NORTHACRE PLC
(the “Company” or “Group”)

Results for the six months ended 30th June 2015

14th September 2015

Northacre PLC is pleased to announce its interim financial results for the six months ended 30th June 2015. The Interim Report and Accounts for the period then ended will be available shortly on the Company’s website www.northacre.com.

Extracts from the Company’s Interim Report and Accounts are shown below.

Enquiries:

Northacre PLC
Niccolò Barattieri di San Pietro (Chief Executive Officer)
020 7349 8000

finnCap Limited (Nominated Adviser and Broker)
Stuart Andrews
Henrik Persson
020 7220 0500

Chairman’s Statement

The two major projects currently being managed by Northacre, New Scotland Yard and Palace Street, have propelled the Company into the top ranks of the London property market. The vigour with which Northacre has driven the design and planning process on New Scotland Yard, resulting in an early planning application for this massive project, is testament to Northacre’s management expertise. The flagship development in Palace Street has shown yet again Northacre’s ability to lead the market in untested locations, with a third of the apartments exchanged off plans at top London prices.

The success should be attributed to the team whose passion and attention to detail is underpinning the legacy of Northacre as the leading prime residential developer in London today.

Klas Nilsson
Non-Executive Chairman

Chief Executive's Statement

The last six months have seen Northacre make good progress across the board.

Business Development

On the business development side we are very pleased to have been appointed as Development Managers for the redevelopment of the New Scotland Yard site. This is one of the largest redevelopment sites in central London (1.7 acres) and one where we will be creating a unique mixed use scheme. We have been able to take on substantially more business whilst also reducing our administrative costs from £2.6m (30 June 2014) to £2.1m (30 June 2015). This is a reflection of efficiencies which we have been working on for the past two years.

Current developments

New Scotland Yard

We submitted a full planning application in August 2015 and we are now expecting to be considered for Determination in December 2015.

1 Palace Street

We are progressing according to program and will be finishing the demolition stage by the end of November 2015. The soft marketing of the apartments started in late April and we are pleased to report that approximately one third of the units have now exchanged.

Vicarage Gate House

We have experienced some delays onsite mostly due to the incredibly tight subcontractor market. This has caused Practical Completion to be moved from April 2015 to November 2015. On the positive side, the quality of the finishing is exceptional and overall the scheme is being well received.

13&14 Vicarage Gate

This development has been fully designed by N Studio with Rackham Construction as the chosen contractor. Progress onsite has been very good and Practical Completion is due in late December 2015. We expect to start marketing in early October.

26 Chester Square

The basement construction is well under way and will be finished in December 2015. N Studio is in the progress of submitting the tender documentation so that we can select the General Contractor by the time the basement is completed.

22 Prince Edward Mansions

Obtaining Licence to Alter from the residents has taken considerably longer than expected, however since then, progress onsite has been very swift. We expect Practical Completion to occur in December 2015.

Outlook

The high end of the market has been in a consolidating phase. In our view this is natural following many years of strong price appreciation. It should be noted that buyers have become much more sophisticated and hence, now more than ever, the quality of the development determines its overall success.

Niccolò Barattieri di San Pietro
Chief Executive Officer

Financial Review

Consolidated Interim Statement of Comprehensive Income (Unaudited)

The Group's revenue for the six month period decreased by £1.1m to £2.0m (2014: £3.1m) due to the recognition of the development management fee and performance fee in respect of 33 Thurloe Square in the previous period. N Studio's revenue remained consistent with the previous period as expected. The reported development fee income of £1.7m included fees from all current projects: Vicarage Gate House, 13 & 14 Vicarage Gate, 1 Palace Street, 26 Chester Square and New Scotland Yard.

Administrative expenses have decreased to £2.1m (2014: £2.6m). The Group reported a loss before taxation of £0.4m (2014: Profit £0.01m).

Consolidated Interim Statement of Financial Position (Unaudited)

The Group's cash position has remained stable in comparison to the 31 December 2014 position and as at 30 June 2015 had cash and cash equivalents of £2.0m (31 December 2014: £2.5m).

In accordance with International Accounting Standards, the investments in development projects that have been classified as available for sale financial assets in the Consolidated Interim Statement of Financial Position (Unaudited) represent, where appropriate, the equity value in each of the development schemes and any fair value adjustments. As at 30 June 2015 the total of £10.0m represents the fair value of the investment in the 1 Palace Street development.

The Group's development of 22 Prince Edward Mansions, has continued in the period and the £4.6m cost at 30 June 2015 is included within inventories. The development has been funded by reserves and a loan from the Royal Bank of Scotland which is due to be repaid in full on sale of the property which is expected by the end of the current period.

Capital and Reserves

The Directors do not recommend the payment of an interim dividend as the funds of the Company are fully employed.

Victoria Goryashina
Interim Group Financial Controller

Northacre PLC
Consolidated Interim Statement of Comprehensive Income (Unaudited)

	Note	6 Months ended 30.6.2015 Unaudited £'000	6 Months ended 30.6.2014 Unaudited £'000	10 Months ended 31.12.2014 Audited £'000
Continuing operations				
Group revenue	2	1,991	3,123	3,857
Cost of sales		(239)	(556)	25
Gross profit		1,752	2,567	3,882
Administrative expenses		(2,104)	(2,592)	(4,378)
Group loss from operations		(352)	(25)	(496)
Investment revenue		1	38	494
(Loss)/profit before taxation		(351)	13	(2)
Taxation		-	(215)	266
(Loss)/profit for the period attributable to equity holders of the Company		(351)	(202)	264
(Loss)/profit per ordinary share	3			
Basic		(0.83)p	(0.48)p	0.62p
Diluted		(0.83)p	(0.48)p	0.62p

Northacre PLC
Consolidated Interim Statement of Financial Position (Unaudited)

	Note	30.6.2015 Unaudited £'000	30.6.2014 Unaudited £'000	31.12.2014 Audited £'000
Non-current assets				
Goodwill		8,007	8,007	8,007
Property, plant and equipment		664	794	722
Available for sale financial assets	5	10,000	8,825	10,000
		18,671	17,626	18,729
Current assets				
Inventories		4,661	503	4,192
Trade and other receivables	6	1,892	3,955	787
Cash and cash equivalents		2,021	20,476	2,510
		8,574	24,934	7,489
Total assets		**27,245**	**42,560**	**26,218**
Current liabilities				
Trade and other payables	7	1,554	3,306	838
Borrowings, including lease finance	8	1,662	-	1,000
		3,216	3,306	1,838
Non-current liabilities				
Borrowings, including lease finance		-	-	-
Total liabilities		**3,216**	**3,306**	**1,838**
Equity				
Share capital		1,058	1,058	1,058
Share premium account		22,565	22,565	22,565
Merger reserve		-	8,086	-
Retained earnings		406	7,545	757
Total equity		**24,029**	**39,254**	**24,380**
Total equity and liabilities		**27,245**	**42,560**	**26,218**

Northacre PLC
Consolidated Interim Statement of Cash Flows (Unaudited)

	6 Months ended 30.6.2015 Unaudited £'000	6 Months ended 30.6.2014 Unaudited £'000	10 Months ended 31.12.2014 Audited £'000
Cash flows from operating activities			
(Loss)/profit for the period before tax	(351)	139	(2)
Adjustments for:			
Investment revenue	(1)	(38)	(494)
Finance costs	2	3	3
Depreciation and amortisation	73	49	125
Increase in inventories	(469)	(490)	(4,023)
(Increase)/decrease in trade and other receivables	(1,115)	251	5,894
Increase/(decrease) in trade and other payables	726	1,238	(5,791)
Cash (used in)/generated from operations	(1,135)	1,152	(4,288)
Interest paid	(2)	(3)	(3)
Corporation tax – consortium relief refunded	-	-	266
Net cash (used in)/generated from operating activities	(1,137)	1,149	(4,025)
Cash flows from investing activities			
Purchase of property, plant and equipment	(15)	(3)	(24)
Increase/(decrease) in available for sale financial assets	-	1,421	(1,175)
Interest received	1	65	65
Dividends received	-	-	429
Net cash (used in)/generated from investing activities	(14)	1,483	(705)
Cash flows from financing activities			
Proceeds from issue of shares	-	-	-
Proceeds from borrowings	662	-	1,000
Dividends paid	-	-	(14,999)
Net cash generated from financing activities	662	-	(13,999)
(Decrease)/increase in cash and cash equivalents	(489)	2,632	(18,729)
Cash and cash equivalents at beginning of period	2,510	17,844	21,239
Cash and cash equivalents at end of the period	2,021	20,476	2,510

Cash and cash equivalents at 30th June 2015 and 30th June 2014 represent bank deposits held by the Group.

Northacre PLC
Consolidated Interim Statement of Changes in Equity (Unaudited)

	Called Up Share Capital £'000	Share Premium Account £'000	Merger Reserve £'000	Retained Earnings £'000	Total £'000
As at 1st January 2014	1,058	22,565	8,086	7,747	39,456
Total comprehensive loss for the period	-	-	-	(202)	(202)
Transactions with owners of the Company: Dividends	-	-	-	-	-
As at 30th June 2014	1,058	22,565	8,086	7,545	39,254
Total comprehensive profit for the period	-	-	-	125	125
Transactions with owners of the Company: Dividends	-	-	(8,086)	(6,913)	(14,999)
As at 31st December 2014	1,058	22,565	-	757	24,380
Total comprehensive loss for the period	-	-	-	(351)	(351)
Transactions with owners of the Company: Dividends	-	-	-	-	-
As at 30th June 2015	1,058	22,565	-	406	24,029

Northacre PLC
Notes to the Unaudited Interim Financial Statements
For the Six Months ended 30th June 2015

1. Basis of Preparation and Accounting Policies

Basis of Preparation

The interim financial information for the six months ended 30th June 2015 and 30th June 2014 is unaudited. The interim financial information was approved by the Board of Directors on 14th September 2015.

The statutory financial statements for the period ended 31st December 2014, prepared under International Financial Reporting Standards (IFRS), have been reported on by the Group auditors and delivered to the Registrar of Companies. The audit report was unqualified and did not contain a statement under s498 of the Companies Act 2006.

These accounts have been prepared in accordance with International Accounting (IAS) 34 'Interim Financial Reporting'.

The interim financial information does not constitute statutory financial statements as defined in Section 434 of the Companies Act 2006.

Accounting Policies

The accounting policies adopted are consistent with those applied as at 31st December 2014 and those that the Directors expect to be adopted as at 31st December 2015. They are set out in full in the financial statements for the period ended 31st December 2014.

Going Concern

The Company and Group currently meet their day-to-day working capital requirements through fees receivable from its projects: Vicarage Gate House, 13-14 Vicarage Gate, 26 Chester Square, 1 Palace Street and New Scotland Yard.

The Directors have prepared detailed cash flow projections for the period ending 31st December 2019 making reasonable assumptions about the levels and timings of income and expenditure, and in particular the timing of receipt of certain fees due from major developments. These projections show that the Group can meet its on-going working capital requirements. On this basis the Directors consider it appropriate to prepare the financial statements on a going concern basis.

Significant Judgements and Estimates of Areas of Uncertainty

In preparing these financial statements the Directors are required to make judgements and best estimates of the outcome of and in particular, the timing of revenues, expenses, assets and liabilities based on assumptions. These assumptions are based on historical experience and various other factors that are considered reasonable under the various circumstances. The estimates and assumptions are reviewed on a regular basis with any revisions being applied in the relevant period. The material areas where estimates and assumptions are made are:

- The valuation of goodwill;
- The valuation of available for sale financial assets; and
- The status and progress of the developments and projects.

Basis of Consolidation

The Group financial statements include the financial statements of the Company and its subsidiary undertakings. Subsidiary undertakings are all entities over which the Group has the power to govern the financial and operating policies of the subsidiary and therefore exercises control. The existence and effect of both current voting rights and potential voting rights that are currently exercisable or convertible are considered when assessing whether control of an entity is exercised. Subsidiaries are consolidated from the date at which the Group obtains the relevant level of control and are de-consolidated from the date at which control ceases.

1. Basis of Preparation and Accounting Policies (Continued)

Revenue

Revenue represents amounts earned by the Group in respect of services rendered during the period net of value added tax. Shares in development profits and performance fees are recognised when the amounts involved have been finally determined and agreed criteria for recognition have been fulfilled. Fees in respect of project management and interior and architectural design are recognised in accordance with the stage of completion of the contract.

Investments

Investments in subsidiaries, associates and joint ventures, and other investments are presented in the Group and Parent financial statements at cost, less any necessary provision or impairment.

Associates

Associates are entities over which the Group exercise significant influence but does not exercise control. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost, which includes goodwill identified on acquisition, net of any accumulated impairment loss. The Group's share of its associate's profits or losses after acquisition of its interest is recognised in profit or loss and cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Where the Group's share of losses of an associate equals or exceeds the carrying amount of the investment, the Group only recognises further losses where it has incurred obligations or made payments on behalf of the associate.

Financial Assets

Available for sale financial assets consist of equity investments in other entities where the Group does not exercise either control or significant influence. The investments reflect capital contributions made in respect of projects undertaken with other partners in which the Group will be entitled to an eventual profit share.

Available for sale financial assets are shown at fair value at each reporting date with changes in fair value being shown in Other Comprehensive Income, or at cost less any necessary provision for impairment where a reliable estimate of fair value is not able to be determined.

Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation but are instead tested annually for impairment and are subject to additional impairment testing if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Indicators of impairment are reviewed annually.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Any impairment charge is recognised in profit or loss in the year in which it occurs. When an impairment loss, other than an impairment loss on goodwill, subsequently reverses due to a change in the original estimate, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, up to the carrying amount that would have resulted, net of depreciation, had no impairment loss been recognised for the asset in prior years.

1. Basis of Preparation and Accounting Policies (Continued)

Business Combinations and Goodwill

Goodwill relating to acquisitions prior to 1st March 2006 is carried at the net book value on that date and is no longer amortised but is subject to annual impairment review. On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to profit or loss in the period of acquisition. Goodwill is tested annually for impairment.

Capital and Financial Risk Management

The Group manages its capital to ensure that the Group will be able to continue as a going concern, while maximising the return to shareholders through the optimisation of its debt and equity balance.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the Parent Company, comprising issued capital, share premium account and retained profits.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends payable to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt or increase capital.

The Board regularly reviews the capital structure, with an objective to minimise net debt whilst investing in the development opportunities.

The Group's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risks is core to the property business and the operational risks are an inevitable consequence of being in business. The Group's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Group's performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks by means of a reliable up-to-date information system. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management is carried out by the Board of Directors. Directors are responsible for the identification of the major business risks faced by the Group and for determining the appropriate course of action to manage those risks. The most important types of risk are credit risk, liquidity risk and market risk. Market risk includes currency, interest rate and other price risks.

2. Segmental Information

Segmental information is presented in respect of the Group's business segments. The business segments are based on the Group's corporate and internal reporting structure. Segment results and assets include items directly attributable to a segment as well as those that can be allocated to a segment on a reasonable basis. The segmental analysis of the Group's business as reported internally to management is as follows:

Northacre PLC
Notes to the Unaudited Interim Financial Statements
For the Six Months ended 30th June 2015 (Continued)

2. Segmental Information (Continued)

Revenue	**6 Months ended 30.6.2015 Unaudited £'000**	**6 Months ended 30.6.2014 Unaudited £'000**	**10 Months ended 31.12.2014 Audited £'000**
Development management	1,732	2,294	3,555
Interior design	259	784	215
Architectural design	-	45	87
	1,991	**3,123**	**3,857**

(Loss)/profit before taxation	**6 Months ended 30.6.2015 Unaudited £'000**	**6 Months ended 30.6.2014 Unaudited £'000**	**10 Months ended 31.12.2014 Audited £'000**
Development management	(193)	103	506
Interior design	(156)	(124)	(586)
Architectural design	(2)	34	78
	(351)	**13**	**(2)**

Assets	**30.6.2015 Unaudited £'000**	**30.6.2014 Unaudited £'000**	**31.12.2014 Audited £'000**
Development management	27,011	42,214	26,017
Interior design	214	211	87
Architectural design	20	135	114
	27,245	**42,560**	**26,218**

Liabilities	**30.6.2015 Unaudited £'000**	**30.6.2014 Unaudited £'000**	**31.12.2014 Audited £'000**
Development management	1,553	1,996	366
Interior design	1,053	506	769
Architectural design	610	804	703
	3,216	**3,306**	**1,838**

3. (Loss)/profit per share	**6 Months ended 30.6.2015 Unaudited**	**6 Months ended 30.6.2014 Unaudited**	**10 Months ended 31.12.2014 Audited**
Weighted average number of shares in issue	42,335,538	42,335,538	42,335,538
(Loss)/profit for the period attributable to equity holders of the Company (£'000)	(351)	(202)	264
Basic (loss)/profit per share (pence)	(0.83)	(0.48)	0.62
Diluted (loss)/profit per share (pence)	(0.83)	(0.48)	0.62

There were no potentially dilutive instruments in issue during the current or preceding periods. All amounts shown relate to continuing and total operations.

4. Dividends

No interim dividends were paid during the period.

5. Available for sale financial assets

	Unaudited £'000
At 1st January 2014	-
Changes in the period	-
At 30th June 2014	-
Increase in 1 Palace Street and 33 Thurloe Square fair value	10,000
At 31st December 2014	10,000
Changes in the period	-
At 30th June 2015	**10,000**

At 31st December 2014 the Company had paid the £10m commitment to invest in the partnership that controls the 1 Palace Street development.

The £15 investment in 33 Thurloe Square represents a 15% equity stake. By 31st December 2014 the 33 Thurloe Square development had been sold and the £15 investment will be refunded in the current financial year.

Northacre PLC
Notes to the Unaudited Interim Financial Statements
For the Six Months ended 30th June 2015 (Continued)

6. Trade and other receivables

	30.6.2015 Unaudited £'000	30.6.2014 Unaudited £'000	31.12.2014 Audited £'000
Trade receivables	188	665	31
Other receivables	220	2,198	220
Prepayments and accrued income	1,484	1,092	536
	1,892	**3,955**	**787**

7. Trade and Other Payables

	30.6.2015 Unaudited £'000	30.6.2014 Unaudited £'000	31.12.2014 Audited £'000
Trade payables	213	306	68
Social security and other taxes	56	83	199
Other payables	2	2	2
Accruals and deferred income	1,283	2,915	569
	1,554	**3,306**	**838**

8. Borrowings, including lease finance

	30.6.2015 Unaudited £'000	30.6.2014 Unaudited £'000	31.12.2014 Audited £'000
Bank loan	1,662	-	1,000
	1,662	**-**	**1,000**

A loan facility of £3,150,000 was made available by the Royal Bank of Scotland from the 19th September 2014 to Northacre Capital (7) Limited in respect of the property at 22 Prince Edward Mansions. The loan is available on a drawdown basis and as at 30th June 2015 £1,662,378 was drawn. The loan incurs interest at 3.25% above the LIBOR rate and is charged quarterly. The loan is due to be repaid the earlier of the latest expiry date of the current interest period outstanding as at the date of completion of sale of the property or the date which falls 18 months after the date on which the loan is drawn. The loan is expected to be repaid in full prior to the end of the current financial year. The loan is secured via a first legal charge over the property included within inventories, a guarantee for £120,000 given by Northacre PLC and a charge over certain cash balances.

Northacre PLC
Notes to the Unaudited Interim Financial Statements
For the Six Months ended 30th June 2015 (Continued)

9. Related Party Transactions

	Nature of Relationship	30.6.2015 Unaudited £'000	30.6.2014 Unaudited £'000	31.12.2014 Audited £'000	Nature of Transactions
K.B. Nilsson	1	-	(49)	(100)	Consultancy fees for services provided for the 1 Palace Street development for the period 1st March 2014 to 31st October 2014
E.B. Harris	2	(40)	(10)	(25)	Non-executive Directors' fees representing a balance at the end of the period
E.B. Harris	2	(15)	(15)	(30)	Non-executive Directors' fees representing amounts accrued during the period
A. de Rothschild	3	(18)	(18)	(18)	Non-executive Directors' fees representing a balance at the end of the period
M.A. AlRafi	4	-	(975)	(975)	£975,000 bonus was paid from The Lancaster Development dividends on 28th March 2014
ADCM Limited	5	(600)	(600)	(1,042)	Consultancy fees charged during the period; £1,200,000 was paid in March 2015
ADCM Limited	5	(5)	30	2	Expenses charged by ADCM Ltd as per the consultancy agreement
Palace Revive Development Limited	6	(1,015)	(1,353)	-	Development management fees deferred balance as at 30th June 2015; £2,028,749.25 was invoiced during the period January 2015 to June 2015
Palace Revive Development Limited	6	1,014	1,352	2,254	Development management fees charged for the period January 2015 to June 2015 as per the development management agreement
Palace Revive Development Limited	6	120	68	68	Recharge of expenses paid on behalf of Palace Revive Development Limited during the period
Palace Real Estate Partners LP	7	10,000	8,825	10,000	Amount invested by Northacre PLC into Palace Real Estate Partners LP
BL Development Limited	8	400	-	-	Development management fees charged for the period January 2015 to June 2015 as per the development management agreement

Nature of Relationship

1. K.B. Nilsson is a Director of the Company.
2. E.B. Harris is a Director of the Company, and a member of E.C. Harris LLP.
3. A. de Rothschild was a Director of the Company (resigned 11th February 2014).
4. M.A. AlRafi was a Director of the Company (resigned on 25th June 2013).
5. ADCM Limited is a fully owned subsidiary of ADFG, the Group's ultimate parent company.
6. Palace Revive Development Limited is a company set up to develop the 1 Palace Street development and is controlled by ADCM Limited.
7. Palace Real Estate Partners LP is a partnership that controls Palace Revive Development Limited. Northacre PLC is a limited member of Palace Real Estate Partners LP.
8. BL Development Limited is a company set up to develop the Ten Broadway (New Scotland Yard) development and is controlled by ADCM Limited.

10. Other Information

The interim statement was approved by the Directors on 14th September 2015.

A copy of the announcement will be made available on our website:

www.northacre.com

Independent Review Report to
Northacre PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30th June 2015 which comprises the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flows, the consolidated statement of changes in equity and the related notes. We have read other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information contained in the condensed set of financial statements.

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. Our work is undertaken so that we might state to the Company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Rules of the Alternative Investment Market.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRS as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months to 30th June 2015 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Rules of the Alternative Investment Market.

Kingston Smith LLP
Chartered Accountants

Devonshire House
60 Goswell Road
London EC1M 7AD
14th September 2015