41	670
Cost of sales		(568)	(102)	(358)
Gross profit/(loss)		709	(61)	312
Other operating income		-	-	46
Administrative expenses		(1,438)	(600)	(1,679)
Non-underlying items	5	(895)	-	(114)
Inventory write off		-	-	(75)
Loss from operations				
- Excluding non-underlying items		(729)	(661)	(1,396)
- Non-underlying items	5	(895)	-	(114)
Total loss from operations		(1,624)	(661)	(1,510)
Finance expense	6	(573)	(18)	(49)
Other gains		-	14	14
Loss before tax				
- Excluding non-underlying items		(1,302)	(665)	(1,431)
- Non-underlying items	5	(895)	-	(114)
Total loss before tax		(2,197)	(665)	(1,545)
Taxation	7	-	-	24
Loss for the period attributable to equity holders of the Parent		(2,197)	(665)	(1,521)
Other comprehensive income				
Total other comprehensive income		-	-	-
Total comprehensive expense attributable to equity holders of the Parent		(2,197)	(665)	(1,521)
Basic and diluted earnings per share (£)	8	(0.14)	(0.04)	(0.10)

All amounts relate to continuing activities.

Unaudited consolidated statements of financial position
As at 30 June 2022

	Note	(Unaudited) 30 June 2022 £000	(Unaudited) 30 June 2021 £000	(Unaudited) 31 Dec 2021 £000
Non-current assets				
Intangible assets		302	91	165
Property, plant and equipment		9	3	11
		311	94	176
Current assets				
Inventories		329	-	190
Trade and other receivables	9	3,230	107	132
Cash and cash equivalents	10	22	40	64
		3,581	147	386
Total assets		3,892	241	562
Current liabilities				
Trade and other payables	11	(1,583)	(279)	(262)
Convertible loans	12	(1,699)	(18)	(562)
Borrowings	13	(7)	(7)	(7)
Other provisions		(31)	-	(31)
		(3,320)	(304)	(862)
Non-current liabilities				
Borrowings	13	(22)	(30)	(26)
		(22)	(30)	(26)
Total liabilities		(3,342)	(334)	(888)
Net assets/(liabilities)		550	(93)	(326)
Equity attributable to equity holders of the Parent				
Called up share capital	14	154	3	3
Share premium account	15	250	4,289	4,627
Share-based payment reserve	15	241	-	114
Convertible loan note reserve	15	354	-	171
Shares to be issued reserve	15	2,633	-	-
Retained earnings	15	(3,082)	(4,385)	(5,241)
Total equity		550	(93)	(326)

Unaudited consolidated statements of changes in equity
For the six months ended 30 June 2022

	Called up share capital £000	Share premium account £000	Share-based payment reserve £000	Convertible loan note reserve £000	Shares to be issued reserve £000	Retained earnings £000	Total equity £000
Balance at 1 January 2021	2	3,347	-	-	-	(3,720)	(371)
<i>Comprehensive income:</i>							
Loss for the year	-	-	-	-	-	(1,521)	(1,521)
Share-based payments	-	-	114	-	-	-	114
<i>Transactions with owners in their capacity as owners:</i>							
Shares issued for cash	-	436	-	-	-	-	436
Shares issued in lieu of expenses	1	656	-	-	-	-	657
Convertible loan notes exercised	-	188	-	-	-	-	188
Convertible loan notes issued	-	-	-	171	-	-	171
Balance at 31 December 2021	3	4,627	114	171	-	(5,241)	(326)
Balance at 1 January 2022	3	4,627	114	171	-	(5,241)	(326)
<i>Comprehensive income:</i>							
Loss for the period	-	-	-	-	-	(2,197)	(2,197)
Share-based payments	-	-	170	-	-	-	170
Lapse of share options	-	-	(43)	-	-	43	-
<i>Transactions with owners in their capacity as owners:</i>							
Bonus issue of shares	151	-	-	-	-	(151)	-
Cancellation of share premium	-	(4,464)	-	-	-	4,464	-
Share to be issued	-	-	-	-	2,633	-	2,633
Shares issued for cash	-	87	-	-	-	-	87
Convertible loan notes issued	-	-	-	183	-	-	183
Balance at 30 June 2022	154	250	241	354	2,633	(3,082)	550

Unaudited consolidated statements of cash flows
For the six months ended 30 June 2022

	Note	(Unaudited) Six months ended 30 June 2022 £000	(Unaudited) Six months ended 30 June 2021 £000	(Unaudited) Year ended 31 Dec 2021 £000
Cash flows from operating activities				
Loss before tax		(2,197)	(665)	(1,545)
<i>Adjustments for non-cash/non-operating items:</i>				
Depreciation of property, plant and equipment		1	1	2
Amortisation of intangible assets		47	14	52
Equity-settled expenses		-	601	655
Gain on debt extinguishment		-	-	(14)
Equity-settled share-based payments		170	-	114
Finance expense		569	-	49
Operating cash flows before movements in working capital				
		(1,410)	(49)	(687)
Increase in inventories		(139)	-	(190)
(Increase)/decrease in trade and other receivables		(463)	8	(18)
Increase/(decrease) in trade and other payables		1,321	(288)	(273)
Cash from operations				
		(691)	(329)	(1,168)
Corporation tax received		-	-	24
Net cash generated from operating activities				
		(691)	(329)	(1,144)
Cash flows from investing activities				
Purchase of property, plant and equipment		-	-	(10)
Capitalised development costs		(184)	(10)	(123)
Net cash used in investing activities				
		(184)	(10)	(133)
Cash flows from financing activities				
Shares issued for cash		87	241	438
Repayment of borrowings		(4)	(1)	(5)
Proceeds from convertible loans		750	64	833
Net cash used in financing activities				
		833	304	1,266
Net decrease in cash and cash equivalents		(42)	(35)	(11)
Cash and cash equivalents at the beginning of the period		64	75	75
Cash and cash equivalents at the end of the period	10	22	40	64

Notes to the unaudited condensed interim consolidated financial statements

1. General information

These consolidated interim financial statements were approved by the Board of Directors on 27 September 2022.

2. Basis of preparation

These consolidated interim financial statements of the Group are for the six months ended 30 June 2022.

The comparative figures for the financial year ended 31 December 2021 are not the Group's statutory accounts for that financial year. The comparative figures are a consolidation of the results and financial position of LifeSafe Holdings plc (previously LifeSafe Holdings Limited) and LifeSafe Technologies Limited prepared under International Financial Reporting Standards ('IFRS') for the purposes of presentation in the Company's IPO Admission Document published on 1 July 2022. The statutory accounts filed at Companies House were prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' including the provisions of Section 1A 'Small Entities' and the Companies Act 2006. The financial statements, which were exempt from audit under Section 477 of the Companies Act 2006, were prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The condensed consolidated interim financial statements for the six months to 30 June 2022 do not include all the information and disclosures required in the annual financial statements and have not been audited or reviewed by an auditor pursuant to the Auditing Practices Board guidance on Review of Interim Financial Information. However, selected explanatory notes are included to explain events and transactions that are significant for an understanding of the changes in the Group's financial position and performance in the period.

The condensed consolidated interim financial statements for the six months to 30 June 2022 have been prepared on the basis of the accounting policies expected to be adopted for the year ending 31 December 2022. These accounting policies are drawn up in accordance with adopted International Accounting Standards ('IAS') and International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board and adopted by the EU.

AIM-listed companies are not required to comply with IAS 34 'Interim Financial Reporting' and accordingly the Company has taken advantage of this exemption.

3. Revenue from contract customers

Revenue from customers	(Unaudited) Six months ended 30 June 2022 £000	(Unaudited) Six months ended 30 June 2021 £000	(Unaudited) Year ended 31 Dec 2021 £000
Customer 1	-	-	85
All other customers	1,277	41	585
	1,277	41	670

Geographical reporting	(Unaudited) Six months ended 30 June 2022 £000	(Unaudited) Six months ended 30 June 2021 £000	(Unaudited) Year ended 31 Dec 2021 £000
Revenue			
United Kingdom	631	41	585
North America	561	-	-
Europe	85	-	-
Australia	-	-	85
	1,277	41	670

4. Segmental reporting

The Chief Operating Decision Maker ('CODM') has been determined to be the Directors. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. The CODM has determined that there is one single operating segment being the sale of fire extinguishing and related products. Information about geographical revenue is disclosed in note 3.

5. Non-underlying items

	(Unaudited) Six months ended 30 June 2022 £000	(Unaudited) Six months ended 30 June 2021 £000	(Unaudited) Year ended 31 Dec 2021 £000
IPO costs	725	-	-
Share-based payment charges	170	-	114
	895	-	114

IPO costs

On Admission to AIM on 6 July 2022, the Company issued 4,000,000 new Ordinary Shares and 2,716,550 Ordinary Shares to the providers of convertible loans, taking the number of Ordinary Shares in issue to 22,108,050. The total proceeds amounted to £3,000,000. The costs of issue, which

were committed at 30 June 2022, amounted to £1,092,000 of which £725,000 has been recognised as a non-underlying expense in the consolidated income statement in H1 2022 and £367,000 has been recognised as a deduction from committed share issue proceeds in equity in the consolidated statement of financial position at 30 June 2022.

Share-based payment charges

The Group operates two equity-settled share-based remuneration schemes for employees. The options will lapse if the individual leaves within 10 years from the date of grant if all vesting conditions had not been met earlier. The terms and conditions of the grants are detailed below:

Date of grant	No. of options	Exercise price (£)	Vesting conditions	Contractual life of options
30 September 2021	29,913	24.06	IPO	10 years
11 October 2021	32,904	24.06	IPO	10 years
29 March 2022	32,904	8.00	12 months from admission date	10 years

Details of the number of share options granted, exercised, lapsed and outstanding at the end of each period, as well as the weighted average exercise prices in £ ('WAEP'), are as follows:

	As at 30 June 2022		As at 30 June 2021		As at 31 December 2021	
		WAEP		WAEP		WAEP
Outstanding at beginning of period	62,817	24.06	-	-	-	-
Granted during the period	32,904	8.00	-	-	62,817	24.06
Forfeited/lapsed during the period	(32,904)	24.06	-	-	-	-
Exercised during the period	-	-	-	-	-	-
Outstanding at end of period	62,817	15.65	-	-	62,817	24.06
Exercisable at end of period	-	-	-	-	-	-

The number of share options granted, and the corresponding exercise price, are shown before the Company's 49 for 1 bonus issue of shares (see note 14).

The fair values of the options granted during the year were calculated using the Black Scholes Model with the following assumptions:

- Risk free interest rate: 1.65%
- Expected volatility: 57.92%
- Expected dividend yield: 0.00%
- Life of the option: 10 years
- Share price at measurement date: £34.16

On 29 March 2022, the Company issued options to replace the grants on 11 October 2021. The incremental fair value expense of £170,299 was recognised in the statement of comprehensive income for the period ended 30 June 2022 relating to the percentage vested at this date.

6. Finance expense

	(Unaudited) Six months ended 30 June 2022 £000	(Unaudited) Six months ended 30 June 2021 £000	(Unaudited) Year ended 31 Dec 2021 £000
Interest on bank loans	4	2	1
Interest on convertible loan notes	569	16	48
	573	18	49

7. Income tax expense

No income has yet been recognised in H1 2022 in relation to R&D tax credits available from HMRC through the SME R&D relief scheme.

8. Earnings per share

Earnings per share are as follows:

	(Unaudited) Six months ended 30 June 2022 £ per share	(Unaudited) Six months ended 30 June 2021 £ per share	(Unaudited) Year ended 31 Dec 2021 £ per share
Basic and diluted earnings per share	(0.14)	(0.04)	(0.10)

The calculations of basic and diluted earnings per share are based upon:

	£000	£000	£000
Loss for the period attributable to owners of the Parent	(2,197)	(665)	(1,521)

	Number	Number	Number
Weighted average number of ordinary shares	15,391,302	15,354,723	15,369,510

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

The weighted average number of shares in issue is used as the denominator in the calculating basic earnings per share. As the Company is loss making the effect of instruments that convert into ordinary shares is considered anti-dilutive, hence there is no difference between the diluted and non-diluted loss per share.

During the period ended 30 June 2022, the Company completed a 49 for 1 bonus share issue (see note 14). As a result, the comparative periods have been adjusted accordingly.

9. Trade and other receivables

	(Unaudited) 30 June 2022 £000	(Unaudited) 30 June 2021 £000	(Unaudited) 31 Dec 2021 £000
Amounts falling due within one year:			
Trade receivables	19	-	24
Other receivables	3,211	107	108
	3,230	107	132

Other receivables at 30 June 2022 includes £3,000,000 of committed subscriptions to the Company's placing of shares and Admission to AIM on 6 July 2022. The committed subscriptions were in the form of irrevocable placing letters held by the Company's Broker and Nominated Adviser.

10. Cash and cash equivalents

	(Unaudited) 30 June 2022 £000	(Unaudited) 30 June 2021 £000	(Unaudited) 31 Dec 2021 £000
Cash at bank available on demand	22	40	64
	22	40	64

11. Trade and other payables

	(Unaudited) 30 June 2022 £000	(Unaudited) 30 June 2021 £000	(Unaudited) 31 Dec 2021 £000
Trade and other payables	1,583	279	262
	1,583	279	262

Trade and other payables at 30 June 2022 includes £984,000 of IPO costs paid after the Period end.

12. Convertible loans

	(Unaudited) 30 June 2022 £000	(Unaudited) 30 June 2021 £000	(Unaudited) 31 Dec 2021 £000
Amounts falling due within one year:	1,699	18	562
	1,699	18	562

In the year ended 31 December 2021, the Company issued loan notes amounting to £700,000 with an interest rate of 12.00%, with interest accruing to the value of the loan and converting to equity with the principal in the event of a conversion. The loans were unsecured and repayable in two years or could be converted at any time into shares at the holder's option. In addition to interest, there was an arrangement fee and a monitoring fee of 13% and 3% of principal respectively that was added to the loan balance on drawdown. The loan terms included an accelerated interest conversion feature that required a full year of interest to be converted into equity if the loan was converted part way through a year. These loans were converted post period end on 6 July 2022 at £34.16 per 1p ordinary share.

In the period to 30 June 2022, the Company issued loan notes amounting to £750,000 with an interest rate of 12.00%, with interest accruing to the value of the loan and converting to equity with the principal in the event of a conversion. The loan was unsecured and repayable in two years or could

be converted at any time into shares at the holder's option. In addition to interest, there was an arrangement fee and a monitoring fee of 13% and 3% of principal respectively that was added to the loan balance on drawdown. The loan terms included an accelerated interest conversion feature that required a full year of interest to be converted into equity if the loan was converted part way through a year. These loans were converted post period end on 6 July 2022 at £34.16 per 1p ordinary share.

As the conversion feature resulted in the conversion of a fixed amount of stated principal into a fixed number of shares, it satisfied the 'fixed for fixed' criterion and, therefore, it is classified as an equity instrument. The value of the liability component and the equity conversion component were determined at the date the instrument was issued. The fair value of the liability component at inception, included in non-current borrowings, was calculated using a market interest rate for an equivalent instrument without a conversion option. The discount rate applied was 15%. The transaction costs have been apportioned between the equity and liability component with the portion attributable to equity recognised as a deduction in equity, and the liability component decreasing the amortised cost liability.

Post period end, on Admission to AIM on 6 July 2022, all outstanding convertible loans converted to equity with the Company issuing 2,716,550 Ordinary Shares to the providers of all convertible loans outstanding at 30 June 2022.

13. Borrowings

	(Unaudited) 30 June 2022 £000	(Unaudited) 30 June 2021 £000	(Unaudited) 31 Dec 2021 £000
Current:			
Bank loans	7	7	7
Non-current:			
Bank loans	22	30	26
Total borrowings	29	37	33

Banks loans comprise a Coronavirus Bounce Back Loan Scheme loan provided by HSBC. The loan was taken out in May 2020 and matures five years after this date.

14. Share capital

	(Unaudited) 30 June 2022 £000	(Unaudited) 30 June 2021 £000	(Unaudited) 31 Dec 2021 £000
Allotted, called up and fully paid			
Ordinary share of £0.01 each	154	3	3
	154	3	3

Called up share capital

Called up share capital represents the nominal value of shares that have been issued.

All classes of shares have full voting, dividends, and capital distribution rights.

On 14 January 2022, the Company issued 2,561 new ordinary shares for cash, increasing the number of shares in issue to 307,830.

On 9 May 2022, a bonus issue of shares was made for the shareholders of all 307,830 shares already in issue at the date. The bonus issue offered 49 ordinary shares for every 1 ordinary share in issue, with a nominal value of £0.01 per share. This increased the number of ordinary shares in issue by 15,083,670 to 15,391,500.

15. Reserves

In anticipation of re-registering the Company as a public limited company ('plc'), a requirement of Admission to AIM, at a general meeting of the Company on 25 April 2022, it was resolved that the Company would reduce its share premium account by an amount of £4,464,175 to the credit of the Profit and Loss Account, and capitalise £150,837 of its Profit and Loss Account into share capital of the Company through a bonus issue of shares.

Share premium account

This represents the excess value recognised from the issue of Ordinary Shares above nominal value.

Share-based payment reserve

This represents the cumulative fair value of share options charged to the consolidated income statement net of the transfers to the profit and loss reserve on exercised and cancelled/lapsed options.

Convertible loan note reserve

This represents the amount of proceeds on issue of convertible debt relating to the equity component (that is, the value of the option to convert the debt into share capital).

Shares to be issued reserve

This represents the proceeds of shares that have been committed to be allotted and issued, net of issue expenses.

Retained earnings

This represents cumulative net gains and losses less distributions made.

16. Post balance sheet events

On 1 July 2022, the Company issued a warrant instrument pursuant to which WH Ireland Limited, the Company's Nominated Adviser and Broker, was granted a warrant to subscribe for 583,431 Ordinary Shares in partial consideration for the provision of their services to the Company in connection with the placing and Admission of shares to AIM.

On Admission to AIM on 6 July 2022, the Company issued 4,000,000 new Ordinary Shares and 2,716,550 Ordinary Shares to the providers of convertible loans, taking the number of Ordinary Shares in issue to 22,108,050. The total proceeds amounted to £3,000,000. The costs of issue, which were committed at 30 June 2022, amounted to £1,092,000 of which £725,000 has been recognised as a non-underlying expense in the consolidated income statement in H1 2022 and £367,000 has been recognised as a deduction from committed share issue proceeds in equity in the consolidated statement of financial position at 30 June 2022.

On 26 July 2022, 2,142,266 share options were granted to those eligible under the scheme in line with the disclosures made in the Company's Admission Document published on 1 July 2022. The options, which have an exercise price of 75 pence, are subject to performance conditions measured at the end of a three-year performance period with the amount exercisable dependent on the total shareholder return achieved. In the event of certain corporate transactions within the performance period, the options will vest in full and be exercisable.

17. Availability

Further copies of this interim announcement are available on the LifeSafe Holdings plc investor relations website, www.lifesafeholdingsplc.com.

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