

27 January 2025

Vela Technologies plc
("Vela" or "the Company")
Quarterly Investment Update

The Board of Vela (AIM:VELA), an AIM-quoted investing company focused on early-stage and pre-IPO disruptive technology investments, today announces an investment update for the quarter ended 31 December 2024.

Key numbers as at 31 December 2024

- The value of Vela's total assets (including cash) decreased by £385,000 during the quarter to £2,670,000 from £3,055,000 (quarter to 30 September 2024 - an increase of £251,000).
- The fair value of the investment portfolio (excluding cash) at 31 December 2024 was £2,623,000 (30 September 2024 - £2,952,000).
- During the quarter, a loss of £10,000 was realised on sales of investments and there was a net unrealised loss of £276,000 on the remaining listed investments.
- During the quarter, Vela subscribed £50,000 for a convertible loan note in Igraine PLC (the first tranche of the minimum £200,000 commitment announced on 21 October 2024).
- Vela's cash balance stood at £47,000 (30 September 2024 - £103,000).

Comment

James Normand, Executive Director, commented "Any evidence of a more favourable future for the small-cap public markets remains hidden. Vela's Board is pursuing the course of action referenced in the last quarterly report; that is to take opportunities to realise a proportion of its existing investment portfolio, where it can do so without crystallising material losses, with the intention of recycling the proceeds into investment opportunities that offer the prospect of more favourable returns."

Changes in the investment portfolio during the quarter

The following table sets out the changes in the investment portfolio during the quarter ended 31 December 2024:

	Holdings at 30 September 2024	Quarter to 31 December 2024				Holdings at 31 December 2024		
	Fair value (£)	Sales		Acquisitions	Unrealised profit (loss)	No. of shares	% of equity	Fair value (£)
		Proceeds	Profit (loss)					
<u>Shares</u>								
<i>Listed in the UK</i>								
On the main market								
R8 Capital Investments plc	14,000	-	-	-	-	620,581	<1	14,000
On AIM								
Northcoders Group plc	695,000	-	-	-	(61,000)	347,499	4.3	634,000
EnSilica plc	342,000	21,000	(6,000)	-	(68,000)	566,707	<1	247,000
Skillcast Group plc	268,000	-	-	-	(26,000)	575,676	<1	242,000
Finseta plc	150,000	72,000	(4,000)	-	(5,000)	200,000	<1	69,000
Tribe Technology PLC	139,000	-	-	-	(116,000)	3,125,000	1.3	23,000
Ethernity Networks Ltd	1,000	-	-	-	(1,000)	350,000	<1	-
On AQSE								
TruSpine Technologies plc	51,000	-	-	-	12,000	6,000,000	3.9	63,000
Igraine PLC	60,000	-	-	-	30,000	23,928,080	27.7	90,000
Global Connectivity plc	15,000	-	-	-	(8,000)	1,200,000	<1	7,000
	1,735,000	93,000	(10,000)	-	(243,000)			1,389,000
<i>Listed overseas</i>								
On NASDAQ								
Conduit Pharmaceuticals Inc	89,000	-	-	-	(33,000)	1,005,760	1.0	56,000
Unlisted								
Community Social Investment Limited (formerly WeShop Limited)	427,000	-	-	-	-	71,429	<1	427,000
Aeristech Limited	401,000	-	-	-	-	145,833	1.0	401,000
	828,000							828,000
<u>Convertible loan stock</u>								
Igraine PLC				50,000	-	-	-	50,000
Hamak Gold Limited	300,000	-	-	-	-	-	-	300,000
	300,000			50,000				350,000
Total investments	2,952,000	93,000	(10,000)	50,000	(276,000)			2,623,000
Cash	103,000							47,000
Total assets	3,055,000							2,670,000
Net assets per share	0.0161							0.0141

(pence)

The figures contained within this quarterly investment update are taken from unaudited management information.

Investments traded on a recognised stock market are valued using the accounting policies outlined in the notes to the annual financial statements. Unlisted investments and other financial assets are stated at the values attributed to them in the audited balance sheet as at 31 March 2024, unless there has been a transaction since that date which suggests a materially different valuation.

Key developments in principal investee companies since the last report (announced by Vela on 28 November 2024)

EnSilica Plc ("EnSilica")

At its AGM on 28 November 2024 EnSilica's chairman reported that the company continued to generate strong contract momentum and that he expected EnSilica to continue to trade in line with consensus market expectations for the year ending 31 May 2025. On 6 December 2024 EnSilica announced the signing of a contract that it expected to generate income of US 30 million over 10 years.

Skillcast Group plc ("Skillcast")

In a trading update announced on 23 January 2025, Skillcast reported unaudited figures for 2024 which showed an 18% increase in revenue (to £13.3 million), EBITDA of c. £0.5 million and a net cash position at the year-end of £9.1 million. The company states that it expects continued growth in annual recurring revenue and EBITDA margins in 2025.

Tribe Technology PLC ("Tribe")

On 19 December 2024 Tribe announced that, in order to secure the funding required to finance the working capital consequences of additional software development and testing, it would be proposing to shareholders the cancellation of the company's AIM listing. Later in December, Tribe announced that Charlie King, its founder and CEO, had stepped down from the Board with immediate effect.

Tribe's shares were suspended from trading on AIM on 2 January 2025 because it had not published its financial statements for the year ended 30 June 2024 within six months of the year-end, as required by the AIM Rules; and on 21 January 2025 Tribe published a notice of a meeting of shareholders to approve the proposed delisting. This meeting is to be held on 12 February.

Community Social Investment Limited ("CSIL")

Vela's ability to realise its interest in CSIL is dependent upon the sale or listing of WeShop Holdings Limited ("WeShop"). On 24 December 2024, WeCap plc, WeShop's parent company, announced that WeShop had submitted a draft Registration Statement to the SEC relating to the proposed direct listing of its ordinary shares. This announcement made a specific reference to the presumed intention of CSIL to distribute *in specie* its only asset, being shares in WeShop. The announcement did not suggest a timetable to listing.

Aeristech Limited ("Aeristech")

There has been no news from Aeristech since it reported to shareholders in October 2024 that it had satisfied conditions set by a prospective major funder and/or buyer to allow it to conduct due diligence on the company. The filing of Aeristech's financial statements for the year ended 31 March 2024 is overdue, as is the filing of its annual confirmation statement.

Igraine PLC ("Igraine")

On 13 December Igraine announced that it had made a maiden investment in battery storage business, GEM Energia Limited, following the signing of the exclusive investment agreement that it announced on 21 October 2024. This and subsequent investments in accordance with this agreement are being financed through a convertible loan note drawdown arrangement with Vela. A further £50,000 drawdown on this arrangement has been made since the end of the quarter.

Other activities

- On 18 December 2024 Vela published its interim report for the half year ended 30 September 2024. This report reflected the results outlined in the quarterly updates published in August and November 2024.
- Since the publication of the last quarterly update on 28 November 2024, the Board of Vela has spoken to or met with representatives of the following investee companies:
 - Aeristech Limited
 - Finseta plc
 - Igraine PLC
 - Hamak Gold Limited
- Under the terms of the investment in the convertible loan note ("CLN") in Hamak, Hamak undertook to redeem £75,000 of the CLN at a minimum rate of £10,000 per month from 31 July 2024 onwards. Vela has made a number of announcements since then explaining that it had yet to receive any such payments. Vela is hopeful that it will be in a position shortly to conclude discussions with the Hamak board concerning a mutually beneficial longer-term solution.

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About Vela Technologies

Vela Technologies plc (AIM: VELA) is an investing company focused on early stage and pre-IPO long term disruptive technology investments. Vela's investee companies have either developed ways of utilising technology or are developing technology with a view to disrupting the businesses or sector in which they operate. Vela Technologies will also invest in already-listed companies where valuations offer additional opportunities.

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