

Correction To:0247/00029148

Half-Yearly Financial Report

The Board of Directors of Tristone Healthcare Bond Designated Activity Company (the "Company") hereby submits a revised version of the Company's unaudited interim financial statements for the 6 months ended 30 June 2019.

The financial statements hereby submitted incorporate corrections to the respective financial statements announced on 15 October 2019, in that the version of the interim financial statements hereby submitted incorporates a declaration of the members of the Board of Directors and the Company official responsible for the preparation of the interim financial statements, in accordance with article 10 of the Transparency Requirements (Securities Listed for Trading on a Regulated Market) Law of 2007 (the "Law"), as amended.

The financial statements hereby submitted have been duly approved by the Company's Board of Directors on the 10th October 2019.

Attachment:

1. **Announcement**

Non Regulated

Publication Date: 04/11/2019

-

Tristone Healthcare Bond Designated Activity Company

Unaudited interim financial statements
for the 6 months ended 30 June 2019

Tristone Healthcare Bond Designated Activity Company

Management report and unaudited financial statements

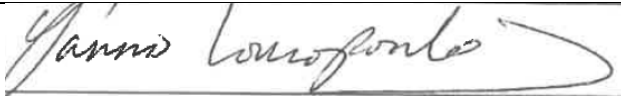
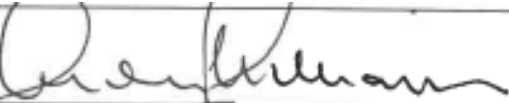
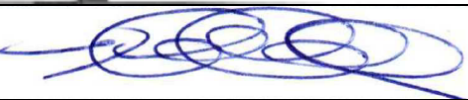
Contents	<i>Page</i>
Declaration of the Members of the Board	2
Management report	3 - 4
Statement of accounting policies	5 - 7
Statement of comprehensive income	8
Statement of financial position	9
Statement of cash flows	10
Statement of changes in equity	11
Notes forming part of the financial statements	12 - 16

DECLARATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE COMPANY
OFFICIAL RESPONSIBLE FOR THE PREPARATION OF THE INTERIM FINANCIAL
STATEMENTS

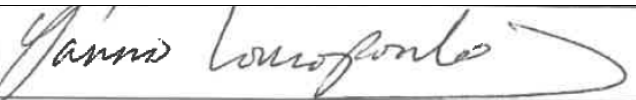
In accordance with article 10 of the Transparency Requirements (Securities Listed for Trading on a Regulated Market) Law of 2007 (the "Law"), as amended from time to time, we, the Members of the Board of Directors and the Company official responsible for the preparation of the unaudited interim financial statements of Tristone Healthcare Bond Designated Activity Company (the "Company") for the six months ended 30 June 2019, confirm that to the best of our knowledge:

- (a) The interim financial statements presented on pages 3 to 15:
 - (i) Have been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and the provisions of Article 10, Section (4) of the Law, and
 - (ii) Give a true and fair view of the assets and liabilities, the financial position and the profits or losses of Tristone Healthcare Bond Designated Activity Company.
- (b) The interim financial statements contain a fair review of the information required by the provisions of Article 10, Section (6) of the Law.

Members of the Board of Directors:

Yannis Loucopoulos	
Andrew Williamson	
Ivano Cafolla	

Company official responsible for the preparation of the interim financial statements of the Company for the six months ended 30 June 2019:

Yannis Loucopoulos	
--------------------	--

Dublin, 10 October 2019

Tristone Healthcare Bond Designated Activity Company

Interim Management Report for the period ended 30 June 2019

On 10 October 2019, the Board of Directors of Tristone Healthcare Bond DAC approved and hereby presents the unaudited, interim financial statements of the company for the six months ended 30th June 2019.

Financial results

Interest income for the first half of 2019 amounts to £61,005 and comprises of interest on loans provided to THC Limited (£44,916) and interest on THC Limited 8% Secured Notes (£16,089).

Interest expense for the same period amounts to £65,170 and arises on the 8.5% Secured Notes due 2027 issued by the Company.

The Company's loss for the period amounts at £19,351.

The Company's loans receivable as at 30th June 2019 stand at £1,338,268 and reflect the balance of the secured loan advanced to THC Limited as at that date. The loan is secured by way of debenture providing for fixed and floating charges over THC Limited's assets and is repayable 20 business days prior to 31 December 2027. The loan has been advanced on a commercial basis.

The balance of interest receivable relating to the balance of the loans receivable described above, as at 30th June 2019, stands at £44,915.

Loans and borrowings as at 30th June 2019 stand at £1,897,202 and reflect the capital sum repayable on Notes that were already issued and outstanding as at that date.

Related party balances and transactions

During the period, a service fee of £15,667 (2018: £nil) was charge to Tristone Healthcare Limited. Net interest expense was £4,165 (2018: £1,402) and after operating costs the loss for the period was £19,351 (2018: a loss of £14,982).

During the period, the Company has raised an additional £710,185 of Bonds (net of costs), of which £698,000 has been loaned to Tristone Healthcare Limited. These Bonds are repayable on 31 December 2027.

As at 30 June 2019, the capital sum repayable on the 8.5% Secured Notes 2027, is £1,914,000 (2018: £839,000). Interest has been accrued on that sum totalling £60,616 (2018: £3,126) and this is due to be paid on or just before 31 December 2019.

As at 30 June 2019, of the £1,914,000 8.5% Secured Notes 2027 raised, £1,338,268 has been loaned to Tristone Healthcare Limited at an interest rate of 10.5%, and £400,000 is invested in 8% Tristone Healthcare Limited Secured Notes.

Major risks and uncertainties

The major risks and uncertainties faced by Tristone Healthcare Bond DAC are presented below:

- (i) Dependence on the expertise of the Directors and attraction/ retention of key personnel:
The Company's future success is substantially dependent on the continued services and continuing contributions of its Directors.

Tristone Healthcare Bond Designated Activity Company

Interim Management Report for the period ended 30 June 2019, *continued*

- (ii) The Issuer is dependent on related companies:
Tristone Healthcare Bond DAC lends the proceeds of the Notes it issues to THC Limited, a related company, which in turn will grant collateral as security for such loan to Tristone Healthcare Bond DAC. The Company's ability to meet interest payments and /or principal repayment is dependent on THC Limited meeting its obligations under the Loan Agreement signed between the two companies.
- (iii) "Brexit" and the EU/Eurozone:
The decision by the United Kingdom to exit from the European Union could have an impact on Tristone Healthcare Bond DAC's business, financial condition and results of operations.
- (iv) Taxation:
These financial statements have been prepared having regard to current Irish tax legislation, practice and concession and interpretation thereof. Any change in the Company's tax status or in taxation legislation could affect the Company's financial performance and its ability to provide returns to its Noteholders.

Prospects for the year

The company is a special purpose vehicle that has been established for the purposes of issuing a listed bond on the Cyprus Stock Exchange to raise funds for lending onwards to Tristone Healthcare Limited, a company registered in the UK, with the aim of exploiting business opportunities in healthcare.

The Board of Directors of the Company have by a resolution dated 27 September 2017 resolved to issue up to £20,000,000 8.5% Secured Notes.

Since the said Board resolution, Notes of £900,000 were issued and admitted to trading on the Corporate Bond Market of the Cyprus Stock Exchange, through the Company's prospectus that was published on 8 January 2018.

From the £19,100,000 remaining Notes due 2027 that the Company has authorized, it has proceeded to the issue of £1,091,000 such Notes and expects to issue a further £18,009,000 Notes in £500,000 - £1,000,000 tranches to qualified investors within the next 12 months, with the same terms and conditions as the Notes already placed.

Tristone Healthcare Bond Designated Activity Company

Statement of accounting policies *for the period ended 30 June 2019*

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements. All references to 'financial statements' refer to the company's unaudited interim financial statements for the 6 months ended 30 June 2019.

Statement of compliance

The financial statements of the company for the period ended 30 June 2019 have been prepared on the going concern basis and in accordance with International Financial Reporting Standards (*IFRS*).

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified to include the fair valuation of certain financial instruments.

Foreign currency translation

Items included in the financial statement are measured using the currency of the primary economic environment in which the company operates (the 'functional currency'), considered to be the Pound Sterling (£). Foreign currency transactions are translated into functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Translation differences on non-monetary items, are reported as part of the fair value gain or loss.

Interest income and expense

Interest income and expense are recognised in the income statement for all instruments measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or liability. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate and all other premiums or discounts. Once a financial asset or group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purposes of measuring the impairment loss. Where the company revises its estimates of payments or receipts on a financial instrument measured at amortised cost, the carrying amount of the financial instrument (or group of financial instruments) is adjusted to reflect actual and revised estimated cash flows. The company recalculates the carrying amount by computing the present value of estimated future cash flows at the financial instrument's original effective interest rate. The adjustment is recognised in profit or loss as income or expense.

Held to maturity financial assets

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the company has the positive intention and ability to hold to maturity. Purchases and sales of held to maturity investments are recorded on trade date. They are initially recognised at fair value plus transaction costs and are subsequently accounted for at amortised cost using the effective interest method.

Tristone Healthcare Bond Designated Activity Company

Statement of accounting policies *(continued...)* *for the period ended 30 June 2019*

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans are recorded at fair value. They are subsequently accounted for at amortised cost using the effective interest method.

Non-financial assets

Non-financial assets are held at fair value. At each reporting date the company reviews the amounts at which its non-financial assets are carried to determine whether there is any indication of impairment. Should any such indication be determined then the asset's recoverable amount is estimated and any impairment is recognised in profit and loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balances with banks which can be withdrawn on demand. It also comprises balances with an original maturity of less than three months.

Financial liabilities

The company categorises listed financial liabilities at amortised cost. Financial liabilities are initially recognised at fair value, (normally the issue proceeds i.e. the fair value of consideration received, less transaction costs) and, subsequently, at amortised cost. Any difference between the proceeds, net of transaction costs, and the redemption value is recognised in the income statement using the effective interest method. Transaction costs are amortised in the income statement on a straight line basis to the redemption date of the related liability.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Income taxes

(a) Current income tax

Income tax payable on profits is recognised as an expense in the period in which profits arise. Tax provisions are provided on a transaction by transaction basis using a best estimate approach. In arriving at such estimates, management assesses the relative merits and risks of tax treatments assumed, taking into account statutory, judicial and regulatory guidance and, where appropriate, external advice. A current tax provision is recognised when the company has a present obligation as a result of a past event and it is probable that there will be a future outflow of funds to settle the obligation.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Tristone Healthcare Bond Designated Activity Company

Statement of accounting policies *(continued...)*
for the period ended 30 June 2019

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

Critical accounting estimates and judgements

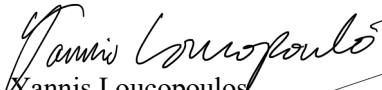
In preparing the financial statements, the company makes estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Tristone Healthcare Bond Designated Activity Company

Unaudited statement of comprehensive income for the 6 month period ended 30 June 2019

	<i>Notes</i>	<i>June</i> 2019 £	<i>June</i> 2018 £
<i>Continuing operations</i>			
Interest income	6	61,005	2,070
Interest expense	7	<u>(65,170)</u>	<u>(3,472)</u>
Net interest income		(4,165)	(1,402)
Other income – service fee		15,667	-
Operating expenses		<u>(30,853)</u>	<u>(13,580)</u>
Loss before tax	8	(19,351)	(14,982)
Taxation charge	9	<u>-</u>	<u>-</u>
Loss for the period		<u>(19,351)</u>	<u>(14,982)</u>
Total comprehensive income for the period attributable to equity shareholders		<u>(19,351)</u>	<u>(14,982)</u>

On behalf of the board of directors


Yannis Loucopoulos
Director


Andrew Williamson
Director

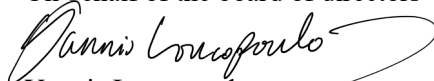
2019


Tristone Healthcare Bond Designated Activity Company

Statement of financial position as at 30 June 2019

	<i>Notes</i>	<i>June</i> 2019 £	<i>December</i> 2018 £
Assets			
<i>Non-current assets</i>			
Held to maturity financial assets	<i>11</i>	416,089	400,000
Loans	<i>12</i>	<u>1,383,183</u>	<u>641,355</u>
		<u>1,799,272</u>	<u>1,041,355</u>
<i>Current assets</i>			
Trade and other receivables	<i>13</i>	69,226	31,550
Cash and cash equivalents		<u>1,195</u>	<u>9,390</u>
		<u>70,421</u>	<u>40,940</u>
Total assets		<u>1,869,693</u>	<u>1,082,295</u>
Equity			
Share capital	<i>14</i>	2	2
Retained earnings		<u>(68,186)</u>	<u>(48,835)</u>
Total equity		<u>(68,184)</u>	<u>(48,833)</u>
Liabilities			
<i>Non-current liabilities</i>			
Loans and borrowings	<i>15</i>	<u>1,897,202</u>	<u>1,124,475</u>
<i>Current liabilities</i>			
Trade and other payables	<i>16</i>	<u>40,675</u>	<u>6,653</u>
Total liabilities		<u>1,937,877</u>	<u>1,131,128</u>
Total equity and liabilities		<u>1,869,693</u>	<u>1,082,295</u>

On behalf of the board of directors


Yannis Loucopoulos
Director


Andrew Williamson
Director

2019

Tristone Healthcare Bond Designated Activity Company

Statement of cash flows for the 6 month period ended 30 June 2019

	<i>June</i> 2019 £	<i>June</i> 2018 £
Operating activities		
(Loss)/profit for the financial year	(19,351)	(14,982)
<i>Adjustments to reconcile profit for the year to net cash flow from operating activities:</i>		
Amortisation of Notes' issue costs	4554	346
<i>Working capital movements:</i>		
(Increase) in receivables	(97,594)	(2,070)
Increase in payables	<u>92,011</u>	<u>3,126</u>
<i>Net cash flow from operating activities</i>	<u>(20,380)</u>	<u>(13,580)</u>
Financing activities		
Issue of share capital	-	2
Issue of Notes, net of costs	710,185	390,371
Loan advanced	<u>(698,000)</u>	<u>(261,168)</u>
<i>Net cash flow from financing activities</i>	<u>12,185</u>	<u>129,203</u>
(Decrease)/increase in cash and cash equivalents	(8,195)	115,623
Opening cash and cash equivalents	<u>9,390</u>	<u>-</u>
Cash and cash equivalents at 30 June	<u>1,195</u>	<u>115,623</u>

Cash and cash equivalents comprise cash in hand and balances with banks which can be withdrawn on demand.

Tristone Healthcare Bond Designated Activity Company

Statement of changes in equity for the 6 month period ended 30 June 2019

	Called up share capital £	Retained earnings £	Total £
At 1 January 2018	2	-	2
Total comprehensive income for the financial period	-	(14,982)	(14,982)
	—	—	—
At 30 June 2018	2	(14,982)	(14,980)
	—	—	—
At 1 January 2019	2	(48,835)	(48,833)
Total comprehensive income for the financial period	-	(19,351)	(19,351)
	—	—	—
At 31 June 2019	2	(68,186)	(68,184)
	—	—	—

Tristone Healthcare Bond Designated Activity Company

Notes forming part of the unaudited financial statements

1 Reporting entity

Tristone Healthcare Bond Designated Activity Company is domiciled in Ireland. The company's registered office is at 17 Pembroke Street Upper, Dublin 2, D02 AT22. The company's primary business is the raising of secured note finance and loaning that money on to Tristone Healthcare Limited, a UK registered company under common ownership, to exploit opportunities in healthcare.

2 Basis of accounting and statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and comply with those standards.

3 Functional and presentation currency

The currency used in these financial statements is the Pound Sterling (£), which is the company's functional currency.

4 Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

5 Operating segments

IFRS 8, Operating Segments, requires an entity to report financial and descriptive information about its reportable segments. Management has considered the application of IFRS 8 to its business and the criteria to be applied in identifying reportable segments. It has concluded that the activities of the company comprise one operating segment.

6 Interest income

	2019	2018
	£	£
Interest on loans provided to Tristone Healthcare Limited	44,916	2,070
Interest on Tristone Healthcare Limited 8% Secured Notes	<u>16,089</u>	-
	<u>61,005</u>	<u>2,070</u>

Tristone Healthcare Limited is considered to be a related party by reason of common control.

7 Interest expense

	2019	2018
	£	£
Interest expense	60,616	3,126
Amortisation of issue costs	<u>4,554</u>	<u>346</u>
Total	<u>65,170</u>	<u>3,472</u>

The interest expense and amortisation of issue costs arise on 8.5% Secured Note due 2027 issued by the company.

Tristone Healthcare Bond Designated Activity Company

Notes forming part of the financial statements (continued...)

8	Loss before tax	2019	2018
		£	£
	Loss before tax has been arrived at after charging		
	Statutory audit (including VAT)	-	-
	Non-audit services provided by auditor (including VAT)	<u>1,381</u>	-
9	Tax on loss on ordinary activities	2019	2018
		£	£
	Analysis of tax charge for the year		
	Current tax on profit for the year	-	-
	Deferred tax charge	-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	<u>(19,351)</u>	<u>(14,982)</u>
	Profit on ordinary activities multiplied by the standard rate of corporation tax of 12.5%	<u>(2,419)</u>	<u>(1,873)</u>
	<i>Effects of:</i>		
	Losses carried forward	<u>2,419</u>	<u>1,873</u>
	Current tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

There are no factors likely to materially affect future tax charges of which the directors are aware.

Tristone Healthcare Bond Designated Activity Company

Notes forming part of the financial statements (continued...)

10 Directors' remuneration
The aggregate amount paid to or receivable by directors in respect of qualifying services during the financial year was

	2019	2018
	£	£
For services as directors	<u>16,114</u>	<u>5,273</u>
Total	<u>16,114</u>	<u>5,273</u>

11 Held to maturity financial assets

	2019	2018
	£	£
Tristone Healthcare Limited 8% Secured Notes due 2027 (Note 17)	400,000	400,000
Interest receivable	<u>16,089</u>	-
Total	<u>416,089</u>	<u>400,000</u>

12 Loans receivable

	2019	2018
	£	£
Secured loan provided to related parties (Note 17)	1,338,268	640,268
Interest receivable on secured loan to related parties (Note 17)	<u>44,915</u>	<u>1,087</u>
Total	<u>1,383,183</u>	<u>641,355</u>

The company has provided a secured loan to Tristone Healthcare Limited. The loan is secured by way of debenture providing for fixed and floating charges over that company's assets and a negative pledge, and is repayable 20 business days prior to 31 December 2027. It has been advanced on a commercial basis. Management monitors the risk factors associated with loans that it has advanced by means of regular assessment of the progress made by Tristone Healthcare Limited in rolling out its business plan, and a corresponding assessment of any variation to the credit risk. In the opinion of the directors the asset and related interest receivable are not stated at greater than their recoverable amount.

13 Trade and other receivables

	2019	2018
	£	£
Other debtors (Note 17)	<u>69,226</u>	<u>31,550</u>
	<u>69,226</u>	<u>31,550</u>

14 Called up share capital

	2019	2018
	£	£
<i>Authorised</i> 1,000,000 ordinary shares of €1 each	<u>888,930</u>	<u>888,930</u>
<i>Allotted, called up and fully paid</i> 2 ordinary shares of €1	<u>2</u>	<u>2</u>

Tristone Healthcare Bond Designated Activity Company

Notes forming part of the financial statements (continued...)

15	Loans and borrowings		
	<i>Non-current liabilities</i>	2019	2018
		£	£
	8.5% Secured Notes due 2027	<u>1,897,202</u>	<u>1,124,475</u>
	<i>Comprising:</i>		
	Capital sum repayable	1,914,000	1,196,000
	Accrued interest	60,616	2,628
	Unamortised issue costs	<u>(77,414)</u>	<u>(74,153)</u>
		<u>1,897,202</u>	<u>1,124,475</u>

The capital sum is repayable in full on 31 December 2027. Issue costs are amortised to profit and loss on a straight line basis to the due redemption date of the related Notes. The borrowings are secured by way of mortgage debentures providing charges over the company's assets.

16	Trade and other payables		
		2019	2018
		£	£
	Other payables and accruals	34,390	6,653
	Payroll taxes	<u>6,285</u>	-
		<u>40,675</u>	<u>6,653</u>

17 Related parties
The company is owned and controlled by Yannis Loucopoulos, who also controls Tristone Healthcare Limited. The company has provided a secured loan of £1,338,268 (2018: £640,268) to Tristone Healthcare Limited. The loan is repayable 20 business days before 31 December 2027 and was advanced on a normal commercial basis. At 30 June 2019, there was interest of £44,915 (2018: £1,087) due to the company relating to that loan balance. During the period the company charged a service fee of £15,667 to Tristone Healthcare Limited. The amount was receivable at 30 June 2019.

The company owns Tristone Healthcare Limited 8% Secured Notes 2027 of £400,000. At 30 June 2019, interest of £16,089 (2018: £1,490) was receivable by the company on that investment.

The company considers its directors to be the key management personnel of the company. Key management personnel compensation for the period to 30 June 2019, including amounts paid to and receivable by key management personnel, comprised short term employee benefits of £16,114 (2018: £5,273) (Note 10).

18 Events after the reporting date
The directors consider that there have been no material events for disclosure purposes since the reporting date.

19 Provisions available for small entities
In common with many other businesses of similar size and nature the company uses its auditor to prepare and submit tax returns and to assist it with the preparation of the financial statements.

Tristone Healthcare Bond Designated Activity Company

Notes *forming part of the financial statements (continued....)*

20 Going concern

The time period that the directors have considered in evaluating the appropriateness of the going concern basis in preparing the financial statements for the 6 months ended 30 June 2019 is a period of twelve months from the date of approval of these financial statements (the ‘period of assessment’). In making this assessment, the directors considered the company’s business, profitability projections, funding and capital plans, together with a range of other factors such as the outlook for the Irish and UK economies, the impact of Brexit, along with ongoing developments in other EU economies. The directors are satisfied that the going concern basis is appropriate to the preparation of the financial statements.

21 Contingent liabilities and capital commitments

There are no contingent liabilities or capital commitments at the reporting date of which the directors are aware.

22 Approval of financial statements

The financial statements were approved by the Board on 10 October 2019.