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## **AES Announces Results of Q4 2012 and Full Year 2012 Results**

Revenue of \$3.0 million vs. \$2.0 million in prior year

**Long Beach, CA-May 10, 2013**-AES (BSX: AES), the leading provider of advanced interactive software solutions for banking transactions, announced today financial results for the fourth quarter ended December 31, 2012 and full year 2012.

### **Fourth Quarter 2012 GAAP Results**

The Net Loss for the quarter was (\$829) thousand, or (\$0.12) per share, versus (\$539) thousand, or (\$0.08) per share reported in the prior year period. The current quarter results include legal and professional services expenses related to the companies public listing in Bermuda. In addition, the prior year quarter had a \$350 thousand one-time credit related to the now settled CMC patent litigation.

The Company reported revenues of \$806 thousand for the quarter vs. \$524 thousand in the prior year period, an increase of 54% Year over Year (YOY).

“We had a strong finish to full year 2012 revenue with the finalization of the Lloyd’s standup” said Joseph Konowiecki, Chief Executive Officer. “As Lloyds turns on the TRUE™ Collect and Recover products, we expect recurring revenues related to this customer to begin to improve over the 2013 year. We are also looking forward to fast tracking the stand up of additional Lloyds Brands now that the heavy lifting of rule codification has been completed within the TRUE™ modules”.

Cost of Goods Sold was down \$35 thousand in Q4 2012 vs. Q4 2011, or down 25% YOY. This reflects the AES’ move to utilize cloud computing services for its development and quality review activities instead of using dedicated hosting services. The rapid emergence of secure hosting services being available on a shared basis in the technology marketplace has made it possible for us to better manage these expenses.

Sales, General and Administrative (SG&A) expenses for Q4 were \$1.528 million vs. \$852 thousand in the prior year quarter. The Q4 2012 results include over \$300 thousand in expenses for legal services and professional services in connection with our reincorporation in Bermuda and public listing on the Bermuda Stock Exchange. Without the \$360 thousand one-time credit related to the now settled CMC litigation, Q4 2011 expenses would have been \$1.285 million. On a normalized basis, SG&A expenses were approximately the same year over year for Q4 2012 vs. Q4 2011.

**Full Year 2012 GAAP Results**

The Net Loss for the year was (\$2.5) million, or (\$0.36) per share vs. (\$3.8) million, or (\$0.56) per share in the prior year.

AES revenue was \$3.0 million in 2012 compared to \$2.04 million in 2011. This is an increase of 48% YOY. This revenue improvement accounts for the majority of reduction in the loss for 2012 vs. 2011. The revenue increase reflects stand up and customization costs for Lloyd's.

Cost of Goods Sold is down \$70 thousand in 2012 vs. 2011. This 14% decrease reflects our change to managing hosting costs for development and quality review as noted previously.

Total SG&A for 2012 was \$4.6 million vs. \$4.8 million in 2011, a reduction of \$200 thousand, or a reduction of 4%. Excluding reincorporation and Bermuda/European listing expenses, we would have had 2012 SG&A costs lower by \$500 thousand and a Net Loss for the year of (\$2.0) million.

**Outlook**

During the last half of 2012 the company began its effort to raise additional funds by reincorporating in Bermuda, listing on the Bermuda Stock Exchange and dual listing on a European Stock Exchange. In road show presentations in Europe, we believe there is an opportunity to raise sufficient funds from Institutional Investors to enable the company to achieve its Sales and Marketing goals and achieve break even and profitability in 2014. These efforts continue in 2013 with an expected listing on the Frankfurt Stock Exchange in May 2013.

**About AES**

AES offers an enterprise wide Agent Emulation™ System for management of consumer credit portfolios. AES' patented TRUE™ System achieves operational effectiveness, increase in profit, and materially enhances consumer experience and brand loyalty. Consumers are empowered to interact on a self-serve basis to resolve situations on any device, at any time.

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**Apollo Enterprise Solutions, Ltd.**  
**Condensed Consolidated Statements of Income**  
**For the Quarters Ended December 31, 2012 and 2011**

	<b>Quarter Ended December 31</b>	
	<b>2012</b>	<b>2011</b>
Total Income	\$ 806,483	\$ 524,350
Total COGS	(107,473)	142,368
Gross Profit	699,011	381,981
Total Expense G&A Expense	(1,432,734)	(852,257)
Total Amortization & Depreciation	(84,848.7)	(96,792)
Net Ordinary Income	(818,572)	(470,276)
Net Other Income	(10,253)	(68,280)
Provision for Income Taxes	-	-
Net Income/(Loss)	\$ (828,825)	\$ (538,556)
Basic earnings per share	\$ (0.12)	\$ (0.08)
Diluted earnings per share	\$ (0.02)	\$ (0.01)

**Apollo Enterprise Solutions, Ltd**  
**Statement of Cash Flows**  
**For the Quarters Ended December 31, 2012 and 2011**

	Quarter Ended December 31	
	2012	2011
<b>Cash Flows From Operating Activities:</b>		
Net Gain/(Loss)	(828,825)	(538,556)
<b>Adjustments to reconcile Net Gain/(Loss) to net cash used by operating activities</b>		
Amortization	80,849	80,849
Depreciation	3,999	15,942
Stock Option Compensation	117,101	47,104
Changes in Operating Assets and Liabilities		
Accounts Receivable	(95,721)	(87,701)
Prepaid Expenses and other Current Assets	-	-
Due To/From Subsidiary	-	-
Accounts Payable	336,013	(328,668)
Accrued Expenses	(8,665)	7,227
Deferred Revenue	-	-
Customer Deposits	(3,753)	-
Deferred Rent	(15,444)	(10,491)
Accrued Interest	13,542	-
<b>Net Cash Used by Operation Activities</b>	<u>(400,903)</u>	<u>(814,294)</u>
 Cash Flows From Financing Activities:		
Loan from Shareholders	-	-
Line of Credit	260,000	-
Proceeds from Stock Warrants Exercised	-	-
Proceeds from Exercise of Stock Options	-	-
Proceeds from Creation of Treasury Stock		
Proceeds from Sale of Preferred Stock	-	-
Net Cash Provided by Financing Activities	<u>260,000</u>	<u>-</u>
<b>Net Increase/Decrease in Cash</b>	<u>(140,903)</u>	<u>(814,294)</u>
 <b>Cash, Beginning of Period</b>	 158,753	 1,273,125
<b>Cash, End of Period</b>	<u>17,849</u>	<u>458,831</u>

**Apollo Enterprise Solutions, Ltd.**  
**Condensed Consolidated Statements of Income**  
**For the Years Ended December 31, 2012 and 2011**

	<b>Year Ended December 31</b>	
	<b>2012</b>	<b>2011</b>
Total Income	\$ 3,022,857	\$ 2,041,321
Total COGS	(517,441)	(599,366)
Gross Profit	2,505,416	1,441,955
Total Expense G&A Expense	(4,621,687)	(4,818,027)
Total Amortization & Depreciation	(339,395)	(387,169)
Net Ordinary Income	(2,455,665)	(3,763,241)
Net Other Income	(35,089)	(71,974)
Provision for Income Taxes	-	-
Net Income/(Loss)	\$ (2,490,754)	\$ (3,835,215)
Basic earnings per share	\$ (0.36)	\$ (0.56)
Diluted earnings per share	\$ (0.05)	\$ (0.07)

**Apollo Enterprise Solutions, Ltd**  
**Statement of Cash Flows**  
**For the Years Ended December 31, 2012 and 2011**

	Year Ended December 31	
	2012	2011
<b>Cash Flows From Operating Activities:</b>		
Net Gain/(Loss)	(2,490,754)	(3,835,215)
<b>Adjustments to reconcile Net Gain/(Loss) to net cash used by operating activities</b>		
Amortization	323,397	323,397
Depreciation	15,997	63,771
Stock Option Compensation	117,101	47,104
Changes in Operating Assets and Liabilities		
Accounts Receivable	(463,195)	(38,510)
Prepaid Expenses and other Current Assets	39,872	41,545
Due To/From Subsidiary	-	-
Accounts Payable	719,456	(334,293)
Accrued Expenses	(40,735)	17,289
Deferred Revenue	(75,901)	(40,110)
Customer Deposits	(113,837)	84
Deferred Rent	3,380	16,983
Accrued Interest	22,401	-
<b>Net Cash Used by Operation Activities</b>	<b>(1,942,817)</b>	<b>(3,737,954)</b>
<b>Cash Flows From Financing Activities:</b>		
Loan from Shareholders	860,000	-
Line of Credit	260,000	-
Proceeds from Stock Warrants Exercised	-	100,108
Proceeds from Exercise of Stock Options	6,335	-
Proceeds from Creation of Treasury Stock	-	-
Proceeds from Sale of Preferred Stock	375,500	-
Net Cash Provided by Financing Activities	1,501,835	100,108
<b>Net Increase/Decrease in Cash</b>	<b>(440,982)</b>	<b>(3,637,846)</b>
<b>Cash, Beginning of Period</b>	<b>458,832</b>	<b>4,096,679</b>
<b>Cash, End of Period</b>	<b>17,850</b>	<b>458,833</b>

**Apollo Enterprise Solutions, Ltd.**  
**Condensed Consolidated Balance Sheets**  
**For the Years Ended December 31, 2012 and 2011**

	Year Ended December 31	
	2012	2011
<b>ASSETS</b>		
Current Assets		
Total Checking/Savings	17,850	458,832
Total Accounts Receivable	625,091	161,895
Total Current Assets	642,940	620,727
 Total Fixed Assets	 13,824	 29,821
Total Intangible Patent and Software	1,883,245	2,206,642
Total Other Assets	1,897,068	2,236,463
<b>TOTAL ASSETS</b>	<b>2,540,009</b>	<b>2,857,190</b>
 <b>LIABILITIES &amp; EQUITY</b>		
Current Liabilities		
Total Accounts Payable	818,339	98,883
Accrued Payroll	44,825	45,688
Pre-Paid Revenue	-	75,901
Deferred Rent	88,471	85,091
Deposits Payable		113,837
Preferred Dividend Payable	1,834,621	1,269,501
Total Current Liabilities	2,786,256	1,688,901
 Long Term Liabilities		
Loan from Shareholders	860,000	-
Line of Credit	260,000	-
Accrued Interest	22,401	-
Total Long Term Liabilities	1,142,401	-
<b>Total Liabilities</b>	<b>3,928,656</b>	<b>1,688,901</b>
Equity		
<b>Total Equity</b>	<b>(1,388,648)</b>	<b>1,168,289</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,540,009</b>	<b>2,857,190</b>