

### **Half-Yearly Financial Report**

Elaine Securities Plc announces its half-yearly financial report.  
These are included in the attachment below.  
The directors take responsibility for this announcement.

Attachment:

1. **2016 half-yearly financial report**

**Non Regulated**

Publication Date: 28/11/2016

Unaudited interim condensed financial statements for the six months ended 31 August 2016

## **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 2016.

The Company was originally founded in order to identify opportunities within Investment Management. In early 2016, as announced within the Annual Report dated 30 June 2016, the then Directors resolved to amend the Company's strategy to predominantly focus on medium-term, asset-backed loans to body corporates that meet the necessary eligibility criteria. *Although the average investment length may vary from 3 to 5 years*, it is the Directors' intention to mainly target 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 2016, there have been changes to the composition of the Board including:

- Resignation of James King as Executive Director on 10 May 2016;
- Appointment of Joss Alcraft as Non-Executive Director on 10 May 2016; and
- Appointment of Simon Sacerdoti as Executive Director on 30 June 2016.

In addition, following the period end, Mark Stephen has resigned as Executive Director on 5 September 2016.

During the six months ending 31 August 2016, the Company has made two further loans, one to a property development company, Castle Property Group Limited for £379,500 and a finance facility to Access Motor Stocking Limited, where £304,000 has been funded during the six months. Post period end, a further 677,625 bonds were issued, bringing the total bonds now in issue to 3,405,014. The Company has also made two further secured loans to fund an aircraft acquisition and a secured loan to fund a property purchase in Heathrow, along with the continued funding of Access Motor Stocking Limited. 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**

25 November 2016

The Board of Directors of the Company at its meeting on 25 November 2016 examined and approved the interim condensed financial results of the Company for the six months ending 31 August 2016.

Elaine Securities Plc

Simon Sacerdoti

020 3637 6616

Alfred Henry Corporate Finance

Nick Michaels/Jon Isaacs

CSE Corporate Adviser(s)

020 7251 3762

**Interim Condensed Statement of Comprehensive Income**

<b>For the six months ended 31 August 2016</b>		<b>Six Months Ended 31 August 2016 Unaudited GBP</b>	<b>Period Ended 31 August 2015 Unaudited GBP</b>	<b>Period Ended 29 February 2016 Audited GBP</b>
	<b>Notes</b>			
<b>Revenue</b>		28,048	-	87
Cost of sales		-	-	-
<b>Gross profit</b>		28,048	-	87
Administrative expenses		(29,166)	-	(50,076)
<b>Operating loss</b>		(1,118)	-	(49,989)
Finance costs		(31,752)	-	(103)
<b>Loss on ordinary activities before taxation</b>		(32,870)	-	(50,092)
Income tax expense		-	-	-
<b>Loss for the period from continuing operations attributable to shareholders</b>		(32,870)	-	(50,092)
Loss per share (basic and diluted) - pence	<b>3</b>	(65.74)	-	(100.18)

**Interim Condensed Statement of Financial Position**

<b>As at 31 August 2016</b>		<b>31 August 2016 Unaudited GBP</b>	<b>31 August 2015 Unaudited GBP</b>	<b>29 February 2016 Audited GBP</b>
	<b>Notes</b>			
<b>Assets</b>				
Secured loans		816,000	-	132,500
Other receivables		121,468	37,500	80,087
Cash and cash equivalents		1,652,531	12,500	42,843
<b>Total assets</b>		2,589,999	50,000	255,430
<b>Capital and reserves</b>				
Share capital	<b>4</b>	50,000	50,000	50,000
Accumulated losses		(82,962)	-	(50,092)
<b>Total equity</b>		(32,962)	50,000	(92)
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings	<b>5</b>	2,597,032	-	237,708
<b>Current liabilities</b>				
Trade and other payables		25,929	-	17,814
<b>Total liabilities</b>		2,622,961	-	255,522
<b>Total equity and liabilities</b>		2,589,999	50,000	255,430

**Interim Condensed Statement of Cash Flows**

**For the six months ended 31 August 2016**

	<b>Six Months Ended 31 August 2016 Unaudited GBP</b>	<b>Period Ended 31 August 2015 Unaudited GBP</b>	<b>Period Ended 29 February 2016 Audited GBP</b>
<b>Cash flows from operating activities</b>			
Loss before tax	(32,870)	-	(50,092)
<b>Adjustments for:</b>			
Finance costs	31,752	-	103
Cash absorbed by operations	(59,213)	-	(37,168)
<b>Net cash outflow from operating activities</b>	<b>(60,331)</b>	<b>-</b>	<b>(87,157)</b>
<b>Cash flows from investing activities</b>			
Provision of secured loans	(683,500)	-	(132,500)
<b>Net cash utilised in investing activities</b>	<b>(683,500)</b>	<b>-</b>	<b>(132,500)</b>
<b>Cash flows from financing activities</b>			
Issue of ordinary share capital	-	12,500	12,500
Proceeds from issue of debenture loans	2,353,519	-	250,000
<b>Net cash generated from financing activities</b>	<b>2,353,519</b>	<b>12,500</b>	<b>262,500</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,609,688</b>	<b>12,500</b>	<b>42,843</b>
Cash and cash equivalent at the beginning of the period	42,843	-	-
<b>Cash and cash equivalents at end of the period</b>	<b>1,652,531</b>	<b>12,500</b>	<b>42,843</b>

**Interim Condensed Statement of Changes in Equity**

**For the six months ended 31 August 2016**

	<b>Share Capital GBP</b>	<b>Accumulated Losses GBP</b>	<b>Total GBP</b>
On incorporation	50,000	-	50,000
<b>As at 31 August 2015</b>	<b>50,000</b>	<b>-</b>	<b>50,000</b>
Loss for the period	-	(50,092)	(50,092)
<b>As at 29 February 2016</b>	<b>50,000</b>	<b>(50,092)</b>	<b>(92)</b>
Loss for the period	-	(32,870)	(32,870)
<b>As at 31 August 2016</b>	<b>50,000</b>	<b>(82,962)</b>	<b>(32,962)</b>

## NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS

### 1. Basis of accounting

- 1.1** General information – Elaine Securities Plc is a public limited company and has a debenture listed on Cyprus Stock Exchange. The Company is incorporated in the United Kingdom and is registered at Finsgate, 5-7 Cranwood Street, London, EC1V 9EE.
- 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 2016 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 2016 do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006.

The Board of Directors of the Company at its meeting on 25 November 2016 examined and approved the interim condensed financial results of the Company for the six months ended 31 August 2016.

### 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 per share

	Six Months Ended 31 August 2016 Unaudited	Period Ended 31 August 2015 Unaudited	Period Ended 29 February 2016 Audited
	Pence	Pence	Pence
Loss per share: basic and diluted	(65.74)	-	(100.18)

Loss per ordinary share is based on the Company’s loss for the financial period of £32,870 (2016: £50,092).

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

### 4. Called up share capital

	Number	31 August 2016 £	31 August 2015 £	29 February 2016 £
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.

## NOTES TO INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)

### 5. Non-current liabilities

Non-current liabilities represent bonds issued of £2,727,389 (2016: £250,000), offset by finance costs of £130,357 (2016: £12,292). These bonds have accrued the coupon based on 5% since issuance of the first bonds in February 2016.

### 6. Subsequent events

After the balance date, further issuances of bonds took place as follows:

- £497,986 on 26 September 2016; and
- £179,639 on 19 October 2016.

Further secured loans have been made to Access Motor Stocking for £300,000, a £941,000 secured loan to fund a property acquisition in Heathrow and £900,916 to fund an aircraft acquisition. The Company has also transferred £326,460 of the secured loan provided to fund the property acquisition in Heathrow as planned on 22 November to a new lender for cash, which it is now able to utilise for new investments.