

21 December 2016

LEGENDARY INVESTMENTS PLC (“Legendary” or the “Company”)

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

HIGHLIGHTS

- Substantial progress at Virtual Stock Holdings Limited (“VS”) resulting in landmark contract wins post the period end
- Promising sampling and geophysical results from Manas Resources LLC (“Manas”)
- Oversubscribed fund raise of £1m (before costs) at 0.3 pence per share

EXECUTIVE CHAIRMAN’S STATEMENT

The period under review saw substantial progress at VS and Manas. After several months of diligent effort, post the period end, VS won landmark contracts in the health sector. Initial sampling results at Manas were positive justifying further work which also produced positive results. £1m was raised through an oversubscribed placing at 0.3 pence per share. Non-core investments were disposed of and duplication in brokers was eliminated. With these successes, Legendary is positioning itself to continue to the next stage of its development.

VS continues to build on the significant progress it made in the last fiscal year. Following the contract win in July 2015 with Guy’s and St Thomas’s Trust, VS’s aim was to win several further NHS contracts by the end of this calendar year. The reality of what happened, exceeded that aim.

In February 2016, VS was cited as exemplary of best practice in employing digital technology to deliver significant cost reductions with Guy’s and St Thomas Trust in the landmark Lord Carter report, “Operational productivity and performance in English NHS acute hospitals: Unwarranted variations”, February 2016.

Following this, post the period end on 24 October 2016, VS’s The Edge was adopted as the common catalogue management solution by the Shelford Group, which comprises ten leading NHS multi-specialty academic healthcare organisations. The win took longer than expected, but was ultimately more substantial than expected. The Shelford Group will be the first group of trusts to collaborate in the adoption of a single catalogue management solution. As stated by Andrew Mills, CEO of VS, “... VS will use The Edge to replicate the efficient and agile systems of our retail clients in order for the successful result to be rolled out across the NHS.”

This success was followed by the announcement on 2 November 2016, post the period end, that VS’s The Edge is to be utilised by the Government owned joint-venture NHS Shared Business Services joint venture (“NHS SBS”), a joint venture between Sopra Steria Group S.A., a European leader in digital transformation. The Edge will enable hospitals to purchase a full range of products through a single eCommerce platform, in a way that users experience in everyday online shopping. The Shelford Group has signed up to use the technology. The NHS SBS partnership is expected to expand the potential for savings to many more trusts. In essence, VS technology is providing an “Amazon” like marketplace for the NHS by partnering with NHS SBS.

Legendary has a 7.0% stake in VS.

In April 2016, Legendary announced preliminary results from the 2015 sampling programme carried out by Manas on its Sultan Sary Project in Kyrgyzstan. These results delineated some very focussed areas for follow-

up work. Highlights of the results included the existence of several bedrock samples up to 4 g/t Au within a 1km<sup>2</sup> soil anomaly in Area 2 and a boulder sample grade of 36 g/t along the structural corridor in Area 3.

On 25 August 2016, Legendary announced that Manas had initiated a geophysical work programme to better define and delineate known and potential gold mineralisation in licence area. The geophysics programme consisted of Ground Magnetics, Induced Polarisation ("IP") profiles and Gamma Spectrometry, and focussed on the high priority subareas, Areas 2 and 3. Post the period end, on 13 December 2016, Legendary announced that it had received the results of the geophysical study, and that the results were positive.

Area 3, considered to be the most prospective area, covers approximately 1.2 km<sup>2</sup> in the southwestern corner of the licence area. The pole-dipole IP surveys conducted in Area 3, which is almost entirely covered by Quaternary sediments, identified strong chargeability and/or resistivity anomalies over a strike length of some 1.4 km extending from the edge of the survey area. Modelling of the results suggests that the tops of the targets are 50 - 100 metres from surface. These anomalies correspond with the postulated WNW extension of the gold-rich structural corridor that hosts the known deposits (outside the licence area) of Choloktor (3km), Buchuk (5km) and Altyntor (9km). Altyntor is currently being mined by a Chinese company, and about 5 tonnes of gold has historically been mined from Buchuk. Under the Russian/Soviet classification scheme Buchuk contains a C1 resource of 20 tonnes of gold, and Altyntor contains a C1 and C2 resource of 7 tonnes of gold. The next stage is drill testing these promising targets in 2017.

Legendary has a 5.5% stake in Manas with an option for an additional 4.5% stake.

Legendary continues to hold its investments in Bosques Energeticos EBE S.A. de C.V, Amedeo Resources PLC and Medgold Resources Corp.

On 6 May 2016, Legendary informed the market that it has disposed of its stakes in Oracle Coalfields PLC and Sula Iron & Gold PLC. These disposals allowed Legendary to focus on its core and more promising investments, and to seek additional promising investments. During the period, several additional investments were reviewed. None, however, were made.

On 5 May, Legendary announced that it has raised £1 million (before expenses), by way of an oversubscribed placing of 333,333,333 ordinary shares of 0.10 pence nominal value each ("Ordinary Shares") at a price of 0.3 pence per new Ordinary Share. The shares were placed with a range of institutional and private investors. Funds were utilised to pay down debt, support existing investments and for working capital.

## FINANCIAL REVIEW

During the six month period ended 30 September 2016, Legendary made a net gain on investments of £21,000 (2015: £2,498,000). In the period to 30 September 2016 this was primarily due to a rise in the value of Medgold Resources Corp. The comparative period for 2015 had seen substantial increase in the gain on investments primarily relating to VS. Net administrative expenses were higher at £163,000 (£116,000). The increase was due primarily to preparing Legendary for its next phase of development. Increasing expenses included an increase in directors' cash remuneration, the costs of keeping a working office and one-off IT costs. There was also a foreign exchange loss due to the significant devaluation of the £ against the US\$ following BREXIT combined with Legendary having US\$ denominated debt. Set against these increases were a decrease in travelling costs (see later) and zero costs associated with share based payments.

The operating loss was £142,000 (2015: profit £2,374,000). There was no interest payable (2015: £8,000) as all interest on the US\$ denominated debt was taken in the last fiscal year. Loss for the financial period was

£142,000 (2015: profit £2,374,000). The basic and diluted loss per share were 0.005p and 0.005p (2015 profit: basic and diluted 0.100p and 0.07p, respectively), respectively.

Legendary expended £157,000 in relation to costs associated with Manas and certain new initiatives. These costs are expected to be recovered by Legendary in the case that Manas reaches its next stage of development and the new initiatives are successful. As a consequence, they are recorded in debtors due within one year, which at the period end were £173,000 (2015: £6,000).

Creditors, amounts falling due after one year, fell to £30,000 (2015: £197,000) due to repayment of the US\$250,000 loan and interest thereon.

Legendary ended the period with £4,269,000 (2015: £4,389,000) of investments, £516,000 (2015: £161,000) of cash, £4,854,000 (2015: £4,296,000) of net assets, and £4,960,000 (2015: £4,559,000) of total assets.

**- Ends -**

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#### **About Legendary Investments PLC**

Legendary Investments PLC is a proactive investment company that focuses on making investments in and assisting companies which exhibit the potential to generate returns of many multiples through capital appreciation. Typically, Legendary invests in small companies where there are clear catalysts for value appreciation and the companies are operating in sectors exhibiting long term growth. Examples of such sectors include technology, energy and natural resources.

*Statement of Comprehensive Income*

For the six months ended 30 September 2016

(£'000s)	6months ended 30/09/16 Unaudited	6months ended 30/09/15 Unaudited	Year ended 31/03/16 Audited
Net gain/(loss) on fair value investments	21	2,498	2,391
Net administrative expenses	(163)	(116)	(259)
Operating (loss) / profit	(142)	2,382	2,132
(Loss) / profit on ordinary activities before interest	(142)	2,382	2,132
Interest payable	-	(8)	(14)
(Loss) / profit on ordinary activities before tax	(142)	2,374	2,118
Taxation	-	-	-
(Loss) / Profit for the financial period and total comprehensive income	(142)	2,374	2,118
Basic Earnings/(loss) Per Share – Pence	(0.005)p	0.10p	0.09p
Diluted Earnings/(loss) Per Share – pence	(0.005)p	0.07p	0.08p

All activities derive from continuing operations

Statement of Financial Position

As at 30 September 2016

(£'000s)

	As at 30/09/2016 Unaudited	As at 30/09/2015 Unaudited	As at 31/03/2016 Audited
<u>Non Current Assets:</u>			
Tangible assets	2	3	2
Investments	4,211	4,316	4,211
	<hr/> 4,213	<hr/> 4,319	<hr/> 4,213
Current assets			
Current asset investments	58	73	64
Debtors due within one year	173	6	47
Cash at bank and in hand	516	161	30
	<hr/> 747	<hr/> 240	<hr/> 141
<u>Liabilities:</u>			
Current Liabilities:			
Creditors: amounts falling due within one year	(76)	(66)	(251)
Net Current Assets:	<hr/> 671	<hr/> 174	<hr/> (110)
Total Assets Less Current Liabilities:	4,884	4,493	4,103
Non-Current Liabilities:			
Creditors: amounts falling due after one year	(30)	(197)	(30)
Net assets	<hr/> 4,854	<hr/> 4,296	<hr/> 4,073
	As at 30/09/2016 Unaudited	As at 30/09/2015 Unaudited	As at 31/03/2016 Audited
Equity and reserves			
Called up share capital	2,807	2,462	2,462
Share premium account	8,923	8,345	8,345
Share based payment reserve	293	260	293
Profit and loss – deficit	(7,169)	(6,771)	(7,027)
Equity shareholders' funds	<hr/> 4,854	<hr/> 4,296	<hr/> 4,073

Statement of Changes in Equity

At 30 September 2016

(£'000s)

	Share Capital	Share Premium	Share Based Payments	Retained Earnings
At 31 March 2015	2,462	8,345	244	(9,145)
Share issue	-	-	-	-
Profit For the period	-	-	-	2,374
Share option/warrant charge	-	-	16	-
At 30 September 2015	2,462	8,345	260	(6,771)
Share issue	-	-	-	-
Loss For the period	-	-	-	(256)
Share option/warrant charge	-	-	33	-
At 31 March 2016	2,462	8,345	293	(7,027)
Share Issue	345	578	-	-
Loss For the period	-	-	-	(142)
Share option/warrant charge	-	-	-	-
At 30 September 2016	2,807	8,923	293	(7,169)

### Cash Flow Statement

For the six months ended 30<sup>th</sup> September 2016

(£'000s)

	6m ended 30/09/2016 Unaudited £'000	6m ended 30/09/2015 Unaudited £'000	Year ended 31/03/2016 Audited £'000
<b>Cash flow from Operating Activities:</b>			
Profit/(loss) before taxation	(142)	2,374	2,118
Adjustments for:			
Share Option / warrant charge	-	-	49
Share Issue Cost	(88)	-	-
Depreciation	1	1	2
Change in fair value of investments	(21)	(2,498)	(2,390)
Exchange gains and loss	(29)	-	-
	<b>(279)</b>	<b>(123)</b>	<b>(221)</b>
<b>Changes in Working Capital:</b>			
(Increase)/decrease in trade and other receivable	(126)	(4)	(45)
Increase/(decrease) in trade and other payables	14	25	12
	<b>(112)</b>	<b>21</b>	<b>(33)</b>
<b>Net Cash outflow from operating activities</b>	<b>(391)</b>	<b>(102)</b>	<b>(254)</b>
<b>Cash Flows from investing activities</b>			
Purchase of investments	-	(100)	(100)
<b>Net Cash outflow from investing activities</b>	<b>-</b>	<b>(100)</b>	<b>(100)</b>
<b>Cash Flow from financing activities:</b>			
Proceeds from Issue of new ordinary activities	1000	-	-
Expenses Paid In Connection with issue of shares	88	-	-
(Decrease)/increase in Long term Loan	(211)	167	189
<b>Net Cash inflow after financing activities</b>	<b>877</b>	<b>167</b>	<b>189</b>
Net (decrease)/increase from financing activities	486	(35)	(165)
Cash and Cash equivalents at 1 April	30	195	195
Cash and cash equivalents at 30 September	516	160	30

### Notes to the Interim Results

#### 1. Accounting Policies Basis of Preparation

The interim financial information has been prepared in accordance with the basis of the accounting policies set out in the Company' annual report and accounts for the year ended 31 March 2016, which have been prepared in accordance with International Financial Reporting Standards as adopted for use by the European Union. The interim accounts are

unaudited and do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006.

The same accounting policies, presentation and methods of computation have been followed in this unaudited interim financial information as those which were applied in the preparation of the Company's annual statements for the year ended 31 March 2016, upon which the auditors issued an unqualified opinion, and which have been delivered to the registrar of companies.

The interim financial information has been drawn up using accounting policies and presentation expected to be adopted in the Company's full financial statements for the year ended 31 March 2017. Any new standards that will be adopted in full for the first time in the year-end financial statements did not have a material impact on this interim financial information.

The half yearly report, including the financial information contained herein, is the responsibility of, and was approved by the directors on 21 December 2016. The continuing obligations of the AIM Rules for Companies require that the accounting policies and presentation applied to the half yearly figures should be consistent with those applied in preparing preceding annual accounts except where any changes, and the reasons for them, are disclosed.

The interim financial information for the six months ended 30 September 2016 was approved by the Board on 21 December 2016.

Copies of this report are available on the Company's website, [www.leginvest.com](http://www.leginvest.com)

## 2. Investments

All the investments are stated at Fair Value through profit or loss. Increase and Decrease in Fair Values are shown in statement of comprehensive income as profit/loss in investment.

Included in unlisted investments are the following companies:

INVESTMENT	Carrying value 31 March 2016 £'000	Exercise of options £'000	Unrealised gain on revaluation £'000	Carrying value 30 September 2016 £'000	Fair value hierarchy
Bosques Energeticos EBE S.A de C.V	83	-	-	83	Level 3
Virtualstock Holdings Limited	4,028	-	-	4,028	Level 2
Manas Resources LLC	100	-	-	100	Level 3
<b>Total</b>	<b>4,211</b>	<b>-</b>	<b>-</b>	<b>4,211</b>	

## 3. Earnings Per Share



The calculation of earnings per share is based on the profit/ (loss) for the period divided by the weighted average number of ordinary shares in issue during the period of 2,729,457,656

	6 Months ended 30 September 2016	6 Months ended 30 September 2015	Year ended 31 March 2016
	Unaudited	Unaudited	Audited
Profit/(loss) for the period	(142,209)	2,374,136	2,133,359
Weighted average number of ordinary shares	2,729,457,656	2,461,531,830	2,461,531,830
Basic EPS	<u>(0.005)p</u>	<u>0.10 p</u>	<u>0.09p</u>
Share options	450,000,000	450,000,000	450,000,000
Warrants	284,772,727	315,000,000	317,272,727
Diluted EPS	<u>(0.005)p</u>	<u>0.07 p</u>	<u>0.07p</u>

As the Company has reported a loss for the 6 months ended 30 September 2016, the share options and warrants for this period are anti-dilutive.