

**Half-Yearly Financial Report**

Elaine Securities Plc announces its 2018 half-yearly financial report.  
This is included in the attachment below.

The Directors take responsibility for this announcement.

FOR FURTHER INFORMATION PLEASE CONTACT:

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Attachment:

1. **Half-Yearly Financial Report 2018**

**Non Regulated**

Publication Date: 06/12/2018

**Unaudited interim condensed financial statements for the six months ended 31 August 2018**

**STATEMENT OF THE EXECUTIVE DIRECTOR**

On behalf of the Board I am pleased to present the unaudited interim condensed results for Elaine Securities Plc (the "Company") for the six months ended 31 August 2018.

The Company was originally founded to invest into companies whose business plan was to identify opportunities in the proprietary trading arena. The Company's strategy is to predominantly focus on medium-term, asset-backed loans to corporate bodies that meet the necessary eligibility criteria. Although the average investment length may vary from 3 to 5 years, it was the stated intention to target mainly investments of a 3-year duration that will be funded by way of issuance of a 10-year 5.0% bond.

During the six months ending 31 August 2018, the Company has made 7 additional loans as follows:

- £450,000 to a company towards the purchase and development of a Grade II property in Birmingham into a mix of hotel, apart-hotel and retail. This loan remains outstanding and is due for repayment in December 2018;
- £25,000 to a company to fund the purchase and development of a retail unit to luxury apartments in Brentford. This loan remains outstanding and is due for repayment at the end of November 2019;
- £160,754 to a French Company for the development of a hotel complex in the prestigious French ski resort of Courchevel. This loan remains outstanding and is due for repayment in March 2020;
- £464,262 of further investment to a company that purchased a development in Uxbridge. This loan remains outstanding at period end and is due for repayment in July 2019;
- An additional loan of £18,000 to a company to fund a property development in Leicester;
- £77,384 of further investment to a company that purchased a development in Frinton-on-Sea, Essex. A partial repayment of £140,000 was made this period and the remaining loan remains outstanding at period end and is due for repayment in February 2019; and
- An additional loan of £9,300 to fund the purchase and development of a property in Bracknell. A partial repayment was also made during this period. The remaining loan is outstanding at the period end and is due for repayment in February 2019.

The following loan repayments were also made during the six months ending 31 August 2018:

- A partial repayment of a loan to an existing borrower, which is funding a property development loan in Frinton-on-Sea, Essex;
- A partial repayment of a loan to an existing borrower, which is funding a property acquisition in Elephant & Castle, London;
- A partial repayment of a loan to an existing borrower which was funding a facility for a motor vehicle finance business;
- A full repayment of a loan to an existing borrower which was funding a property acquisition in Nottingham;
- A full repayment of a loan to an existing borrower which was funding an acquisition of a commercial property with prior approval to convert into luxury apartments in Bristol; and
- A full repayment of a loan to an existing borrower which was secured against a property development in Marbella, Spain.

Elaine Securities Plc

In this period the Company has generated a small loss. The Directors intend to continue to seek further bonds subscriptions and to make loans for the remainder of the term in line with its loan eligibility criteria.

Investors will be able to keep up with updates on the company via the periodic announcements made on the Cyprus Stock Exchange and the Company's website.

Simon Sacerdoti

**Executive Director**

6 December 2018

The Board of Directors of the Company resolved on 6 December 2018 following examination the approval of the interim condensed financial results of the Company for the six months ending 31 August 2018.

Elaine Securities Plc

Simon Sacerdoti

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Alfred Henry Corporate Finance

Nick Michaels/Jon Isaacs

CSE Corporate Adviser(s)

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**Interim Condensed Statement of Comprehensive Income**

<b>For the six months ended 31 August 2018</b>	<b>Six Months Ended 31 August 2018 Unaudited GBP</b>	<b>Six Months Ended 31 August 2017 Unaudited GBP</b>	<b>Year Ended 28 February 2018  Audited GBP</b>
<b>Notes</b>			
<b>Revenue</b>	168,114	175,265	352,189
Cost of sales	-	-	-
<b>Gross profit</b>	<u>168,114</u>	<u>175,265</u>	<u>352,189</u>
Administrative expenses	(63,736)	(36,145)	(97,685)
<b>Operating profit</b>	<u>104,378</u>	<u>139,120</u>	<u>254,504</u>
Finance costs	(111,202)	(99,947)	(191,849)
<b>(Loss)/profit on ordinary activities before taxation</b>	<u>(6,824)</u>	<u>39,173</u>	<u>62,655</u>
Income tax expense	-	-	-
<b>(Loss)/profit for the period from continuing operations attributable to shareholders</b>	<u>(6,824)</u>	<u>39,173</u>	<u>62,655</u>
(Loss)/profit per share (basic and diluted) - pence	<u>3</u> (13.65)	<u>78.35</u>	<u>125.31</u>

**Interim Condensed Statement of Financial Position**

<b>As at 31 August 2018</b>	<b>Notes</b>	<b>31 August 2018 Unaudited GBP</b>	<b>31 August 2017 Unaudited GBP</b>	<b>28 February 2018 Audited GBP</b>
<b>Assets</b>				
Secured loans		3,412,110	2,552,833	3,796,585
Other receivables		513,649	868,660	156,699
Cash and cash equivalents		3,395	123,021	16,830
<b>Total assets</b>		<b>3,929,154</b>	<b>3,544,514</b>	<b>3,970,114</b>
<b>Capital and reserves</b>				
Share capital	<b>4</b>	50,000	50,000	50,000
Accumulated losses		(42,185)	(58,843)	(35,361)
<b>Total equity</b>		<b>7,815</b>	<b>(8,843)</b>	<b>14,639</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings	<b>5</b>	3,771,345	3,420,089	3,761,643
<b>Current liabilities</b>				
Trade and other payables		149,994	133,268	193,832
<b>Total liabilities</b>		<b>3,921,339</b>	<b>3,553,357</b>	<b>3,955,475</b>
<b>Total equity and liabilities</b>		<b>3,929,154</b>	<b>3,544,514</b>	<b>3,970,114</b>

**Interim Condensed Statement of Cash Flows**

<b>For the six months ended 31 August 2018</b>	<b>Six Months Ended 31 August 2018 Unaudited GBP</b>	<b>Six Months Ended 31 August 2017 Unaudited GBP</b>	<b>Year Ended 28 February 2018  Audited GBP</b>
<b>Cash flows from operating activities</b>			
(Loss)/profit before tax	(6,824)	39,173	62,655
<b>Adjustments for:</b>			
Finance costs	(29,807)	90,178	(55,411)
Cash absorbed by operations	(295,094)	(669,983)	(65,537)
<b>Net cash outflow from operating activities</b>	<b>(331,725)</b>	<b>(540,632)</b>	<b>(72,781)</b>
<b>Cash flows from investing activities</b>			
Repayment of secured loans	1,533,157	2,158,482	5,179,915
Provision of secured loans	(1,214,867)	(2,144,039)	(6,030,548)
<b>Net cash inflow from investing activities</b>	<b>318,290</b>	<b>14,443</b>	<b>(850,633)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of bonds	-	-	291,034
<b>Net cash generated from financing activities</b>	<b>-</b>	<b>-</b>	<b>291,034</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(13,435)</b>	<b>(526,189)</b>	<b>(632,380)</b>
Cash and cash equivalent at the beginning of the period	16,830	649,210	649,210
<b>Cash and cash equivalents at end of the period</b>	<b>3,395</b>	<b>123,021</b>	<b>16,830</b>

**Interim Condensed Statement of Changes in Equity**

**For the six months ended 31 August 2018**

	<b>Share Capital</b>	<b>Accumulated</b>	
	<b>GBP</b>	<b>Losses</b>	<b>Total</b>
		<b>GBP</b>	<b>GBP</b>
<b>As at 1 March 2017</b>	50,000	(98,016)	(48,016)
Profit for the period	-	62,655	62,655
<b>As at 28 February 2018</b>	50,000	(35,361)	14,639
Loss for the period	-	(6,824)	(6,824)
<b>As at 31 August 2018</b>	50,000	(42,185)	7,815

## NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS

### 1. Basis of accounting

- 1.1** General information – Elaine Securities Plc is a public limited company and has bonds listed on the Emerging Companies Market of the Cyprus Stock Exchange. The Company is incorporated in the United Kingdom and is registered at 10 Queen Street Place, London, EC4R 1AG.
- 1.2** This interim report, which incorporates the financial information of the Company, has been prepared using the historical cost convention, on a going concern basis and in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union.
- 1.3** The interim condensed financial statements for the six months ended 31 August 2018 have been prepared in accordance with International Accounting Standard 34 “Interim Financial Report” and have not been audited by the external auditors of the Company.
- 1.4** The unaudited results for the six months ended 31 August 2018 do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006.

The Board of Directors of the Company resolved on 6 December 2018 following examination the approval of the interim condensed financial results of the Company for the six months ending 31 August 2018.

### 2. Standards and interpretations adopted with no material effect on financial statements

There are no IFRS or IFRIC interpretations that are effective for the first time in this financial period that would be expected to have a material impact on the Company.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have material impact on the Company.

### 3. (Loss)/profit per share

	<b>Six Months Ended 31 August 2018 Unaudited</b>	<b>Six Months Ended 31 August 2017 Unaudited</b>	<b>Year Ended 28 February 2018 Audited</b>
	<b>Pence</b>	<b>Pence</b>	<b>Pence</b>
(Loss)/profit per share: basic and diluted	(13.65)	78.35	125.31

Loss per ordinary share is based on the Company’s loss for the financial period of £6,824 (2017: profit of £39,173).

The weighted average number of shares used in the calculation is 50,000.



**NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)****4. Called up share capital**

	Number	31 August 2018 £	31 August 2017 £	28 February 2018 £
Ordinary shares of 100p each	50,000	50,000	50,000	50,000

During the period ended 31 August 2015 the company issued 50,000 ordinary shares of 100p each of which 25p per share has been paid and 75p per share remains unpaid.

**5. Non-current liabilities**

Non-current liabilities represent bonds issued of £3,943,051 (2017: £3,577,723), offset by finance costs of £171,706 (2017: £157,634). These bonds have accrued the coupon based on 5% since issuance of the first bonds in February 2016.

**6. Subsequent events**

Following the balance sheet date, further loans and repayments have occurred including:

- A new secured term bridge loan of £102,696 to fund the purchase of a care home in Middlesbrough;
- An additional advance of £75,455 to an existing borrower, which is funding a property development loan in Frinton-on-Sea, Essex;
- An additional loan of £104,811 to fund the purchase and development of a property in Bracknell;
- An additional loan of £80,398 to fund the purchase and development of a Grade II property located in Birmingham into a mix of hotel, apart-hotel and retail;
- An additional loan of £89,246 to a French Company for the development of a hotel complex in the prestigious French ski resort of Courchevel;
- A partial repayment of an existing loan which was funding a facility for a motor vehicle finance business; and
- A partial repayment of a property development in Leeds.