

**FORBIDDEN TECHNOLOGIES PLC (REGISTERED NUMBER: 03507286)****UNAUDITED AND CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED 30 JUNE 2014**

	Unaudited half year to 30 June 2014 £	Unaudited half year to 30 June 2013 £	Audited year to 31 December 2013 £
<b>CONTINUING OPERATIONS</b>			
Revenue	348,077	401,278	772,180
Cost of Sales	(56,038)	(53,581)	(105,078)
<b>GROSS PROFIT</b>	292,039	347,697	667,102
Administrative expenses	(1,461,888)	(538,191)	(1,491,408)
<b>OPERATING LOSS</b>	(1,169,849)	(190,494)	(824,306)
Finance costs	(887)	-	-
Finance income	12,846	876	21,528
<b>LOSS BEFORE INCOME TAX</b>	(1,157,890)	(189,618)	(802,778)
Income Tax	-	-	5,231
<b>LOSS FOR THE PERIOD</b>	(1,157,890)	(189,618)	(797,547)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	(1,157,890)	(189,618)	(797,547)
Earnings per share expressed in pence per share:			
Basic – continuing and total operations	(1.08p)	(0.22p)	(0.74p)

**FORBIDDEN TECHNOLOGIES PLC (REGISTERED NUMBER: 03507286)**

**UNAUDITED AND CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
30 JUNE 2014**

	Unaudited at 30 June 2014	Unaudited at 30 June 2013	Audited at 31 December 2013
	£	£	£
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	1,459,403	1,054,690	1,188,960
Property, plant and equipment	145,103	47,030	49,366
	<u>1,604,506</u>	<u>1,101,720</u>	<u>1,238,326</u>
<b>CURRENT ASSETS</b>			
Inventories	38,376	-	3,274
Trade and other receivables	306,248	265,451	330,637
Tax receivable	5,213	53,603	58,834
Short-term investment	2,000,000	-	2,000,000
Cash and cash equivalents	4,446,339	189,488	5,839,109
	<u>6,796,176</u>	<u>508,542</u>	<u>8,231,854</u>
<b>TOTAL ASSETS</b>	<u>8,400,682</u>	<u>1,610,262</u>	<u>9,470,180</u>
<b>EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	1,054,518	698,056	1,054,518
Share premium	13,317,572	5,336,967	13,317,572
Capital contribution reserve	125,000	125,000	125,000
Retained earnings	(6,311,309)	(4,651,946)	(5,206,105)
<b>TOTAL EQUITY</b>	<u>8,185,781</u>	<u>1,508,077</u>	<u>9,290,985</u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	-	-	-
<b>CURRENT LIABILITIES</b>			
Trade and other payables	214,901	102,185	179,195
<b>TOTAL LIABILITIES</b>	<u>214,901</u>	<u>102,185</u>	<u>179,195</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>8,400,682</u>	<u>1,610,262</u>	<u>9,470,180</u>

The financial statements were approved by the Board of Directors on 25 July 2014.

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S B Streater – Director

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P J Madden - Director

**FORBIDDEN TECHNOLOGIES PLC (REGISTERED NUMBER: 03507286)**

**UNAUDITED AND CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 JUNE 2014**

	Called up share capital £	Share premium £	Capital contribution reserve £	Profit and loss account £	Total equity £
<b>Balance at 1 January 2013</b>	696,936	5,311,637	125,000	(4,505,365)	1,628,208
<b>Changes in equity</b>					
Issue of share capital	1,120	25,330	-	-	26,450
Share based payment	-	-	-	43,037	43,037
Total comprehensive income	-	-	-	(189,618)	(189,618)
<b>Balance at 30 June 2013</b>	698,056	5,336,967	125,000	(4,651,946)	1,508,077
<b>Changes in equity</b>					
Issue of share capital	356,462	7,980,605	-	-	8,337,067
Share based payment	-	-	-	53,770	53,770
Total comprehensive income	-	-	-	(607,929)	(607,929)
<b>Balance at 31 December 2013</b>	1,054,518	13,317,572	125,000	(5,206,105)	9,290,985
<b>Changes in equity</b>					
Issue of share capital	-	-	-	-	-
Share based payment	-	-	-	52,686	52,686
Total comprehensive income	-	-	-	(1,157,890)	(1,157,890)
<b>Balance at 30 June 2014</b>	1,054,518	13,317,572	125,000	(6,311,309)	8,185,781

**FORBIDDEN TECHNOLOGIES PLC (REGISTERED NUMBER: 03507286)****UNAUDITED AND CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2014**

	Unaudited half year to 30 June 2014 £	Unaudited half year to 30 June 2013 £	Audited year to 31 December 2013 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	(917,434)	(112,250)	(581,785)
Tax received	53,621	-	-
Net cash from operating activities	(863,813)	(112,250)	(581,785)
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets	(346,000)	(158,835)	(351,106)
Purchase of tangible fixed assets	(195,803)	(26,540)	(72,832)
Purchase of fixed term deposits	-	-	(2,000,000)
Interest received	12,846	876	21,528
Net cash from investing activities	(528,957)	(184,499)	(2,402,410)
<b>Cash flows from financing activities</b>			
Share issue (net of expenses)	-	26,450	8,363,517
Net cash from financing activities	-	26,450	8,363,517
(Decrease)/Increase in cash and cash equivalents	(1,392,770)	(270,299)	5,379,322
Cash and cash equivalents at beginning of the period	5,839,109	459,787	459,787
Cash and cash equivalents at end of the period	4,446,339	189,488	5,839,109

**FORBIDDEN TECHNOLOGIES PLC (REGISTERED NUMBER: 03507286)**

**NOTES TO THE UNAUDITED AND CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2014**

**1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	Unaudited half year to 30 June 2014 £	Unaudited half year to 30 June 2013 £	Audited year to 31 December 2013 £
Loss before income tax	(1,157,890)	(189,618)	(802,778)
Depreciation charges	65,947	(7,308)	36,648
Loss on disposal of assets	34,119	-	-
Amortisation charges	75,557	58,001	116,002
Employee share option costs	52,686	43,037	96,807
Finance income	(12,846)	(876)	(21,528)
	(942,427)	(96,764)	(574,849)
Decrease/(Increase) in trade and other receivables	24,389	(36,178)	(125,520)
(Increase)/Decrease in inventories	(35,102)	-	20,882
Increase in trade and other payables	35,706	20,692	97,702
<b>Cash generated from operations</b>	<b>(917,434)</b>	<b>(112,250)</b>	<b>(581,785)</b>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the cash flow in respect of cash and cash equivalents are in respect of these balance sheet amounts:

	Unaudited half year to 30 June 2014 £	Unaudited half year to 30 June 2013 £	Audited year to 31 December 2013 £
<b>Cash and cash equivalents</b>	<b>4,446,339</b>	<b>189,488</b>	<b>5,839,109</b>

**1. Basis of preparation and accounting policies**

These interim statements have been prepared on a basis consistent with International Financial Reporting Standards (IFRS). They do not contain all of the information required for full financial statements and should be read in conjunction with the consolidated financial statements of the Company as at and for the year ended 31 December 2013. These interim financial statements do not constitute statutory accounts within the meaning of the Companies Act.

**FORBIDDEN TECHNOLOGIES PLC (REGISTERED NUMBER: 03507286)**

**NOTES TO THE UNAUDITED AND CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 30 JUNE 2014 (CONTINUED)**

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The interim financial information has not been audited. The interim financial information was approved by the Board of Directors on 25 July 2014. The information for the year ended 31 December 2013 is extracted from the statutory financial statements for that year which have been reported on by the Group's auditors and delivered to the Registrar of Companies. The audit report was unqualified and did not contain a statement under s498(2) or 498(3) of the Companies Act 2006.

The accounting policies applied by the Company in these interim financial statements are the same as those applied by the Company in its financial statements for the year ended 31 December 2013.