

P2P GLOBAL INVESTMENTS PLC

INTERIM REPORT AND UNAUDITED CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

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FINANCIAL AND OPERATIONAL HIGHLIGHTS

| | Ordinary shares 30 June **2017 £ | Ordinary shares 30 June **2016 £ | Ordinary shares 31 December **2016 £ |
|---|---|---|---|
| Total Net Assets | 824,681,877 | 870,667,339 | 850,741,973 |
| Net Asset Value per share | 1,006.62p | 1,011.59p | 1,006.49p |
| Share price | 888p | 850p | 799p |
| Premium/(Discount) to Net Asset Value | (11.83%) | (15.97%) | (20.62%) |
| Total shareholder return (based on share price) | (11.25%) | (15.00%) | (20.10%) |
| Net Asset Value Return (ITD)* | 16.79% | 12.22% | 14.13% |
| Dividends declared per share (in the period) | 23.0p | 25.2p | 47.2p |
| New shares issued (in the period)** | – | – | 37,770,884 |
| Shares bought back (in the period) | 2,600,271 | 237,205 | 1,781,000 |

* ITD: Inception to date – Excludes issue costs.

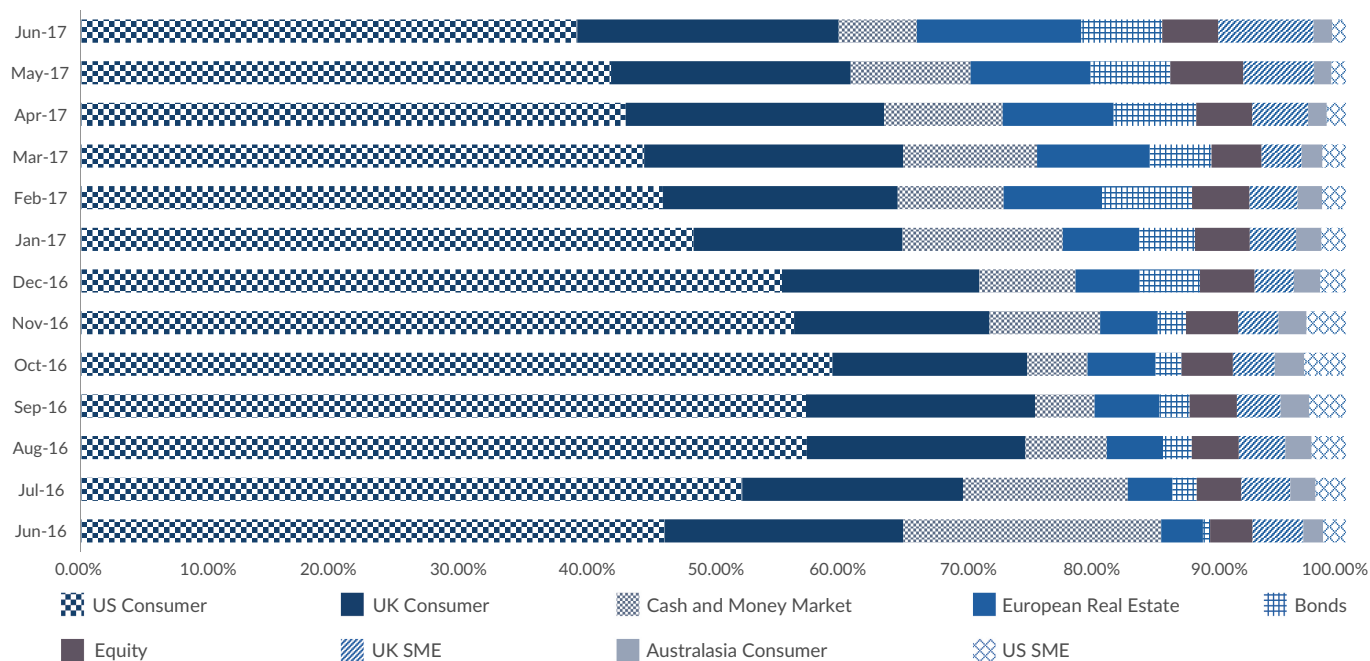
NAV return in June 2015 includes a 0.55% premium from a TAP issue. Until May 2017 this was reported as 0.77% which did not include the TAP issue.

** Results are net of impairment of loans.

*** Share movements arise due to the conversion of C shares to Ordinary shares. Refer to Note 15 for details.

FINANCIAL AND OPERATIONAL HIGHLIGHTS (CONTINUED)

MONTHLY PORTFOLIO COMPOSITION



PERFORMANCE AND DIVIDEND HISTORY

| | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD | ITD ¹ |
|--------------------------|------|-------------------|--------|--------|--------|--------|--------------------|--------|--------|-------|--------|--------|-------|---------|------------------|
| Total | 2014 | - | - | - | - | - | 0.16% | 0.17% | 0.22% | 0.23% | 0.48% | 0.54% | 0.50% | 2.32% | |
| NAV Return | 2015 | 0.54% | 0.59% | 0.65% | 0.41% | 0.71% | 1.31% ³ | 0.50% | 0.49% | 0.43% | 0.56% | 0.52% | 0.20% | 7.14% | 16.79% |
| | 2016 | 0.41% | 0.38% | 0.48% | 0.43% | 0.48% | 0.17% | 0.37% | 0.43% | 0.23% | 0.27% | 0.27% | 0.12% | 4.10% | |
| | 2017 | 0.24% | 0.38% | 0.55% | 0.45% | 0.41% | 0.29% | - | - | - | - | - | - | 2.34% | |
| Share Price | 2014 | - | - | - | - | - | 7.25% | 0.37% | -0.19% | 0.05% | -0.93% | 1.41% | 9.26% | 18.00% | |
| Performance ² | 2015 | -0.93% | 0.09% | -1.79% | -0.17% | -5.41% | -2.03% | 2.07% | -5.99% | 3.24% | -6.46% | 1.52% | 0.70% | -14.66% | -11.25% |
| | 2016 | -6.85% | -7.57% | 0.35% | 6.03% | -5.69% | -2.30% | -2.94% | 1.52% | 0.30% | -3.21% | -8.79% | 7.75% | -20.66% | |
| | 2017 | -2.13% | 1.66% | -3.14% | 11.36% | 2.74% | 0.74% | - | - | - | - | - | - | 11.08% | |
| Dividend | 2014 | - | - | - | - | - | - | - | - | - | - | 6.0 | - | 6.0 | |
| Per Share (Pence) | 2015 | - | 12.5 | - | - | 16.5 | 10.5 ⁴ | - | - | - | - | 18.5 | - | 58.0 | |
| | 2016 | 13.7 ⁵ | - | - | 11.5 | - | - | 11.0 | - | - | 11.0 | - | - | 47.2 | 134.2 |
| | 2017 | 11.0 | - | - | 12.0 | - | - | - | - | - | - | - | - | 23.0 | |

¹ ITD: Inception to Date – Excludes Issue Costs

² Based on issue price of 1000p

³ NAV return in June 2015 includes a 0.55% premium from a TAP issue. Until May 2017 this was reported as 0.77% which did not include the TAP issue

⁴ 8.5p per share was declared to the original C Shareholders prior to conversion

⁵ The July 2015 C Share was 9.5p

FINANCIAL AND OPERATIONAL HIGHLIGHTS (CONTINUED)

TOP TEN INVESTMENT POSITIONS

| | Investment Type | Country | Sector | Value as at 30 June 2017 | % of Net Assets |
|------------------------------|--------------------|----------------|-------------------------|-----------------------------|--------------------|
| Eaglewood Income Fund I LP | Fund | United States | Alternative finance SPV | 108,798,978 | 13.19% |
| European Invoice Receivables | Fund | United Kingdom | Invoice Receivables | 21,626,433 | 2.62% |
| Private Debt Security | Bond | United Kingdom | Mortgages | 20,168,000 | 2.45% |
| Private Debt Security | Bond | United Kingdom | Mortgages | 19,850,000 | 2.41% |
| Private Debt Security | Bond | United Kingdom | Consumer Loans | 13,347,690 | 1.62% |
| European Real Estate Loan | Secured Loan | United Kingdom | Real Estate | 12,158,879 | 1.47% |
| European Real Estate Loan | Secured Loan | United Kingdom | Real Estate | 9,708,485 | 1.18% |
| European Secured Loan | Secured Loan | United Kingdom | Consumer Loans | 8,694,476 | 1.05% |
| European Real Estate Loan | Secured Loan | United Kingdom | Real Estate | 7,732,266 | 0.94% |
| US Secured loan | Secured Loan | United States | Invoice Receivables | 7,698,526 | 0.93% |

CHAIRMAN'S STATEMENT

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

Dear Shareholder,

I am pleased to present the Interim Financial Report of P2P Global Investments Plc (the "Company") for the period from 1 January 2017 to 30 June 2017.

The first half of 2017 was dominated by events surrounding the Board's investment manager review process.

Following the announcement of a review of the investment management arrangements on the 4 April 2017, the Board of Directors of the Company announced the outcome on the 24 May 2017. The process concluded with the selection of a joint proposal by the existing Investment Manager, MW Eaglewood Europe LLP ("MW Eaglewood" or "Investment Manager") and Pollen Street Capital Limited ("Pollen Street") for the continued management of the assets of the Company.

As part of the process, MW Eaglewood agreed in principle to merge its operations with Pollen Street in a share for share exchange, with Pollen Street becoming the majority shareholder of the combined investment management group. The merger process is ongoing at the time of writing; it is expected to close later this year (subject to regulatory approvals).

It is expected that the Company will benefit from the combined capabilities, people, expertise, technology and relationships of both firms. The Company has stated that it will progressively transition the portfolio into more attractive specialist assets and it is expected that the transition may take up to 18 months to achieve.

The underlying performance of the Company in the first half of 2017 showed some gradual signs of improvement relative to the final half of 2016. The Company declared dividends of 24p relating to the first half and delivered NAV growth of 2.34%. The Company has continued to reposition its exposure away from unsecured US consumer assets through the first half of 2017 and it is expected that the reduction in exposure to these assets will reduce the drag on performance due to FX, leverage and hedging costs. Exposure to US unsecured consumer assets has reduced from 55.4% as at 31 December 2016 to 39.3% as at 30 June 2017. Further reductions to make way for more attractive specialist assets are expected in the second half of 2017.

In the first half of 2017 the Company bought back 2,600,271 shares at an average share price of 824.25p, creating an uplift of 5.58p per share for shareholders. The Company intends to continue with its current buyback policy.

Yield opportunities continue to be sparse in the Company's current financial markets and global yields in traditional asset classes have continued to tighten. Nevertheless, the Company continues to seek to deliver incremental returns to its shareholders as it works towards achieving its target returns.

Stuart Cruickshank
Chairman

30 August 2017

INVESTMENT MANAGER'S REPORT

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

SUMMARY AND HIGHLIGHTS FOR THE PERIOD

The Group has a 6-8% target return per annum, net of expenses and costs including impairment expense.

This report is prepared on a look through basis.

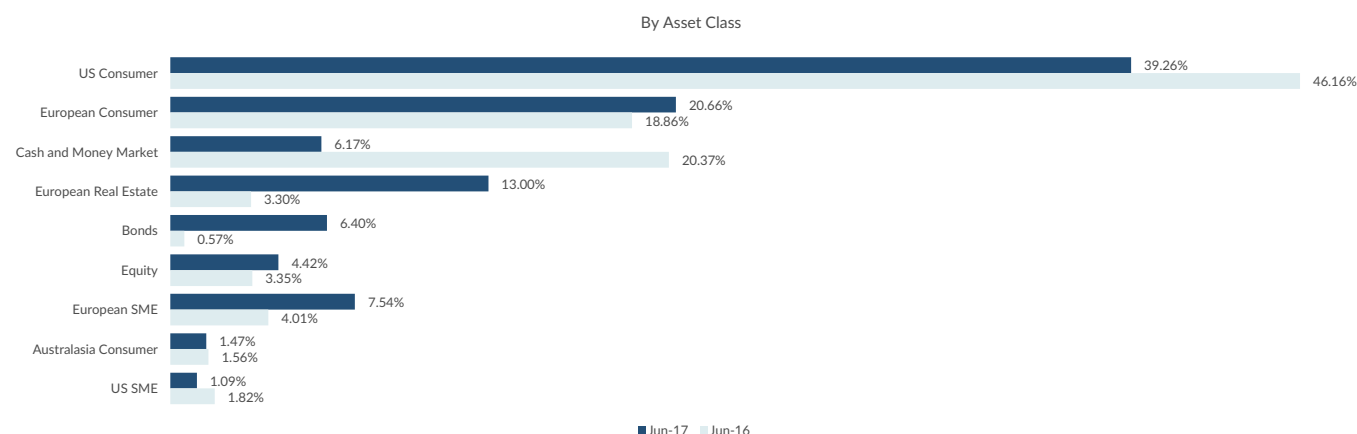
The Financial and Business highlights of the Group for the first six months of 2017 are as follows:

- January 2017: announces 0.24% NAV return. Effective from 1 January 2017, MW Eaglewood permanently waives the management fee charged on leverage and undertakes a review of additional steps that might be taken to improve returns.
- February 2017: announces 0.38% NAV return.
- March 2017: announces 0.55% NAV return. Continues to increase exposure to secured lending and reduce exposure to US Consumer loans.
- April 2017: announces 0.45% NAV return. Announces a dividend of 12p per share for the three month period to 31 March 2017. Initiates a review of the Company's investment management arrangements.
- May 2017: announces 0.41% NAV return. Announces the outcome of the review of the investment management arrangements.
- June 2017: announces 0.29% NAV return and continues to provide NAV growth for quarter two of 1.15%. At its AGM on 29 June 2017, all resolutions proposed were passed.

PORTFOLIO COMPOSITION

The Investment Manager continued to further reduce US exposures through a combination of amortisation and the disposal of assets. This continues to gradually adjust and diversify the portfolio towards other lending sectors where better risk-adjusted returns may be achieved.

Portfolio Composition – 30 June 2017 vs 30 June 2016



INVESTMENT MANAGER'S REPORT (CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

PERFORMANCE REVIEW OF THE PERIOD

The Company returned 2.34% of NAV growth for the period making the inception to date return for shareholders 16.8¹/5.2% p.a.

Attractive risk-adjusted yields in both liquid and illiquid credit remain scarce. During the quarter, spreads in the fixed income market have again tightened. Gross yields in UK unsecured consumer loans have further declined, as the competition remains fierce. This suggests that there will be less income to absorb potential future losses. In light of this, the Investment Manager has been increasing exposure to secured loans and products with an asset backed structure.

The Investment Manager has continued to reduce the portfolio's exposure to US consumer loans and other lower yielding assets through a combination of amortisation and selective asset disposals. Total exposure to US consumer loans stands at 39% of NAV as of June month end. The Investment Manager believes that both collateral performance and the cost of funding remain more attractive in Europe than in the US. Moreover, during the quarter the cost to hedge USD against GBP further increased as the rate differential between the two currencies widened.

The exposure of the portfolio continues to shift gradually towards sectors with better risk adjusted returns. The Investment Manager believes onerous banking regulations will continue to hamper growth in regulatory capital-intensive asset classes, and that the Company is well positioned to grow in these under-served specialist asset classes and aims to deliver performance allowing for an attractive dividend income.

¹ NAV return in June 2015 includes a 0.55% premium from a TAP issue. Until May 2017 this was reported as 0.77% which did not include the TAP issue.

EVENTS SUBSEQUENT TO PERIOD END

On 25 July 2017, the Board of Directors declared a dividend of 12p per share for the quarter.

OUTLOOK

The Investment Manager will continue to originate loans with the larger platforms that have a proven track record and subsequently enhance returns using securitisations. It is expected that this will offer a meaningful reduction in the Company's funding costs. Furthermore, the Investment Manager intends to increase exposure to secured loans and asset backed structures.

Investors should be aware that from 1 January 2018, the Company will be required to account for its financial assets under the new IFRS 9 accounting standards. As part of IFRS 9, the International Accounting Standards Board (IASB) has introduced an expected-loss impairment model that will require a recognition of expected credit losses. As a result of the accounting change, losses will be recognised early and will result in a larger one-off adjustment during the early periods of the adoption of the standard.

The merger and integration process between MW Eaglewood and Pollen Street is still ongoing and is expected to close later this year subject to regulatory approval. The merged entity will benefit from the combined capabilities, people, expertise, technology and relationships of both firms. The Company has stated that it will progressively transition the portfolio into more attractive specialist assets to re-establish its performance at the target return level of 6-8% per annum.

RESPONSIBILITY STATEMENT OF THE DIRECTORS

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

The Directors, being the persons responsible, confirm that to the best of their knowledge:

- a) the condensed set of Unaudited Consolidated Financial Statements contained within the half-yearly financial report have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, as required by the Disclosure and Transparency Rule 4.2.4R, and gives a true and fair view of the assets, liabilities and financial position of the Group;
- b) the Investment Manager's Report includes a fair review, as required by Disclosure Guidance and Transparency Rule 4.2.7 R, of important events that have occurred during the first six months of the financial year, their impact on the condensed set of Consolidated Financial Statements, and a description of the principal risks and perceived uncertainties for the remaining six months of the financial year; and
- c) the Investment Manager's Report includes a fair review of the information concerning related parties transactions as required by Disclosure Guidance and Transparency Rule 4.2.8 R.

Signed on behalf of the Board of Directors by:

Stuart Cruickshank

Chairman

30 August 2017

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

| | Notes | (Unaudited) 30 June 2017 £ | (Unaudited) 30 June 2016 £ | (Audited) 31 December 2016 £ |
|---|-------|-------------------------------------|-------------------------------------|---------------------------------------|
| Non current assets | | | | |
| Investment assets designated as held at fair value through profit or loss | 4 | 266,090,387 | 618,408,980 | 204,496,985 |
| Loans at amortised cost | 4 | 900,601,401 | 384,539,012 | 973,989,695 |
| | | 1,166,691,788 | 1,002,947,992 | 1,178,486,680 |
| Current assets | | | | |
| Derivative financial instruments | 4 | 2,401,387 | 619,549 | 710,352 |
| Cash and cash equivalents | | 80,161,452 | 90,909,841 | 81,211,669 |
| Cash pledged as collateral | | 18,131,438 | 73,026,362 | 40,012,074 |
| Receivable for investments sold | | 2,384,974 | – | – |
| Interest receivable | | 11,459,313 | – | 7,792,172 |
| Other current assets and prepaid expenses | | 5,791,055 | 5,749,675 | 6,717,872 |
| | | 120,329,619 | 170,305,427 | 136,444,139 |
| Total assets | | 1,287,021,407 | 1,173,253,419 | 1,314,930,819 |
| Current liabilities | | | | |
| Amounts due to brokers | | 623,579 | – | 330,446 |
| Payable for investments purchased | | 2,149,472 | – | – |
| Derivative financial instruments | 4 | 673,644 | 46,509,295 | 12,043,687 |
| Interest payable | | 153,181 | – | – |
| Investment management fees payable | 9 | 689,912 | 131,436 | 974,559 |
| Performance fees payable | 9 | 1,496,577 | 309,497 | 916,183 |
| Accrued expenses and other liabilities | | 3,354,862 | 4,072,971 | 4,273,787 |
| | | 9,141,227 | 51,023,199 | 18,538,662 |
| Total assets less current liabilities | | 1,277,880,180 | 1,122,230,220 | 1,296,392,157 |
| Non current liabilities | | | | |
| Borrowings | 10 | 436,427,204 | 251,562,881 | 414,959,490 |
| Other liabilities | 10 | 16,771,099 | – | 30,690,694 |
| Total net assets | | 824,681,877 | 870,667,339 | 850,741,973 |
| Equity attributable to Shareholders of the Parent Company | | | | |
| Called-up share capital | 15 | 863,068 | 863,068 | 863,068 |
| Share premium account | | 27,791,880 | 27,791,880 | 27,791,880 |
| Capital reserves | | 4,654,011 | 2,824,754 | 2,532,207 |
| Revenue reserve | | 5,858,622 | 8,521,543 | 4,505,276 |
| Special distributable reserve | 15 | 785,514,296 | 830,666,094 | 815,049,542 |
| Total equity | | 824,681,877 | 870,667,339 | 850,741,973 |
| Net Asset Value per Ordinary Share | 14 | 1,006.62p | 1,011.59p | 1,006.49p |

See notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017 (UNAUDITED)

| | Notes | Revenue £ | Capital £ | Total £ |
|--|-------|-------------------|------------------|-------------------|
| Revenue | | | | |
| Net gains on investments | 5 | – | 2,123,508 | 2,123,508 |
| Income | 5 | 61,121,981 | – | 61,121,981 |
| Total return | | 61,121,981 | 2,123,508 | 63,245,489 |
| Expenses | | | | |
| Investment management fee | 9 | 4,189,444 | 1,704 | 4,191,148 |
| Performance fee | 9 | 1,496,577 | – | 1,496,577 |
| Administration fee | | 293,339 | – | 293,339 |
| Impairment of loans | 8 | 27,695,889 | – | 27,695,889 |
| Other expenses | | 7,983,725 | – | 7,983,725 |
| Total operating expenses | | 41,658,974 | 1,704 | 41,660,678 |
| Net profit on ordinary activities before finance costs and taxation | | 19,463,007 | 2,121,804 | 21,584,811 |
| Finance costs | | 6,964,517 | – | 6,964,517 |
| Net profit on ordinary activities before taxation | | 12,498,490 | 2,121,804 | 14,620,294 |
| Taxation on ordinary activities | | – | – | – |
| Net profit on ordinary activities after taxation | | 12,498,490 | 2,121,804 | 14,620,294 |
| Profit per Ordinary Share (basic and diluted) | | 15.26p | 2.59p | 17.85p |

The total column of this statement represents the Group's Consolidated Statement of Comprehensive Income, prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the European Union. The supplementary revenue and capital columns are both prepared under guidance published by the Association of Investment Companies ("AIC"). All items in the above Statement derive from continuing operations. There is no other comprehensive income.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2016 TO 30 JUNE 2016 (UNAUDITED)

| | Notes | Revenue £ | Capital £ | Total £ |
|--|-------|-------------------|------------------|-------------------|
| Revenue | | | | |
| Net gains on investments | 5 | – | 1,406,416 | 1,406,416 |
| Foreign exchange loss | | – | (51,771) | (51,771) |
| Income | 5 | 34,141,488 | – | 34,141,488 |
| Total return | | 34,141,488 | 1,354,645 | 35,496,133 |
| Expenses | | | | |
| Investment management fee | 9 | 1,924,884 | 9,090 | 1,933,974 |
| Performance fee | 9 | 309,497 | – | 309,497 |
| Administration fee | | 183,529 | – | 183,529 |
| Impairment of loans | 8 | 7,725,872 | – | 7,725,872 |
| Other expenses | | 2,854,771 | – | 2,854,771 |
| Total operating expenses | | 12,998,553 | 9,090 | 13,007,643 |
| Net profit on ordinary activities before finance costs and taxation | | 21,142,935 | 1,345,555 | 22,488,490 |
| Finance costs | | 2,921,495 | – | 2,921,495 |
| Net profit on ordinary activities before taxation | | 18,221,440 | 1,345,555 | 19,566,995 |
| Taxation on ordinary activities | | – | – | – |
| Net profit on ordinary activities after taxation | | 18,221,440 | 1,345,555 | 19,566,995 |
| Profit per Ordinary Share (basic and diluted) | | 21.11p | 1.62p | 22.73p |

The total column of this statement represents the Group's Consolidated Statement of Comprehensive Income, prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the European Union. The supplementary revenue and capital columns are both prepared under guidance published by the Association of Investment Companies ("AIC"). All items in the above Statement derive from continuing operations. There is no other comprehensive income.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2016 TO 31 DECEMBER 2016 (AUDITED)

| | Notes | Revenue £ | Capital £ | Total £ |
|--|-------|-------------------|------------------|-------------------|
| Revenue | | | | |
| Net gains on investments | 5 | – | 1,055,572 | 1,055,572 |
| Income | 5 | 63,930,998 | – | 63,930,998 |
| Total return | | 63,930,998 | 1,055,572 | 64,986,570 |
| Expenses | | | | |
| Investment management fee | 9 | 3,516,737 | 2,564 | 3,519,301 |
| Performance fee | 9 | 916,183 | – | 916,183 |
| Administration fee | | 371,212 | – | 371,212 |
| Impairment of loans | 8 | 16,291,238 | – | 16,291,238 |
| Other expenses | | 5,678,985 | – | 5,678,985 |
| Total operating expenses | | 26,774,355 | 2,564 | 26,776,919 |
| Net profit on ordinary activities before finance costs and taxation | | 37,156,643 | 1,053,008 | 38,209,651 |
| Finance costs | | 7,235,140 | – | 7,235,140 |
| Net profit on ordinary activities before taxation | | 29,921,503 | 1,053,008 | 30,974,511 |
| Taxation on ordinary activities | | – | – | – |
| Net profit on ordinary activities after taxation | | 29,921,503 | 1,053,008 | 30,974,511 |
| Profit per Ordinary Share (basic and diluted) | | 35.40p | 1.25p | 36.65p |

The total column of this statement represents the Group's Consolidated Statement of Comprehensive Income, prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the European Union. The supplementary revenue and capital columns are both prepared under guidance published by the Association of Investment Companies ("AIC"). All items in the above Statement derive from continuing operations. There is no other comprehensive income.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' FUNDS

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017 (UNAUDITED)

| | Called up share capital £ | Share premium £ | Capital reserve £ | Revenue reserve £ | Special distributable reserve £ | Total £ |
|---|------------------------------------|-----------------------|-------------------------|-------------------------|--|--------------------|
| Net assets attributable to Shareholders at the beginning of the period | 863,068 | 27,791,880 | 2,532,207 | 4,505,276 | 815,049,542 | 850,741,973 |
| Amounts paid on buyback of Ordinary Shares | – | – | – | – | (21,526,377) | (21,526,377) |
| Return on ordinary activities after taxation | – | – | 2,121,804 | 12,498,490 | – | 14,620,294 |
| Dividends declared and paid | – | – | – | (11,145,144) | (8,008,869) | (19,154,013) |
| Net assets attributable to Shareholders at the end of the period | 863,068 | 27,791,880 | 4,654,011 | 5,858,622 | 785,514,296 | 824,681,877 |

See notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' FUNDS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2016 TO 30 JUNE 2016 (UNAUDITED)

| | Called up share capital £ | Share premium £ | Capital reserve £ | Revenue reserve £ | Special distributable reserve £ | Total £ |
|---|------------------------------------|-----------------------|-------------------------|-------------------------|--|--------------------|
| Net assets attributable to Shareholders at the beginning of the period | 4,467,549 | 24,187,399 | 1,479,199 | 10,430,809 | 832,647,915 | 873,212,871 |
| Conversion of C Shares to Ordinary Shares | 395,519 | 394,404,481 | – | – | – | 394,800,000 |
| Cancellation of C Shares converted to Ordinary Shares | (4,000,000) | (390,800,000) | – | – | – | (394,800,000) |
| Amounts paid on buyback of Ordinary Shares | – | – | – | – | (1,981,821) | (1,981,821) |
| Return on ordinary activities after taxation | – | – | 1,345,555 | 18,221,440 | – | 19,566,995 |
| Dividends declared and paid | – | – | – | (20,130,706) | – | (20,130,706) |
| Net assets attributable to Shareholders at the end of the period | 863,068 | 27,791,880 | 2,824,754 | 8,521,543 | 830,666,094 | 870,667,339 |

See notes to the consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' FUNDS (CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2016 TO 31 DECEMBER 2016 (AUDITED)

| | Called up share capital £ | Share premium £ | Capital reserve £ | Revenue reserve £ | Special distributable reserve £ | Total £ |
|---|------------------------------------|-----------------------|-------------------------|-------------------------|--|--------------------|
| Net assets attributable to Shareholders at the beginning of the year | 4,467,549 | 24,187,399 | 1,479,199 | 10,430,809 | 832,647,915 | 873,212,871 |
| Conversion of C Shares to Ordinary Shares | 395,519 | 394,404,481 | – | – | – | 394,800,000 |
| Cancellation of C Shares converted to Ordinary Shares | (4,000,000) | (390,800,000) | – | – | – | (394,800,000) |
| Amounts paid on buyback of Ordinary Shares | – | – | – | – | (14,525,745) | (14,525,745) |
| Return on ordinary activities after taxation | – | – | 1,053,008 | 29,921,503 | – | 30,974,511 |
| Dividends declared and paid | – | – | – | (35,847,036) | (3,072,628) | (38,919,664) |
| Net assets attributable to Shareholders at the end of the year | 863,068 | 27,791,880 | 2,532,207 | 4,505,276 | 815,049,542 | 850,741,973 |

See notes to the consolidated financial statements

CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD TO 30 JUNE 2017

| | (Unaudited) 30 June 2017 £ | (Unaudited) 30 June 2016 £ | (Audited) 31 December 2016 £ |
|--|-------------------------------------|-------------------------------------|---------------------------------------|
| Cash flows from operating activities: | | | |
| Net return on ordinary activities after taxation | 14,620,294 | 19,566,995 | 30,974,511 |
| Adjustments to reconcile net return on ordinary activities after taxation to net cash inflow from operating activities: | | | |
| Unrealised (gain)/loss on investment assets | (11,030,530) | 34,763,497 | (4,146,545) |
| Realised (gain)/loss on investment assets | (4,229,176) | 52,620 | 188,747 |
| (Increase) in accrued income | – | (74,792,443) | – |
| (Increase) in fair value of SPV | – | – | (133,076,516) |
| Decrease/(increase) in cash pledged as collateral | 21,880,636 | (47,386,362) | (10,989,097) |
| Decrease/(increase) in other assets and prepaid expenses | 926,817 | (3,345,835) | (6,181,891) |
| Increase in amounts due to brokers | 293,133 | – | 330,446 |
| (Increase) in receivable for investments sold | (2,384,974) | – | – |
| (Increase) in interest receivable | (3,667,141) | – | – |
| Increase in payable for investments purchased | 2,149,472 | – | – |
| Increase in interest payable | 153,181 | – | – |
| Decrease/(increase) in trade and other payables | (623,178) | 1,455,692 | 1,972,593 |
| Impairment of loans | 27,695,889 | 7,725,872 | 16,291,238 |
| Net cash inflow/(outflow) from operating activities | 45,784,423 | (61,959,964) | (104,636,514) |
| Capital expenditure and financial investments | | | |
| Purchase of investments | (166,146,170) | (120,683,967) | (218,293,895) |
| Sale of investments | 101,749,726 | 132,316,342 | 202,876,537 |
| Net purchases and sales of money market funds | 5,001,670 | 32,298,330 | 38,998,330 |
| Cash acquired on acquisition of subsidiary | – | – | 44,892,453 |
| Purchase of loans | 45,692,405 | (81,150,763) | (78,761,804) |
| Net cash outflow from capital expenditure and financial investments | (13,702,369) | (37,220,058) | (10,288,379) |
| Net cash inflow/(outflow) from investing activities | 32,082,054 | (99,180,022) | (114,924,893) |
| Cash flows from financing activities: | | | |
| Proceeds from debt issued | 7,548,119 | 166,562,881 | 203,942,462 |
| Amounts paid on buyback of Ordinary Shares | (21,526,376) | (1,981,821) | (14,525,745) |
| Dividends declared and paid | (19,154,013) | (20,130,706) | (38,919,664) |
| Net cash (used in)/provided by financing activities | (33,132,271) | 144,450,354 | 150,497,053 |
| Net change in cash and cash equivalents | (1,050,217) | 45,270,332 | 35,572,160 |
| Cash and cash equivalents at the beginning of the period | 81,211,669 | 45,639,509 | 45,639,509 |
| Net cash and cash equivalents | 80,161,452 | 90,909,841 | 81,211,669 |

See notes to the consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

1. GENERAL INFORMATION

The Company is a closed-ended investment company incorporated in England and Wales on 6 December 2013 with registered number 8805459. The Company commenced operations on 30 May 2014.

The investment objective of the Company is to provide shareholders with an attractive level of dividend income and capital growth through exposure to investments in alternative finance and related instruments.

MW Eaglewood Americas LLC, an affiliate of the Investment Manager and an SEC registered investment adviser, has been appointed as sub investment manager (the "Sub-Manager") to the Company. The Investment Manager has, pursuant to the Sub-Management Agreement, delegated certain of its responsibilities and functions, including its discretionary management of the Company's portfolio of credit assets, to the Sub-Manager.

The Investment Manager is authorised as an Alternative Investment Fund Manager ("AIFM") under the Alternative Investment Fund Managers Directive ("AIFMD"). The Company is defined as an Alternative Investment Fund and is subject to the relevant articles of the AIFMD.

The Company invests, directly and indirectly, in consumer loans, small and medium sized enterprises ("SME") loans, advances against corporate trade receivables and/or purchases of corporate trade receivables ("Credit Assets") which have been originated via Platforms. The Company will typically seek to invest in Credit Assets with targeted net annualised returns of 5 to 15%. The Company will seek to purchase Credit Assets directly (via Platforms or via other originators) and may also invest in such assets indirectly via funds, partnerships or special purpose vehicles (including those managed by the Investment Manager, the Sub-Manager or their affiliates) that it deems suitable with a view to enhancing Shareholder returns and providing diversification of the Company's assets.

As at 30 June 2017 the Company had total issued equity in the form of 86,306,803 Ordinary shares (31 December 2016: 86,306,803) of which 81,925,532 were outstanding and 4,381,271 were held as treasury shares (31 December 2016: 1,781,000). These shares are listed on the Premium listing segment of the Official List of the UK Listing Authority and trade on the London Stock Exchange's main market for listed securities.

Citco Fund Services (Ireland) Limited (the "Administrator") has been appointed as the Administrator of the Company. The Administrator is responsible for the Company's general administrative functions, such as the calculation and publication of the Net Asset Value ("NAV") and maintenance of the Company's accounting records.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation and consolidation

The Condensed Consolidated Financial Statements have been prepared in accordance with International Accounting Standard IAS 34 “Interim Financial Reporting”. They do not include all financial information required for full annual financial statements. The Condensed Consolidated Financial Statements have been prepared using the accounting policies adopted in the audited financial statements for the year ended 31 December 2016.

Consolidation

Subsidiaries are investees controlled by the Company. The Company controls an investee if it is exposed to, or has the rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Company reassesses whether it has control if there are changes to one or more elements of control. Subsidiaries are valued at fair value which is deemed to be net asset value. The Company does not consider itself to be an investment entity for the purposes of IFRS 10, as it does not hold substantially all of its investments at fair value. Consequently it consolidates its subsidiaries rather than holding at fair value through profit or loss.

As at 30 June 2017 the Company controls four subsidiaries, P2PCL1 PLC, Eaglewood SPV I LP, Marketplace Originated Consumer Assets 2016-1 PLC and P2P BL-2 Limited (together “the Group”).

| Name of entity | Registered Office |
|---|---|
| P2PCL1 PLC | Winchester House, 1 Great Winchester St, London, EC2N 2DB, United Kingdom |
| Eaglewood SPV I LP | 350 Park Avenue, 25th Floor, New York, NY 10022, USA |
| Marketplace Originated Consumer Assets 2016-1 PLC | 35 Great St. Helen's, London EC3A 6AP, United Kingdom |
| P2P BL-2 Limited | 35 Great St. Helen's, London EC3A 6AP, United Kingdom |

The Company controls P2PCL1 PLC, a limited liability company incorporated in England and Wales, through its ownership of one class A Share which confers control of 100% of the voting rights in that entity.

The Company invests in a special purpose vehicle, Eaglewood SPV I LP (the “SPV”) and at 30 June 2017 is the sole Limited Partner in that SPV. The principal activity of the SPV is to invest in alternative finance investments and related instruments, including marketplace loans, which is aligned with the Company’s investment objective. The Company’s position with regards to the SPV is that of an investor where its maximum loss is restricted to its investment in the vehicle and in return for this receives a quarterly income distribution. Previously the financial statements of the Company did not consolidate the SPV as the Company did not exercise control over its activities, which were instead exercised by the General Partner. It was the Company’s judgement that the General Partner (“GP”) had a significant exposure to the SPV through its performance fee arrangements. It was the judgement of the Company that as the GP had the decision making powers and was acting as the principal, the Group did not have control over the SPV and as a result did not consolidate it as at 30 June 2016.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation and consolidation (Continued)

The Company has undertaken a review of the legal and corporate governance arrangements of the SPV. As a result of that review, on 31 December 2016, the SPV's Limited Partnership Agreement was amended. This included, amongst other alterations, the addition of a clause by which the GP of the SPV can be replaced by notice from at least 75% of the Limited Partner interests. Furthermore, the composition of the board of managers of the GP was changed. Two of the three representatives from the group of the Investment Manager resigned and, on 22 December 2016, Stuart Cruickshank and an independent non-executive were both appointed to the board as managers.

These changes resulted in the Group determining that the GP was then exercising its decision making powers in a capacity as an agent for the Group. Therefore the Group has determined that it controls the SPV and consolidates it from 31 December 2016. Further details of the impact of this consolidation can be found in Note 3.

The Company also controls Marketplace Originated Consumer Assets 2016-1 PLC ("MOCA") a public limited company incorporated under the Laws of England and Wales. MOCA is a securitisation vehicle for UK consumer loans and operates in a pre-determined manner. The Company is considered to control MOCA by virtue of being its sponsor whilst having exposure to the variable returns of the vehicle through the holding of junior notes issued by it. MOCA was launched in September 2016 and as such is not consolidated as at June 2016.

The Company also controls P2P BL-2 Limited ("P2P BL-2"), a private limited company incorporated with limited liability under the laws of England and Wales. The Company is considered to control P2P BL-2 by virtue of being its sponsor while having exposure to the variable returns of the vehicle through the holding of junior note issued by it. P2P BL-2 was launched in March 2017 and as such is not consolidated as at June 2016 and December 2016.

All entities within the Group have co-terminous reporting dates.

Intra-group balances and transactions, and any unrealised income and expenses (except for currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

The Condensed Consolidated Financial Statements have been prepared under the historical cost convention, modified to include the revaluation of investments, and in accordance with applicable accounting standards and with the Statement of Recommended Practice ("SORP") for investment trusts issued by the AIC. All of the Group's operations are of a continuing nature.

The Group's presentational and functional currency is Pounds Sterling (£). Pounds Sterling is the denomination of the Company's share capital and the primary economic environment of its shareholders. Foreign currency exposures arising from its investments are hedged back into Pounds Sterling.

The financial information for the period ended 30 June 2017 has not been audited or reviewed by the Group's auditors and does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006.

(b) Critical accounting estimates and assumptions

Estimates and assumptions used in preparing the consolidated financial statements are reviewed on an ongoing basis and are based on historical experience and various other factors that are believed to be reasonable under the circumstances.

The results of these estimates and assumptions form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

Impairment of loans held at amortised cost

The Group's loans and receivables are held at amortised costs less impairments. Impairment is measured as the difference between an asset's carrying amount and the present value of management's estimate of future cash flows discounted at the asset's original effective interest rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Critical accounting estimates and assumptions (Continued)

The Group applies provisioning for loans based on impairment triggers which will generally be a payment being more than 15 days in arrears. Key assumptions included in the measurement of impairment are:

- the roll rate to default as a function of the number of days a payment is past due; and
- the bucketing of such roll rate data; and
- the loss given default; and
- the emergence period in respect of loans and receivables that have not shown objective evidence of an impairment trigger.

These assumptions applied by the Group are initially drawn from the assessment of observed historical data reported by the lending platforms which are used by the Group.

The loss given default assumptions are made considering any security posted against a loan, any platform sale agreements for non-performing loans, actual recoveries observed over time on comparable loans, or as determined by the Investment Manager and approved by the Valuation Committee. Such data may be limited to the loans held by the Group or will comprise the entire loanbook of the platform. The historical data is collated, and then applied, by product type and geography. Where a specific platform has materially different risk profile, then those loans will be treated separately based on the historical data in relation to that platform only.

The roll rate data is bucketed into the following categories, 15-30 days late, 31-60 days late, 61-90 days late and 90+ days late. This is on the basis that loans generally pay monthly and therefore each bucket represents an increasing number of missed payments.

Whilst an area of judgement, the Investment Manager continually monitors the performance of the Group's portfolio against these assumptions. The probabilities of roll rate to default and loss given default assumptions are evaluated using current data in order to inform the Group's assessment of their continued appropriateness, and where appropriate will be updated to reflect current economic conditions.

The emergence period for loans that have incurred losses that have not yet been reported is mostly relevant for unsecured consumer loans. Given the underlying cause of a default is usually the loss of a borrower's income, it is assumed that the emergence period of an observable impairment trigger will typically be short and weighted towards the shorter periods.

Loans are determined to be in arrears once they are in excess of 15 days overdue. Whilst this represents a judgement by the Group, it has been the Group's experience that loans which are less than 15 days past due are typically late due to operational reasons.

Sensitivity analysis about significant areas of estimation uncertainty and critical judgements in relation to the impairment of loans are described in Note 8.

The secured real estate loans held by the Group, due to their size and nature, are individually assessed for impairment. In calculating the provisions for secured loans, estimates of discounted cash flows are made on the basis of the planned strategy for each loan (such as working out, divestment etc). These estimates are judgemental as they include assumptions for underlying property values and future expected cash flows for income and any development costs. Judgement is also required when assessing the losses incurred but not reported on the secured real estate loans. They have prudent loan to value parameters, with the weighted average being below 70%; i.e. it would require an average reduction of 30% in the value of property collateral for the loans not to be fully covered in case of default.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Critical accounting estimates and assumptions (Continued)

Valuation of unquoted investments

Estimates and assumptions made in the valuation of unquoted investments and investments for which there is an inactive market may cause material adjustment to the carrying value of those assets and liabilities.

Consolidation

Determining whether the Group has control of an entity is generally straightforward based on ownership of the majority of the voting capital. However, in certain instances, this determination will involve significant judgement, particularly in the case of structured entities where voting rights are often not the determining factor in decisions over the relevant activities. This judgement may involve assessing the purpose and design of the entity. It will also often be necessary to consider whether the Group, or another involved party with power over the relevant activities, is acting as a principal in its own right or as an agent on behalf of others.

Eaglewood Fund

The Group has an investment in the Eaglewood Income Fund I LP (the "Eaglewood Fund"), a Delaware limited partnership. As at 30 June 2017, the SPV held 85% of the limited partner interests (30 June 2016: 72%, 31 December 2016: 79%).

The Eaglewood Fund makes leveraged investments primarily into loans originated by a marketplace lending platform. Its investment activity is undertaken by the appointed Investment Manager, MW Eaglewood Americas LLC ("the Eaglewood Fund Investment Manager"). The appointment of the Eaglewood Fund Investment Manager is the responsibility of the General Partner ("GP") of the Eaglewood Fund. The GP is an associate of the Eaglewood Fund Investment Manager. The Group has no kick out rights over the GP or the Eaglewood Fund Investment Manager.

The GP has an exposure to the variable returns to the Eaglewood Fund through an arrangement where it collects as a performance allocation a proportion of the increase of the NAV of the Eaglewood Fund subject to a hurdle for each accounting period.

It is the Company's judgement that the GP has a significant exposure to the Eaglewood Fund through its performance fee arrangements. As the GP has power over the decision making powers and in our judgement is acting as principal, our determination is that the Group does not have control over the Eaglewood Fund and as a result does not consolidate it.

The total exposure to the Eaglewood Fund can be found in Note 11.

(c) Going concern

The Directors consider that the Group has adequate financial resources to enable it to continue in operational existence for the foreseeable future. Accordingly, the Directors believe that it is appropriate to adopt the going concern basis in preparing the Group's consolidated financial statements.

(d) Accounting standards issued but not yet effective

Impairment of financial assets

IFRS 9 changes the basis of recognition of impairment on financial assets from an incurred loss to an expected credit loss (ECL) approach for amortised cost and fair value reported in other comprehensive income (FVOCI) financial assets. This introduces a number of new concepts and changes to the approach to provisioning compared with the current methodology under IAS 39:

- Expected credit losses are based on an assessment of the probability of default, loss given default and exposure at default, discounted to give a net present value. The estimation of ECL should be unbiased and probability weighted, taking into account all reasonable and supportable information, including forward looking economic assumption and a range of possible outcomes. IFRS 9 has the effect of bringing forward recognition of impairment losses relative to IAS 39 which requires provisions to be recognised only where there is objective evidence of credit impairment.
- On initial recognition, and for financial assets where there has not been a significant increase in credit risk since the date of advance, IFRS 9 provisions will be made for expected credit default events within the next 12 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Accounting standards issued but not yet effective (Continued)

- A key requirement of IFRS 9 compared with the existing provision approach under IAS 39 relates to assets where there has been a significant increase in credit risk since the date of origination. Provisions will be made for those assets expected to default at any point over their lifetime reflecting the asset's full expected loss. This change to lifetime loss provisions for significantly credit deteriorated assets is expected to lead to increases in impairment provisions, although the size of the change will depend on a number of factors, including the composition of asset portfolios and the view of the economic outlook at the date of implementation.
- For assets where there is evidence of credit impairment, provisions will be made under IFRS 9 on the basis of lifetime expected credit losses, taking account of forward looking economic assumptions and a range of possible outcomes. Under IAS 39 provisions are based on the asset's carrying value and the present value of the estimated future cash flows. IAS 39 does not explicitly take account of a range of possible economic outcomes including forecasts of any downturn of the economic cycle.

The Directors are currently evaluating the impact of this standard upon the Group. However, it is noted that measurement will involve increased complexity and judgement including estimation of probabilities of default, loss given default, a range of unbiased future economic scenarios, estimates of exposures at default and assessing increases in credit risk. It is expected to have a material financial impact, but it will not be practical to disclose reliable financial impact estimates until the implementation programme is further advanced.

3. BUSINESS COMBINATION

As at 31 December 2016, the Company gained control of the SPV. This control was gained following an amendment to the constitutional documents of the SPV by which the General Partner could be replaced by consent of at least 75% of the Limited Partners (see Note 2(a) for further details). The SPV is consolidated from this date forward.

The consolidation impacts the presentation of the Consolidated Statement of Financial Position. In the 30 June 2016 comparatives included within this report, the SPV is presented as a single line item contained within investment assets designated as held at fair value through profit or loss. The current period Consolidated Statement of Financial Position shows the underlying assets and liabilities of SPV as detailed below. There is no impact to the Parent Company Statement of Financial Position.

As the SPV is consolidated from 31 December 2016, its net income during the year is shown on an unconsolidated basis as a single line item (see Note 5). Subsequent to this date, the Consolidated Statement of Comprehensive Income will present the underlying income and expenses of the SPV.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

3. BUSINESS COMBINATION (CONTINUED)

The fair value of the assets and liabilities of the SPV at the date control was gained was as follows:

| | Carrying value as at 31 December 2016 US\$ | Carrying value as at 31 December 2016 £ |
|---|--|---|
| Assets | | |
| Investment assets designated as held at fair value through profit or loss | 149,245,134 | 120,782,693 |
| Investments at amortised cost | 741,890,448 | 600,405,008 |
| Cash and cash equivalents | 55,471,360 | 44,892,453 |
| Cash pledged as collateral | 4,180,176 | 3,382,977 |
| Interest receivable | 3,322,903 | 2,689,194 |
| Other receivables | 4,897,477 | 3,963,482 |
| Total assets | 959,007,498 | 776,115,807 |
| Liabilities | | |
| Management fees payable | 872,460 | 706,074 |
| Administration fees payable | 22,414 | 18,139 |
| Professional fees payable | 35,610 | 28,819 |
| Borrowings | 155,712,941 | 126,017,028 |
| Accrued expenses and other liabilities | 1,370,404 | 1,109,055 |
| Other non current liabilities | 32,301,978 | 26,141,689 |
| Total liabilities | 190,315,807 | 154,020,804 |
| Total net assets | 768,691,691 | 622,095,003 |

At the date of acquisition of control, the SPV also had an accrued performance allocation of £4,549,005, attributable as a partnership allocation to the General Partner of the SPV, which on consolidation is treated as a non current liability, as it is considered payable to a third party.

On consolidation, all assets and liabilities are translated from US Dollar to Pound Sterling at the year end rate. The Company's investments held at fair value through profit and loss were reduced by £617,545,998. Prior to consolidation the net asset value of the Company's interest in the SPV were deemed to be the fair value of the investment. Upon consolidation therefore there is no impact to the net asset value of the Company.

Comparative information relating to the credit risk within the SPV is included in Note 7 to help the understanding of the movements between the periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

4. FAIR VALUE MEASUREMENT

| | (Unaudited) 30 June 2017 £ | (Unaudited) 30 June 2016 £ | (Audited) 31 December 2016 £ |
|---|-------------------------------------|-------------------------------------|---------------------------------------|
| Investment assets at fair value through profit or loss | | | |
| Fixed income | 71,874,248 | 10,003,089 | 54,648,494 |
| Investment in SPV | – | 578,511,488 | – |
| Investment in money market funds | – | 11,701,670 | 5,001,670 |
| Investment assets designated as held at fair value through profit or loss | 13,700,380 | – | – |
| Investment in other funds | 146,203,882 | – | 112,025,624 |
| Unlisted equities | 34,099,354 | 17,892,041 | 32,575,147 |
| Equities | 212,523 | 300,692 | 246,050 |
| Total | 266,090,387 | 618,408,980 | 204,496,985 |
| Derivative financial assets | | | |
| Forward foreign exchange contracts | 1,865,499 | – | 1,091 |
| Option contracts | 535,888 | 619,549 | 709,261 |
| Total | 2,401,387 | 619,549 | 710,352 |
| Derivative financial liabilities | | | |
| Forward foreign exchange contracts | (673,644) | (46,509,295) | (12,043,687) |
| Total | (673,644) | (46,509,295) | (12,043,687) |

Financial instruments measured and reported at fair value are classified and disclosed in one of the following fair value hierarchy levels based on the significance of the inputs used in measuring its fair value:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 – Pricing inputs for the asset or liability that are not based on observable market data (unobservable inputs).

An investment is always categorised as Level 1, 2 or 3 in its entirety. In certain cases, the fair value measurement for an investment may use a number of different inputs that fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgement and is specific to the investment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

4. FAIR VALUE MEASUREMENT (CONTINUED)

The following table analyses within the fair value hierarchy the Group's assets and liabilities measured at fair value at 30 June 2017:

| | Total £ | Level 1 £ | Level 2 £ | Level 3 £ |
|---|--------------------|----------------|------------------|--------------------|
| Investment assets at fair value through profit or loss | | | | |
| Fixed income | 71,874,248 | – | 7,295,575 | 64,578,673 |
| Investment in money market funds | – | – | – | – |
| Investment in other funds | 146,203,882 | – | – | 146,203,882 |
| Unlisted equities | 34,099,354 | – | – | 34,099,354 |
| Equities | 212,523 | 212,523 | – | – |
| Investment assets designated as held at fair value through profit or loss | 13,700,380 | – | – | 13,700,380 |
| Total | 266,090,387 | 212,523 | 7,295,575 | 258,582,289 |
| Derivative financial assets | | | | |
| Forward foreign exchange contracts | 1,865,499 | – | 1,865,499 | – |
| Option contracts | 535,888 | – | 535,888 | – |
| Total | 2,401,387 | – | 2,401,387 | – |
| Derivative financial liabilities | | | | |
| Forward foreign exchange contracts | (673,644) | – | (673,644) | – |
| Total | (673,644) | – | (673,644) | – |

The following table presents the movement in the Group's Level 3 positions for the period ended 30 June 2017.

| | Fixed income £ | Unlisted equities £ | Investments in other funds £ | Investment assets designated as held at fair value through profit or loss £ | Total £ |
|---|----------------------|---------------------------|---------------------------------------|--|--------------------|
| Opening balance | 45,245,869 | 32,575,147 | 112,025,624 | – | 189,846,640 |
| Purchases | 84,325,523 | 3,297,427 | 38,268,465 | 13,700,380 | 139,591,795 |
| Sales | (66,250,771) | (1,395,282) | (1,971,250) | – | (69,617,303) |
| Net change in realised/ unrealised gains | 1,258,052 | (377,938) | (2,118,957) | – | (1,238,843) |
| Closing balance | 64,578,673 | 34,099,354 | 146,203,882 | 13,700,380 | 258,582,289 |

The net change in realised/unrealised gains is recognised within gains on investments in the Consolidated Statement of Comprehensive Income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

4. FAIR VALUE MEASUREMENT (CONTINUED)

Quantitative information regarding the unobservable inputs for the Group's Level 3 positions is given below:

| | Fair value at 30 June 2017 £ | Valuation technique | 1% change in price £ |
|--|------------------------------------|------------------------|-------------------------------------|
| Fixed income | 9,025,947 | Recent transactions | 90,259 |
| Fixed income | 55,552,726 | Broker quotes | 555,527 |
| | | | 5% change in price |
| Unlisted equities | 20,993,484 | Recent transactions | 1,049,674 |
| Investments in other funds | 146,203,882 | Net Asset Value | 7,310,194 |
| Investment assets designated as held at fair value | 13,700,380 | Net Asset Value | 685,019 |
| | | | Earnings multiple increased by 1 |
| Unlisted equities | 3,397,515 | Earnings multiple | 522,695 |
| Unlisted equities | 9,708,355 | Milestone analysis | 1,493,593 |

The investments in other funds are valued based on the net asset value as calculated by the funds' administrators at the balance sheet date. The constitutional and offering documentation of each fund sets out the valuation methodology, the applicable generally accepted accounting principles and the frequency, by which its assets are to be valued and the NAV are to be calculated. No adjustments have been determined to be necessary to the NAV as supplied by the administrator as this reflects the fair value of the underlying investments under the relevant valuation methodology. The NAV is the value of all the assets of the funds less their liabilities to creditors (including provisions for such liabilities) determined in accordance with applicable accounting standards. The net asset value of the other funds is sensitive to movements in interest rates due to their investment in fixed rate loans.

The investments in unlisted equities are valued using several different techniques, including recent transactions and rounds of funding by the investee entities, DCF analysis, multiples method, industry valuation benchmarks and milestone approach.

The investments in fixed income securities included within Level 3 of the above hierarchy are valued based on, if available, recent transactions and otherwise broker quotes.

The Group's Level 2 positions are valued by Citco Fund Services (Ireland) Limited, acting in their capacity as the External Valuer, in accordance with the valuation policy. Fixed income positions are valued using prices from an independent market data provider. Forward foreign exchange contracts are valued using interpolated FX forward points from Bloomberg. The option contracts are valued using yield curves from Bloomberg.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

4. FAIR VALUE MEASUREMENT (CONTINUED)

The following table analyses within the fair value hierarchy the Group's assets and liabilities measured at fair value at 30 June 2016:

| | Total £ | Level 1 £ | Level 2 £ | Level 3 £ |
|--|---------------------|-------------------|---------------------|--------------------|
| Financial assets at fair value through profit or loss | | | | |
| Fixed income | 10,003,089 | – | 5,963,294 | 4,039,795 |
| Investments in Money Market Funds | 11,701,670 | 11,701,670 | – | – |
| Investment in SPV | 578,511,488 | – | – | 578,511,488 |
| Unlisted equities | 17,892,041 | – | – | 17,892,041 |
| Equity | 300,692 | 300,692 | – | – |
| Total | 618,408,980 | 12,002,362 | 5,963,294 | 600,443,324 |
| Derivative financial assets | | | | |
| Option contracts | 619,549 | – | 619,549 | – |
| Total | 619,549 | – | 619,549 | – |
| Derivative financial liabilities | | | | |
| Forward foreign exchange contracts | (46,509,295) | – | (46,509,295) | – |
| Total | (46,509,295) | – | (46,509,295) | – |

There were no movements between Level 1 and Level 2 fair value measurements during the period ended 30 June 2016 and no transfers into and out of Level 3 fair value measurements.

The following table analyses within the fair value hierarchy the Group's assets and liabilities measured at fair value at 31 December 2016:

| | Total £ | Level 1 £ | Level 2 £ | Level 3 £ |
|---|---------------------|------------------|---------------------|--------------------|
| Investment assets at fair value through profit or loss | | | | |
| Fixed income | 54,648,494 | – | 9,402,625 | 45,245,869 |
| Investment in money market funds | 5,001,670 | 5,001,670 | – | – |
| Investment in other funds | 112,025,624 | – | – | 112,025,624 |
| Unlisted equities | 32,575,147 | – | – | 32,575,147 |
| Equities | 246,050 | 246,050 | – | – |
| Total | 204,496,985 | 5,247,720 | 9,402,625 | 189,846,640 |
| Derivative financial assets | | | | |
| Forward foreign exchange contracts | 1,091 | – | 1,091 | – |
| Option contracts | 709,261 | – | 709,261 | – |
| Total | 710,352 | – | 710,352 | – |
| Derivative financial liabilities | | | | |
| Forward foreign exchange contracts | (12,043,687) | – | (12,043,687) | – |
| Total | (12,043,687) | – | (12,043,687) | – |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

4. FAIR VALUE MEASUREMENT (CONTINUED)

The table below provides details of the loans at amortised cost held by the Group at 30 June 2017.

| | Amortised cost before impairment £ | Cumulative impairment £ | Amortised cost £ | Carrying value £ |
|-------------------------|---|-------------------------------|------------------------|------------------------|
| Loans at amortised cost | 953,561,008 | (52,959,607) | 900,601,401 | 900,601,401 |
| Total | 953,561,008 | (52,959,607) | 900,601,401 | 900,601,401 |

5. INCOME AND GAINS ON INVESTMENTS

| | (Unaudited) 30 June 2017 £ | (Unaudited) 30 June 2016 £ | (Audited) 31 December 2016 £ |
|---|-------------------------------------|-------------------------------------|---------------------------------------|
| Income | | | |
| (Loss)/gain on foreign exchange | (1,173,466) | 357,725 | (531,141) |
| Distributed income from the SPV* | – | 14,940,173 | 27,651,303 |
| Interest income | 62,448,245 | 18,732,673 | 37,039,776 |
| (Loss) on IR/currency swap | (189,512) | – | (336,078) |
| Other income | 36,714 | 110,917 | 107,138 |
| | 61,121,981 | 34,141,488 | 63,930,998 |
| Net gains on investments | | | |
| Gain on investment in unlisted equities | 604,435 | 1,829,854 | 563,835 |
| Gain on investment in other funds | 21,337 | 60,255,170 | 105,213,476 |
| Gain/(loss) on fixed income | 1,626,433 | (107,700) | 278,054 |
| (Loss) on option contracts | (68,545) | (24,968) | (124,917) |
| (Loss) on listed equities | (25,713) | (205,385) | (288,618) |
| (Loss) on foreign exchange | (34,439) | (60,392,326) | (104,586,258) |
| Total | 2,123,508 | 1,354,645 | 1,055,572 |

*Distributed income from the SPV arises in the period prior to consolidation of the SPV on 31 December 2016.

The gain on investment in other funds to 31 December 2016 primarily arises from the investment in the SPV. The gain during the period is driven by the movement in GBP USD spot rates from 1.24 to 1.30 during the period. The associated foreign exchange exposure is hedged using forward contracts leading to an offsetting loss on foreign exchange.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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6. EARNINGS PER SHARE

Basic earnings per share is calculated using the number of shares held at period end, excluding the number of shares purchased by the Company and held as treasury shares.

| | (Unaudited) 30 June 2017 | (Unaudited) 30 June 2016 | (Audited) 31 December 2016 |
|--|--------------------------------|--------------------------------|----------------------------------|
| Profit for the period | 14,620,294 | 19,566,995 | £30,974,511 |
| Number of ordinary shares held at period end | 81,925,532 | 86,069,598 | 84,525,803 |
| Earnings per ordinary share (basic and diluted) | 17.85p | 22.73p | 36.65p |

The Company has not issued any shares or other instruments that are considered to have dilutive potential.

7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Management of risk

The general risk analysis undertaken by the Board and its overall policy approach to risk management are set out in the Strategic Report included in the 2016 Annual Report. This note is incorporated in accordance with IFRS 7 and refers to the identification, measurement and management of risks potentially affecting the value of financial instruments.

The Company's financial instruments may comprise:

- Loans
- Equity shares and investment funds held in accordance with the Company's investment objective and policies;
- Derivative instruments which could include forward currency contracts; and
- Cash, liquid resources and short term debtors and creditors that arise from its operations.

The risks identified by IFRS 7 arising from the Group's financial instruments are market risk (which comprises market price risk, interest rate risk and foreign currency risk), liquidity risk, counterparty risk, credit risk and derivative instrument risk.

The sensitivity analysis in this note is used by management to measure the Company's exposure to these risks. The Board reviews and agrees policies for managing each of these risks, which are summarised below. These policies have remained unchanged since the beginning of the accounting period.

The investment objective and operating environment of the Subsidiaries are consistent with that of the Company. Therefore the risks and uncertainties are applicable to both the Company and the Group.

In seeking to implement the investment objectives of the Group while limiting risk, the Group is subject to the investment limits restrictions set out in the Credit Risk section of this note.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Market risk

Market risk is the risk of loss arising from movements in observable market variables such as foreign exchange rates, equity prices and interest rates. The Group is exposed to market risk primarily through its Financial Instruments.

The Investment Manager regularly reviews the investment portfolio and industry developments to ensure that any events which may impact the Group are identified and considered. This also ensures that any risks affecting the investment portfolio are identified and mitigated to the fullest extent possible.

Market price risk

The Group is exposed to price risk arising from the investments held by the Group for which prices in the future are uncertain. Primarily, the exposure arises from investment in money market funds, fixed income products, equities and the investment in the SPV prior to consolidation. Refer to Note 4 for further details on the sensitivity of the Group's Level 3 investments to price risk.

The value of certain investments held by the Group is determined by market forces and there is accordingly a risk that market prices can change in a way that is adverse to the Group's performance. The Group has adopted a number of investment restrictions which are set out in the prospectus which limit the exposure of the Group to market risk.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The Group is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

Loans held by the Group at amortised cost, with a fixed interest rate, are not exposed to interest rate changes. Fixed income securities with fixed interest rates are exposed to fair value interest rate risk. At 30 June 2017 the Group had 0.99% (30 June 2016: 0.30%, 31 December 2016: 0.42%) of the total assets classified as bonds with a fixed interest rate.

Financial instruments with a floating interest rate that resets as market rates change are exposed to cash flow interest rate risk. At 30 June 2017 the Group had 7.64% (30 June 2016: 13.97%, 31 December 2016: 9.22%) of total assets classified as cash and cash equivalents and 4.32% (30 June 2016: 1.15%, 31 December 2016: 3.47%) of fixed income securities with floating interest rates. At 30 June 2017, if interest rates had increased/decreased by 1% with all other variables held constant, the change in the value of future expected interest cash flows of these assets would have been £1,538,456 (30 June 2016: £1,774,741, 31 December 2016: £1,671,774). 1% is considered to be a reasonably possible movement in interest rates.

The Group has entered into revolving bank credit facilities which are subject to a variable interest rate. At 30 June 2017 the Group had £240,711,906 (30 June 2016: £251,562,881, 31 December 2016: £255,146,924) drawn down under the facility. Please see note 10 for further details.

The Group does not intend to hedge interest rate risk on a regular basis. However, where it enters floating-rate liabilities against fixed-rate loans, it may at its sole discretion seek to hedge out the interest rate exposure, taking into consideration amongst other things the cost of hedging and the general interest rate environment.

Currency risk

Currency risk is the risk that the value of net assets will fluctuate due to changes in foreign exchange rates. Relevant risk variables are generally movements in the exchange rates of non-functional currencies in which the Group holds financial assets and liabilities.

The assets of the Group are invested in Credit Assets and other investments including unlisted equities which are denominated in US Dollars, Euros, Pounds Sterling and other currencies. Accordingly, the value of such assets may be affected favourably or unfavourably by fluctuations in currency rates. The Group hedges currency exposure between Pounds Sterling and any other currency in which the Group's assets may be denominated, in particular US Dollars and Euros.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Concentration of foreign currency exposure

The Investment Manager monitors the fluctuations in foreign currency exchange rates and may use forward foreign exchange contracts to hedge the currency exposure of the Group's non Pound Sterling denominated investments. The Investment Manager re-examines the currency exposure on a regular basis in each currency and manages the Group's currency exposure in accordance with market expectations.

The below table presents the net exposure to foreign currency at 30 June 2017. The table includes forward foreign exchange contracts at their notional exposure value and excludes all Pound Sterling assets and liabilities recorded on the Consolidated Statement of Financial Position.

| | Total asset £ | Total liability £ | Forward contract £ | Net exposure after forward contract £ |
|--------------------|------------------|----------------------|--------------------------|--|
| Australian Dollar | 4,234,181 | (53,327) | (6,867,503) | (2,686,649) |
| Euro | 33,705,479 | (7,915) | (37,367,964) | (3,670,400) |
| US Dollar | 413,404,770 | (88,105,998) | (330,065,120) | (4,766,348) |
| New Zealand Dollar | 21,995,379 | (2,289,241) | (19,696,390) | 9,748 |

If the Pound Sterling exchange rate simultaneously increased/decreased by 5% against the above currencies, the impact on profit would be an increase/decrease of £555,682. 5% is considered to be a reasonably possible movement in foreign exchange rates. The total Pound Sterling exposure as of 30 June 2017 is £400,468,292.

The below table presents the net exposure to foreign currency at 30 June 2016. The table includes forward foreign exchange contracts at their notional exposure value and excludes all Pound Sterling assets and liabilities recorded on the Consolidated Statement of Financial Position.

| | Total asset £ | Total liability £ | Forward contract £ | Net exposure after forward contract £ |
|--------------------|------------------|----------------------|--------------------------|--|
| Australian Dollar | 689,590 | – | (727,676) | (38,086) |
| Euro | 401,506 | – | (420,440) | (18,934) |
| US Dollar | 579,824,861 | (85,549,879) | (494,924,759) | (649,777) |
| New Zealand Dollar | 25,681,154 | (1,034,307) | (24,555,964) | 90,883 |

If the Pound Sterling exchange rate simultaneously increased/decreased by 5% against the above currencies, the impact on profit would be an increase/decrease of £30,796. 5% is considered to be a reasonably possible movement in foreign exchange rates. The total Pound Sterling exposure as of 30 June 2016 is £247,300,723.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Concentration of foreign currency exposure (Continued)

The below table presents the net exposure to foreign currency at 31 December 2016. The table includes forward foreign exchange contracts at their notional exposure value and excludes all Pound Sterling assets and liabilities recorded on the Consolidated Statement of Financial Position.

| | Total asset £ | Total liability £ | Forward contract £ | Net exposure after forward contract £ |
|--------------------|------------------|----------------------|--------------------------|--|
| Australian Dollar | 733,530 | (16,516) | (706,937) | 10,077 |
| Euro | 13,975,254 | – | (14,704,013) | (728,759) |
| US Dollar | 618,712,597 | (92,622,674) | (528,162,190) | (2,072,267) |
| New Zealand Dollar | 27,533,170 | (1,615,324) | (28,822,472) | (2,904,626) |

If the Pound Sterling exchange rate simultaneously increased/decreased by 5% against the above currencies, the impact on profit would be an increase/decrease of £284,779. 5% is considered to be a reasonably possible movement in foreign exchange rates. The total Pound Sterling exposure as of 31 December 2016 is £241,161,024.

Liquidity risk

Liquidity risk is defined as the risk that the Group may not be able to settle or meet its obligations on time or at a reasonable price. Ordinary Shares are not redeemable at the holder's option.

The Investment Manager manages the Group's liquidity risk through active capital management, including monitoring of amortising cash flows, monitoring of debt requirements and monitoring and forecasting of cash flows.

Financial liabilities consisting of forward foreign exchange contracts, amounts due to brokers, dividends and interest payable, broker fees payable, and accrued expenses and other liabilities are all due within three months.

The liquidity profile of the Group's borrowings is detailed in Note 10.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Group's credit risks arise principally through exposures to loans acquired by the Group, which are subject to risk of borrower default and disclosed as loans held at amortised cost on the Statement of Financial Position. The ability of the Group to earn revenue is completely dependent upon payments being made by the borrower of the loan acquired by the Group through a Platform. The Group (as a lender member) will receive payments under any loans it acquires through a Platform only if the corresponding borrower through that Platform (borrower member) makes payments on the loan.

Consumer loans are typically unsecured obligations of borrowers. They are not secured by any collateral, not guaranteed or insured by any third party and not backed by governmental authority in any way. SME loans are typically not secured against collateral but are backed by personal guarantees of the business' director(s). Real estate loans are secured against collateral. The Group must rely on the collection efforts of the Platforms and their designated collection agencies and has no direct recourse against borrower members.

The Group will invest across various Platforms, asset classes, geographies (primarily United States and Europe) and credit bands in order to ensure diversification and to seek to mitigate concentration risks.

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FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Credit risk (Continued)

The platforms will undertake the primary credit risk assessment when originating loans or receivables. The investment manager, in selecting platforms from which to acquire loan exposures, conducts detailed initial due diligence on, including but not limited to, their credit risk assessment processes, their operational systems and controls plus their ongoing viability. It also conducts due diligence on an ongoing basis and monitors the performance of acquired loans and the entire platform loanbook if available. The investment manager also re-underwrites some loans originated by platforms. This comprises all secured real estate loans only. This is due to the bespoke nature of the underlying collateral and their large size.

The Group has not directly originated any loans that do not involve platforms.

Presentation of comparative information relating to the credit risk within the SPV

As at 30 June 2016, the Group also had indirect credit risk exposure in relation to loans and receivables and other investments held through its investment in the Eaglewood SPV I LP. As at 31 December 2016 the SPV is consolidated within the Group, owing to a change in circumstances set out in Note 3, and therefore the exposures held through the SPV are included within the December 2016 and June 2017 Group figures. For comparative information purposes, the standalone exposures held through the SPV as at 30 June 2016 and 31 December 2016 are also presented.

Loans at amortised cost

The analysis of lending has been presented based upon the type of exposure and geography.

| | Secured | | | Unsecured | | | Total £ |
|------------------------------------|--------------------|-------------------|-------------------|--------------------|--------------------|-------------------|--------------------|
| | Real Estate | SME | SME | Consumer | Consumer | Consumer | |
| | UK £ | UK £ | US £ | UK £ | US £ | Other £ | |
| Group as at 30 June 2017 | | | | | | | |
| Neither past due nor impaired | 107,654,253 | 85,238,616 | 8,829,704 | 302,696,646 | 365,700,835 | 13,918,140 | 884,038,194 |
| Past due but not impaired | – | – | – | – | – | – | – |
| Impaired | – | 2,761,914 | 6,115,657 | 33,610,563 | 24,053,200 | 2,981,479 | 69,522,813 |
| Gross | 107,654,253 | 88,000,531 | 14,945,361 | 336,307,209 | 389,754,035 | 16,899,619 | 953,561,008 |
| Allowance for impairment losses | – | (1,700,706) | (4,562,101) | (25,052,761) | (19,410,509) | (2,233,530) | (52,959,607) |
| Net loans at amortised cost | 107,654,253 | 86,299,825 | 10,383,260 | 311,254,448 | 370,343,526 | 14,666,089 | 900,601,401 |

| | Secured | | | Unsecured | | | Total £ |
|------------------------------------|-------------------|-------------------|----------------|--------------------|----------|-------------------|--------------------|
| | Real Estate | SME | SME | Consumer | Consumer | Consumer | |
| | UK £ | UK £ | US £ | UK £ | US £ | Other £ | |
| Group as at 30 June 2016 | | | | | | | |
| Neither past due nor impaired | 33,322,625 | 41,886,321 | 491,281 | 282,922,177 | – | 21,748,951 | 380,371,355 |
| Past due but not impaired | – | – | – | – | – | – | – |
| Impaired | – | 1,987,313 | 474,493 | 14,593,096 | – | 1,348,872 | 18,403,774 |
| Gross | 33,186,015 | 42,830,037 | 809,062 | 291,774,264 | – | 30,175,749 | 398,775,127 |
| Allowance for impairment losses | – | (1,633,974) | (424,113) | (11,095,063) | – | (1,082,965) | (14,236,115) |
| Net loans at amortised cost | 33,186,015 | 41,196,063 | 384,949 | 280,679,201 | – | 29,092,784 | 384,539,012 |

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FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Loans at amortised cost (Continued)

| | Secured | | SME | | Unsecured | | | |
|-------------------------------------|-------------------|-------------------|-------------------|--------------------|--------------------|-------------------|--|----------------------|
| | Real Estate | SME | SME | Consumer | Consumer | Consumer | | Total |
| | UK | UK | US | UK | US | Other | | £ |
| | £ | £ | £ | £ | £ | £ | | £ |
| Group as at 31 December 2016 | | | | | | | | |
| Neither past due nor impaired | 49,101,547 | 31,276,927 | 23,992,419 | 263,608,464 | 570,181,388 | 20,821,437 | | 958,982,182 |
| Past due but not impaired | – | – | – | – | – | – | | – |
| Impaired | – | 2,708,433 | 4,284,232 | 23,905,838 | 26,094,868 | 2,224,236 | | 59,217,607 |
| Gross | 49,101,547 | 33,985,360 | 28,276,651 | 287,514,302 | 596,276,256 | 23,045,673 | | 1,018,199,789 |
| Allowance for impairment losses | – | (2,203,601) | (2,916,346) | (18,613,742) | (18,844,520) | (1,631,885) | | (44,210,094) |
| Net loans at amortised cost | 49,101,547 | 31,781,759 | 25,360,305 | 268,900,560 | 577,431,736 | 21,413,788 | | 973,989,695 |

Credit risk categorisation

Neither past due nor impaired

Description

Loans that are not in arrears and which do not meet the impaired asset definition.

Loans which are less than 15 days past due are considered to be in a grace period, and not past due for the purposes of assessing impairment as it is the experience of the Investment Manager that these are typically late due to operational reasons.

Past due and not impaired

Loans that are past due and assessed that zero impairment is required.

Impaired Assets

Consumer & SME – loans which are more than 15 days in arrears are treated as impaired and provisioned.

Real estate loans – loans are assessed individually for evidence and quantum of impairment.

Credit quality of loans

The credit quality of loans is assessed through evaluation of various factors, including credit scores, payment data and other information. Set out below is the analysis of the Group's loans at amortised cost by grade.

| | Real Estate | SME | SME | Consumer | Consumer | Consumer | | |
|---------------------------------|--------------------|-------------------|-------------------|--------------------|--------------------|-------------------|--|--------------------|
| | UK | UK | US | UK | US | Other | | Total |
| | £ | £ | £ | £ | £ | £ | | £ |
| Group as at 30 June 2017 | | | | | | | | |
| Internal grade | | | | | | | | |
| A | 88,660,632 | 306,773 | – | 113,762,396 | 12,360,080 | 13,166 | | 215,103,047 |
| B | 18,993,621 | 68,742,966 | 255,133 | 99,751,188 | 55,950,103 | 7,958,982 | | 251,651,993 |
| C | – | 15,228,134 | 4,834,586 | 12,092,962 | 146,918,662 | 5,716,072 | | 184,790,416 |
| D | – | 2,021,950 | 8,167 | 85,647,904 | 151,174,125 | 742,948 | | 239,595,094 |
| E | – | – | 5,285,374 | – | 3,940,556 | 234,921 | | 9,460,851 |
| Total | 107,654,253 | 86,299,823 | 10,383,260 | 311,254,450 | 370,343,526 | 14,666,089 | | 900,601,401 |

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(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Credit quality of loans (Continued)

| | Real Estate UK £ | SME UK £ | SME US £ | Consumer UK £ | Consumer US £ | Consumer Other £ | Total £ |
|---------------------------------|------------------------|-------------------|----------------|---------------------|---------------------|------------------------|--------------------|
| Group as at 30 June 2016 | | | | | | | |
| Internal grade | | | | | | | |
| A | 17,476,484 | 239,004 | – | 100,304,674 | – | – | 118,020,162 |
| B | 15,709,531 | 33,733,391 | 384,948 | 91,075,900 | – | 15,511,064 | 156,414,834 |
| C | – | 5,898,857 | – | 12,142,136 | – | 11,487,430 | 29,528,423 |
| D | – | 1,324,812 | – | 77,156,490 | – | 1,688,251 | 80,169,553 |
| E | – | – | – | – | – | 406,040 | 406,040 |
| Total | 33,186,015 | 41,196,064 | 384,948 | 280,679,200 | – | 29,092,785 | 384,539,012 |

| | Real Estate UK £ | SME UK £ | SME US £ | Consumer UK £ | Consumer US £ | Consumer Other £ | Total £ |
|-------------------------------------|------------------------|-------------------|-------------------|---------------------|---------------------|------------------------|--------------------|
| Group as at 31 December 2016 | | | | | | | |
| Internal grade | | | | | | | |
| A | 31,656,329 | 306,844 | 1,004,236 | 92,344,058 | 34,816,494 | – | 160,127,961 |
| B | 17,445,218 | 26,120,277 | 7,033,918 | 84,019,722 | 97,758,642 | 11,237,274 | 243,615,051 |
| C | – | 4,185,744 | 2,196,550 | 11,987,899 | 219,551,545 | 8,549,018 | 246,470,756 |
| D | – | 1,168,894 | – | 80,548,881 | 216,891,966 | 1,193,260 | 299,803,001 |
| E | – | – | 15,125,601 | – | 8,413,089 | 434,236 | 23,972,926 |
| Total | 49,101,547 | 31,781,759 | 25,360,305 | 268,900,560 | 577,431,736 | 21,413,788 | 973,989,695 |

| Internal grade | Description |
|----------------|--|
| A | Highest quality with minimal indicators of credit risk. |
| B | High quality, subject to low credit risk, minor adverse indicators. |
| C | Medium-grade, moderate credit risk, may have some adverse credit risk indicators. |
| D | Elevated credit risk, significant adverse indicators. |
| E | High credit risk, with serious adverse indicators (e.g. lower affordability, credit history, existing debt). |

Impaired assets

The tables below show the movement of impaired loan balances:

| | Real Estate UK £ | SME UK £ | SME US £ | Consumer UK £ | Consumer US £ | Consumer Other £ | Total £ |
|---|------------------------|------------------|------------------|---------------------|---------------------|------------------------|-------------------|
| Group | | | | | | | |
| As at 1 January 2017 | – | 2,708,433 | 4,284,232 | 23,905,838 | 26,094,868 | 2,224,236 | 59,217,607 |
| Classified as impaired during the year | – | 53,481 | 1,831,425 | 9,704,725 | 15,760,157 | 757,243 | 28,107,031 |
| Transferred from impaired to unimpaired | – | – | – | – | – | – | – |
| Amounts written off | – | – | – | – | (17,801,825) | – | (17,801,825) |
| As at 30 June 2017 | – | 2,761,914 | 6,115,657 | 33,610,563 | 24,053,200 | 2,981,479 | 69,522,813 |

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FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Impaired assets (Continued)

| | Real Estate UK £ | SME UK £ | SME US £ | Consumer UK £ | Consumer US £ | Consumer Other £ | Total £ |
|---|------------------------|------------------|------------------|---------------------|---------------------|------------------------|-------------------|
| Group | | | | | | | |
| As at 1 January 2016 | – | 993,831 | 387,702 | 6,794,920 | – | 574,980 | 8,751,433 |
| Classified as impaired during the year | – | 993,482 | 86,790 | 7,798,176 | – | 773,892 | 9,652,340 |
| Transferred from impaired to unimpaired | – | – | – | – | – | – | – |
| Amounts written off | – | – | – | – | – | – | – |
| As at 30 June 2016 | – | 1,987,313 | 474,492 | 14,593,096 | – | 1,348,872 | 18,403,773 |
| | Real Estate UK £ | SME UK £ | SME US £ | Consumer UK £ | Consumer US £ | Consumer Other £ | Total £ |
| Group | | | | | | | |
| As at 1 January 2016 | – | 993,831 | 387,702 | 6,794,920 | – | 574,980 | 8,751,433 |
| Classified as impaired during the year | – | 1,714,602 | 3,896,530 | 17,110,918 | 26,094,868 | 1,649,256 | 50,466,174 |
| Transferred from impaired to unimpaired | – | – | – | – | – | – | – |
| Amounts written off | – | – | – | – | – | – | – |
| As at 31 December 2016 | – | 2,708,433 | 4,284,232 | 23,905,838 | 26,094,868 | 2,224,236 | 59,217,607 |
| | Real Estate UK £ | SME UK £ | SME US £ | Consumer UK £ | Consumer US £ | Consumer Other £ | Total £ |
| SPV | | | | | | | |
| As at 1 January 2016 | – | – | – | – | 7,913,653 | – | 7,913,653 |
| Classified as impaired during the year | – | – | – | – | 3,594,984 | – | 3,594,984 |
| Transferred from impaired to unimpaired | – | – | – | – | – | – | – |
| Amounts written off | – | – | – | – | – | – | – |
| As at 30 June 2016 | – | – | – | – | 11,508,637 | – | 11,508,637 |
| | Real Estate UK £ | SME UK £ | SME US £ | Consumer UK £ | Consumer US £ | Consumer Other £ | Total £ |
| SPV | | | | | | | |
| As at 1 January 2016 | – | – | – | – | 7,913,653 | – | 7,913,653 |
| Classified as impaired during the year | – | – | 3,825,272 | – | 18,181,215 | – | 22,006,487 |
| Transferred from impaired to unimpaired | – | – | – | – | – | – | – |
| Amounts written off | – | – | – | – | – | – | – |
| As at 31 December 2016 | – | – | 3,825,272 | – | 26,094,868 | – | 29,920,140 |

Collateral held as security for financial assets

Consumer loans are typically unsecured obligations of borrowers. They are not secured by any collateral, not guaranteed or insured by any third party and not backed by any governmental authority in any way. SME Loans are typically not secured against collateral but are backed by personal guarantees of the business' director(s).

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7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Real Estate UK

Real estate loans are secured against collateral as follows:

| | 30 June 2017 £ | 30 June 2016 £ | 31 December 2016 £ |
|-------------------|----------------------|----------------------|--------------------------|
| Loan to value | | | |
| Less than 70% | 105,053,514 | 33,186,015 | 49,101,547 |
| Between 70% - 75% | – | – | – |
| Between 75% - 80% | 2,600,739 | – | – |
| Greater than 80% | – | – | – |

Maximum credit exposure loan commitments

The Company has provided credit facilities that are undrawn as at 30 June 2017. These primarily relate to secured real estate loans. The undrawn balance as at 30 June 2017 was £69,963,718 (30 June 2016: £25,376,710, 31 December 2016: £31,047,126).

Platform restrictions

The Group will not invest more than 33% of gross assets via any single Platform. This limit may be increased to 66% of Gross Assets via any single Platform, provided that where this limit is so increased in respect of any Platform the Group does not invest an amount which is greater than 25% (by value) of the total loan origination of the preceding calendar year through such Platform.

Asset class and geographic restrictions

- (i) No single loan acquired by the Group will have an expected average life of greater than 5 years. No single trade receivable asset acquired by the Group will be for a term longer than 180 days.
- (ii) The Group will not invest more than 20% of gross assets, at the time of investment, via any single investment fund investing in Credit Assets. The Group will not invest, in aggregate, more than 60% of gross assets, at the time of investment, in other investment funds that invest in Credit Assets.
- (iii) The Group will not invest more than 10% of its gross assets, at the time of investment, in other listed closed-ended investment funds, whether managed by the Investment Manager or not, except that this restriction shall not apply to investments in listed closed-ended investment funds which themselves have stated investment policies to invest no more than 15% of their gross assets in other listed closed-ended investment funds.
- (iv) The following restrictions apply, in each case at the time of investment by the Group, to both Credit Assets acquired by the Group directly and on a look-through basis to any Credit Assets held by another investment fund in which the Group invests:
 - No single consumer loan acquired by the Group shall exceed 0.25% of gross assets.
 - No single SME loan acquired by the Group shall exceed 5.0% of gross assets.
 - No single advance or loan against a trade receivable asset shall exceed 5.0% of gross assets.
 - No single corporate loan shall exceed 5% of gross assets.
 - No single facility, security or other interest backed by a portfolio of loans, assets or receivables excluding any borrowing ring-fenced within any SPV which would be without recourse to the Group shall exceed 20% of gross assets.

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(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

Asset class and geographic restrictions (Continued)

(v) The following restrictions apply to both Credit Assets acquired by the Group directly and on a look-through basis to any Credit Assets held by another investment fund in which the Group invests:

- At least 10% (but not more than 75%) of gross assets will be maintained in consumer Credit Assets, not more than 50% of gross assets will be maintained in SME Credit Assets and not more than 50% of gross assets will be maintained in trade receivable assets.
- The Group will maintain at least 10% of gross assets in Credit Assets in Europe and at least 10% of gross assets in Credit Assets in the United States.

Other restrictions

- (i) The Group may invest in cash, cash equivalents and fixed income instruments for cash management purposes and with a view to enhancing returns to shareholders or mitigating credit exposure. However, the Group will only invest in fixed income instruments of investment grade.
- (ii) The Group will not invest in collateralised debt obligations (“CDOs”).

The Group’s maximum exposure to credit risk (not taking into account the value of any collateral or other security held) in the event that counterparties fail to perform their obligations as of 30 June 2017, 30 June 2016 and 31 December 2016 in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the Consolidated Statement of Financial Position.

8. IMPAIRMENT OF INVESTMENTS AT AMORTISED COST

The Group assesses at each Statement of Financial Position date whether there is objective evidence that a loan or group of loans, classified as investments at amortised cost, is impaired. In performing such analysis, the Group assesses the probability of default based on the number of days the loans are past due, using recent historical rates of default on loan portfolios with credit risk characteristics similar to those of the Group.

Where a loan is not recoverable, it is written off against the related provision for loan impairment once all the necessary procedures have been completed and the amount of the loss has been determined. The write-off amounts are included in the impairment losses recorded in the Consolidated Statement of Comprehensive Income.

Accumulated allowance for impairment losses on loans and receivables

The following impairment charges have been recorded in the Consolidated Statement of Financial Position relating to loans and receivables held at amortised cost less provision for impairment:

| Group | SME UK £ | SME US £ | Consumer UK £ | Consumer US £ | Consumer Other £ | Total £ |
|---|------------------|------------------|---------------------|---------------------|------------------------|-------------------|
| At 1 January 2017 | 2,203,601 | 2,916,346 | 18,613,742 | 18,844,520 | 1,631,885 | 44,210,094 |
| Charge to the statement of comprehensive income | (502,895) | 1,833,891 | 6,439,019 | 1,551,941 | 572,108 | 9,894,064 |
| Impact due to consolidation | – | – | – | – | – | – |
| Foreign exchange impact | – | (188,136) | – | (985,952) | 29,537 | (1,144,551) |
| At 30 June 2017 | 1,700,706 | 4,562,101 | 25,052,761 | 19,410,509 | 2,233,530 | 52,959,607 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

8. IMPAIRMENT OF INVESTMENTS AT AMORTISED COST (CONTINUED)

Accumulated allowance for impairment losses on loans and receivables (Continued)

| Group | SME UK £ | SME US £ | Consumer UK £ | Consumer US £ | Consumer Other £ | Total £ |
|---|------------------|----------------|---------------------|---------------------|------------------------|-------------------|
| At 1 January 2016 | 766,141 | 254,318 | 4,946,674 | – | 402,507 | 6,369,640 |
| Charge to the statement of comprehensive income | 867,833 | 199,281 | 6,148,389 | – | 510,369 | 7,725,872 |
| Impact due to consolidation | – | – | – | – | – | – |
| Foreign exchange impact | – | (29,486) | – | – | 170,089 | 140,603 |
| At 30 June 2016 | 1,633,974 | 424,113 | 11,095,063 | – | 1,082,965 | 14,236,115 |

| Group | SME UK £ | SME US £ | Consumer UK £ | Consumer US £ | Consumer Other £ | Total £ |
|---|------------------|------------------|---------------------|---------------------|------------------------|-------------------|
| At 1 January 2016 | 766,141 | 254,318 | 4,946,674 | – | 402,507 | 6,369,640 |
| Charge to the statement of comprehensive income | 1,437,460 | 146,187 | 13,667,068 | – | 1,040,523 | 16,291,238 |
| Impact due to consolidation | – | 2,457,798 | – | 18,844,520 | – | 21,302,318 |
| Foreign exchange impact | – | 58,043 | – | – | 188,855 | 246,898 |
| At 31 December 2016 | 2,203,601 | 2,916,346 | 18,613,742 | 18,844,520 | 1,631,885 | 44,210,094 |

| SPV | SME UK £ | SME US £ | Consumer UK £ | Consumer US £ | Consumer Other £ | Total £ |
|---|----------------|----------------|---------------------|---------------------|------------------------|------------------|
| At 1 January 2016 | – | – | – | 4,410,448 | – | 4,410,448 |
| Charge to the statement of comprehensive income | – | – | – | 4,588,836 | – | 4,588,836 |
| Impact due to consolidation | – | – | – | – | – | – |
| Foreign exchange impact | – | – | – | 785,276 | – | 785,276 |
| At 30 June 2016 | – | – | – | 9,784,560 | – | 9,784,560 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

8. IMPAIRMENT OF INVESTMENTS AT AMORTISED COST (CONTINUED)

Accumulated allowance for impairment losses on loans and receivables (Continued)

The provision for impairment losses for loans and receivables is analysed in by maturity as follows:

| Group | 2017 | | 2016 | |
|--|-------------------|-------------------|-------------------|-------------------|
| | Impairment £ | Balances £ | Impairment £ | Balances £ |
| Loans with payments 15-30 days past due | 2,072,617 | 6,835,965 | 3,053,074 | 6,848,722 |
| Loans with payments 30-60 days past due | 3,885,983 | 9,163,761 | 4,743,156 | 7,694,609 |
| Loans with payments more than 60 days past due | 47,001,007 | 71,600,938 | 36,413,864 | 44,674,276 |
| Total | 52,959,607 | 87,600,664 | 44,210,094 | 59,217,607 |

As at 30 June 2017, there were no loans that were past due but not impaired (2016: Nil).

The table below presents the sensitivity of the impairment provision with respect to SME and consumer loans to the underlying assumptions:

| | Group 30 June 2017 £ | Group 30 June 2016 £ | Group 31 December 2016 £ |
|---------------------------|-------------------------------|-------------------------------|-----------------------------------|
| Roll rate to default: +2% | 1,050,122 | 274,808 | 710,135 |
| Roll rate to default: -2% | (1,207,006) | (248,593) | (912,849) |
| Loss given default: +5% | 3,030,984 | 734,054 | 2,500,321 |
| Loss given default: -5% | (3,148,115) | (785,770) | (2,392,513) |
| | SPV 30 June 2017 £ | SPV 30 June 2016 £ | SPV 31 December 2016 £ |
| Roll rate to default: +2% | 449,947 | 140,695 | 195,602 |
| Roll rate to default: -2% | (534,166) | (167,987) | (412,861) |
| Loss given default: +5% | 1,365,317 | 420,612 | 1,130,474 |
| Loss given default: -5% | (1,365,317) | (420,612) | (1,213,046) |

As at 30 June 2017, there is no impairment charge in relation to secured real estate loans for the Group or the SPV (2016: nil). In calculating if any provision is required estimates of discounted cash flows are made for each loan. A 5% movement in the discounted cash flows would not result in any impairment charge for the Group or SPV (2016: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

9. FEES AND EXPENSES

Investment management and performance fees

Under the terms of the Management Agreement, the Investment Manager is entitled to a management fee and a performance fee together with reimbursement of reasonable expenses incurred by it in the performance of its duties.

The management fee is payable monthly in arrears and is at the rate of 1/12 of 1.0% per month of NAV (the "Management Fee"). For the period from admission to trading on the London Stock Exchange's main market for listed securities (the "Admission") until the date on which 90% of the net proceeds of the Issue have been invested or committed for investment, directly or indirectly, in Credit Assets, the value attributable to any assets of the Group other than Credit Assets (including any cash) will be excluded from the calculation of NAV for the purposes of determining the Management Fee.

The Investment Manager shall not charge a management fee or performance fee twice. Accordingly, if at any time the Group invests in or through any other investment fund or special purpose vehicle and a management fee or advisory fee is charged to such investment fund or special purpose vehicle by the Investment Manager, the Sub-Manager or any of their affiliates, the value of such investment shall be excluded from the calculation of NAV for the purposes of determining the Management Fee payable.

Notwithstanding the above, the Investment Manager may charge a fee based on a percentage of gross assets (such percentage not to exceed 1.0%) to any entity which is within the same group of companies of which the Company forms part, provided that such an entity employs leverage for the purpose of its investment policy or strategy. With effect from 1 January 2017, the Investment Manager has permanently waived the management fee charged on leverage.

Management fees charged for the period ended 30 June 2017 totalled £4,191,148 (30 June 2016: £1,933,974) of which £689,912 was payable at the period-end (30 June 2016: £131,436).

The performance fee will be calculated in respect of each twelve months starting on 1 January and ending on 31 December in each calendar year (the "Calculation Period"), save that the first Calculation Period was the period commencing on admission and ending on 31 December 2014 and provided further that if at the end of what would otherwise be a Calculation Period no performance fee has been earned in respect of that period, the Calculation Period shall carry on for the next twelve month period and shall be deemed to be the same Calculation Period and this process shall continue until a performance fee is next earned at the end of the relevant period.

The performance fee is calculated by reference to the movements in the Adjusted Net Asset Value (as defined below) since the end of the Calculation Period in respect of which a performance fee was last earned or Admission if no performance fee has yet been earned (the "High Water Mark").

The performance fee will be a sum equal to 15% of such amount (if positive) and will only be payable if the Adjusted NAV at the end of a Calculation Period exceeds the High Water Mark. The performance fee shall be payable to the Investment Manager in arrears within 30 calendar days of the end of the relevant Calculation Period.

Performance fees for the period ended 30 June 2017 totalled £1,496,577 (30 June 2016: £309,497) of which £1,496,577 was payable at the period-end (30 June 2016: £309,497).

"Adjusted Net Asset Value" means the NAV adjusted for: (i) any increases or decreases in NAV arising from issues or repurchases of Ordinary Shares during the relevant Calculation Period; (ii) adding back the aggregate amount of any dividends or distributions (for which no adjustment has already been made under (i)) made by the Group at any time during the relevant Calculation Period; (iii) before deduction for any accrued performance fees; and (iv) to the extent that the Group invests in any other investment fund or via any special purpose vehicle ("SPV") or via any separate managed account arrangement which is managed or advised by the Investment Manager, the Sub-Manager or any of their affiliates, if the Investment Manager, the Sub-Manager or such affiliate is entitled to (including where it is not yet earned) receive a performance fee or performance allocation at the level of that investee entity or under such separate managed account arrangement, excluding any gain or loss attributable to those investments during the relevant Calculation Period.

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FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

10. NON CURRENT LIABILITIES

| | Group 30 June 2017 £ | Group 30 June 2016 £ | Group 31 December 2016 £ |
|----------------------------|-------------------------------|-------------------------------|-----------------------------------|
| Revolving bank facilities | 240,711,906 | 251,562,881 | 255,146,924 |
| Amortising bank facilities | 22,383,921 | – | 46,474,118 |
| Principal protected notes | 78,906,761 | – | 113,338,448 |
| Term facility | 94,424,616 | – | – |
| Total borrowings | 436,427,204 | 251,562,881 | 414,959,490 |
| Other liabilities | 16,771,099 | – | 30,690,694 |
| Total | 453,198,303 | 251,562,881 | 445,650,184 |

Included within revolving bank facilities above is a four year facility entered into by P2PCL1 PLC on 16 January 2015 with a European bank. As at 30 June 2017, the facility commitment amount was £80,000,000 of which £55,002,579 had been drawn. The revolving bank facility has no recourse to the assets of the Group and is secured by a pool of UK consumer loans. The facility has a revolving period of two years and will pay down as the assets securing the debt amortise after the expiry of the revolving period. Interest on the facility is charged at one month LIBOR plus a margin.

Included within revolving bank facilities above is a £150,000,000 secured 3-year multi-currency loan facility entered into by the Company on 16 December 2015 with a consortium of institutional lenders. The facility is secured by way of fixed and floating charges; interest on the loan is paid quarterly and is charged on LIBOR plus margin. For the purpose of calculating facility drawdown limits, non-Sterling advances are converted into Sterling equivalents using the spot rate at the time of the respective advance. This may result in a difference between the facility amount and the value presented on the Statement of Financial Position.

During the year ended 31 December 2016, MOCA issued notes as securitisations of loans. These were issued in the form of principal protected notes (“PPNs”). The PPNs amortise, in order of seniority, on a monthly basis based on the receipts arising on the underlying loan assets. Consequently, the weighted average life of the PPNs is expected to be significantly shorter than the contractual maturity of October 2024. The PPNs held by third parties pay interest at one month LIBOR plus a range of margins. The original principal balance was £129,000,000 and has amortised down to £78,906,761 as at 30 June 2017.

The Group’s other non current liabilities, as at 30 June 2017 of £16,771,099, are comprised of £15,746,071 being amounts due to two loan trusts owned by the SPV and £1,025,028 of accrued performance allocation to the General Partner of the SPV. The amounts due to the loan trusts relate to co-investments with Platforms in pools of loan assets which provide the SPV with first loss protection. The amounts due to the loan trusts do not have a fixed maturity. The amounts due to the SPV General Partner are due within one year.

The below tables analyse the Group’s borrowings relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the final scheduled maturity date.

| | <1 year £ | 1 - 3 years £ | 3 - 5 years £ | > 5 years £ | Total £ |
|-----------------------------|--------------|--------------------|-------------------|--------------------|--------------------|
| 30 June 2017 | | | | | |
| Revolving bank facilities | – | 240,711,906 | – | – | 240,711,906 |
| Amortising bank facilities* | – | – | – | 22,383,921 | 22,383,921 |
| Principal protected notes | – | – | – | 78,906,761 | 78,906,761 |
| Term facility | – | 58,463,104 | 35,961,512 | – | 94,424,616 |
| | – | 299,175,010 | 35,961,512 | 101,290,682 | 436,427,204 |

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10. NON CURRENT LIABILITIES (CONTINUED)

| 30 June 2016 | <1 year £ | 1 - 3 years £ | 3 - 5 years £ | > 5 years £ | Total £ |
|-----------------------------|--------------|--------------------|------------------|----------------|--------------------|
| Revolving bank facilities | – | 251,562,881 | – | – | 251,562,881 |
| Amortising bank facilities* | – | – | – | – | – |
| Principal protected notes | – | – | – | – | – |
| | – | 251,562,881 | – | – | 251,562,881 |

| 31 December 2016 | <1 year £ | 1 - 3 years £ | 3 - 5 years £ | > 5 years £ | Total £ |
|-----------------------------|--------------|--------------------|------------------|--------------------|--------------------|
| Revolving bank facilities | – | 255,146,924 | – | – | 255,146,924 |
| Amortising bank facilities* | – | – | – | 46,474,118 | 46,474,118 |
| Principal protected notes | – | – | – | 113,338,448 | 113,338,448 |
| | – | 255,146,924 | – | 159,812,566 | 414,959,490 |

*The amortising bank facility is secured by a pool of amortising US consumer loans. As the underlying assets pay down, the proceeds are utilised to pay down the outstanding borrowing under the facility. Consequently, the weighted average life of the facility is expected to be significantly shorter than the contractual maturity (which is greater than five years as at 31 December 2016).

11. STRUCTURED ENTITIES

A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control. Structured entities are generally created to achieve a narrow and well defined objective with restrictions around their ongoing activities. Structured entities are consolidated when the substance of the relationship indicates control.

Consolidated structured entities

Structured entities are assessed for consolidation in accordance with the accounting policy set out in Note 2. The following structured entities are consolidated in the Group's results.

| Structured entity | Nature of business | Principal place of business and incorporation |
|--|-------------------------------------|---|
| Eaglewood SPV I LP Marketplace Originated | Alternative finance investments | Delaware USA |
| Consumer Assets 2016-1 | Securitisation of UK consumer loans | England and Wales |
| P2P BL-2 Limited | Term facility | England and Wales |

Further details on the activities of these consolidated structure entities are set out in Note 2.

Unconsolidated structured entities

The SPV is a limited partner in the Eaglewood Income Fund I LP (the "Eaglewood Fund"), a Delaware limited partnership established on 3 February 2012. As at 30 June 2017, the SPV held 85% of the limited partner interests (30 June 2016: 72%, 31 December 2016: 79%). The investment is carried at fair value through profit or loss.

The Eaglewood Fund is an open ended private investment fund, offering monthly subscriptions and quarterly redemptions, with 90 days' notice. The Eaglewood Fund is managed by the Sub-Manager, MW Eaglewood Americas LLC. It employs a strategy that primarily involves leveraged investment in monthly amortising unsecured US consumer loans originated by a single Platform with terms of three to five years. The risks associated with the underlying investments are the equivalent to, or a subset of, those arising from the other activities undertaken by the Group.

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(CONTINUED)

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11. STRUCTURED ENTITIES (CONTINUED)

Unconsolidated structured entities (Continued)

At 30 June 2017, the following balances relate to the Group's involvement with the Eaglewood Fund.

| | 30 June 2017 £ | 30 June 2016 £ | 31 December 2016 £ |
|--|----------------------|----------------------|--------------------------|
| Carrying amount of Investment assets designated as held at fair value through profit or loss | 108,798,978 | 95,858,436 | 112,014,893 |
| Maximum exposure to loss (fair value of investment asset) | 108,798,978 | 95,858,436 | 112,014,893 |

As at 30 June 2017, the Eaglewood Fund has a net asset value of £127,830,053 (30 June 2016: £132,499,242, 31 December 2016: £141,747,410). The fund has total assets of £381,915,573 (30 June 2016: £473,969,548, 31 December 2016: £557,439,035). Investments held at fair value where £357,658,786 with a cost of £361,989,129 (30 June 2016: £449,381,999 cost £452,111,049, 31 December 2016: £511,489,126 cost £516,355,540). The fund's cash balance was £19,674,676 (30 June 2016: £16,167,204, 31 December 2016: £39,929,679).

The fund has three (30 June 2016: two, 31 December 2016: three) leverage facilities secured against pools of loans, from three North American banks. In addition, the fund has one (30 June 2016: two, 31 December 2016: two) private securitisations. Total borrowings of the fund were £252,152,910 (30 June 2016: £337,218,838, 31 December 2016: £408,835,883). The leverage facilities and the private securitisations have maturity dates within three years (30 June 2016: four, 31 December 2016: three) of the period end.

During the period, the SPV's holding of limited partner interest increased from 79% to 85% due to redemptions from other limited partners.

The Eaglewood Fund carries its loan assets at fair value using a proprietary loan valuation model (the "LVM"). The model's key underlying assumption is that the most recent interest rates on loans that the Platform offers are reflective of key current economic and market risks. The key inputs to the LVM are as follows:

1. Platform Interest Rates – As the interest rates that the Platform offers on consumer loans rise or fall the LVM adjusts loan values lower or higher to reflect changing interest rates for similar loans.
2. Level of Delinquency – The LVM discounts all loans that are not current on their payments, with the level of discount rising as the level of delinquency rises.
3. Payment History – The LVM discounts all consumer loans that are current on their payments but have a history of previous delinquency.
4. Level of Seasoning – As consumer loans age and borrowers create a track record of making their scheduled payments on time, the risk of default generally declines and LVM adjusts the values higher. In general, the greater the level of loan seasoning, the greater the valuation adjustment.
5. Borrower FICO – The LVM discounts all consumer loans in which the underlying borrower's FICO score has dropped below certain thresholds, and vice versa.
6. Prepayments – The LVM discounts consumer loans for the possibility of prepayment of such loans by the underlying borrower.

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11. STRUCTURED ENTITIES (CONTINUED)

Unconsolidated structured entities (Continued)

Set out below is the analysis of the Eaglewood Fund's loan investments by grade. All loans are US unsecured consumer. Internal grade classification is described in note 7 above.

| Internal grade | 30 June 2017 | 30 June 2016 | 31 December 2016 |
|----------------|-----------------|-----------------|---------------------|
| A | 18% | 22% | 19% |
| B | 43% | 46% | 43% |
| C | 30% | 23% | 28% |
| D | 8% | 7% | 8% |
| E | 2% | 2% | 2% |

Given the illiquid nature of the underlying assets and the size of the investment relative to the overall fund, the timeframe over which the SPV would be able to realise its investment could be limited by the amortisation profile of the underlying assets. The Company's Investment Manager continually evaluates the investment into the Eaglewood Fund to consider if a quarterly redemption would be appropriate.

12. SUBSIDIARIES

Subsidiaries by virtue of ownership

The subsidiaries for the Group by virtue of ownership are set out below:

| Name | Principal place of business and incorporation | Nature of business | Ownership interest (%) | Percentage of voting rights held (%) |
|------------|--|---------------------------------|---------------------------|--|
| P2PCL1 PLC | England and Wales | Alternative finance investments | 100 | 100 |

The Company holds the single Class A Share in P2PCL1 PLC which conveys control of its voting rights.

P2PCL1 PLC invests in UK consumer loans originated by a Platform, funded by a Variable Funding Note issuance programme. Please see note 10 for details of the senior funding provided by a European bank. As at 30 June 2017, P2PCL1 held encumbered loan assets and cash of £76,100,289 (31 December 2016: £21,324,078) which are not available for transfer within the Group.

The Company invests in debt securities in the form of junior notes issued by P2PCL1 PLC which provides exposure to the excess cashflows arising from its loan assets.

Subsidiaries by virtue of control

Details of consolidated structured entities are provided in notes 2 & 11.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

12. SUBSIDIARIES (CONTINUED)

Accounting for investment in subsidiaries

The Company's investments in subsidiaries, as at 30 June 2017, consist of:

| | 30 June 2017 £ | 31 December 2016 £ |
|---|----------------------|--------------------------|
| Investments in subsidiaries | | |
| Investment in SPV partnership interest held at fair value | 441,291,547 | 617,546,000 |
| Investment in P2PCL1 Class A Share at fair value | 1 | 1 |
| Investments in debt securities issued by P2PCL1, MOCA and P2P BL-2 measured at amortised cost | 51,055,846 | 34,047,662 |

13. INVESTMENTS IN ASSOCIATES

As at 30 June 2017, the Group has two associates (30 June 2016: nil, 31 December 2016: one), one being a UK platform originating secured real estate loans and the other being a European platform originating secured real estate loans. The investments are accounted for at fair value through profit or loss. No dividends were declared during the period in respect of the investment.

The Group has a direct equity ownership of the UK platform of 33.3%. It also has provided £6,000,000 of debt funding to the platform in the form of a convertible loan note of which, as at 30 June 2017, £5,500,000 has been drawn.

The Group has entered into an agreement which gives it the right to participate in qualifying loans originated by the platform.

There are no significant restrictions on the ability of the associate from repaying loans from, or distributing dividends to, the Group.

The unaudited net assets of the UK associate as at 30 June 2017 were £5,323,223 (31 December 2016: £4,426,490), and the profit after tax was £942,668 (31 December 2016: £923,577).

The Group also has a direct equity ownership of the European platform of 25%.

The Group has entered into an agreement which gives it the right to participate in qualifying loans originated by the platform.

There are no significant restrictions on the ability of the associate from repaying loans from, or distributing dividends to, the Group.

The unaudited net assets of the European associate as at 30 June 2017 were £420,995, and the loss after tax was £281,449.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

14. NET ASSET VALUE PER SHARE

| | Company 30 June 2017 | Company 30 June 2016 | Company 31 December 2016 |
|---------------------------------------|----------------------------|----------------------------|--------------------------------|
| Ordinary Shares | | | |
| Net assets attributable at period end | 824,681,877 | 870,667,339 | 850,741,972 |
| Shares in issue | 81,925,532 | 86,069,598 | 84,525,803 |
| Net asset value per Ordinary Share | 1,006.62p | 1,011.59p | 1,006.49p |

The C Share assets were separate pools of assets, the proceeds of the C Share issues were received in cash and these amounts subsequently invested into loans and receivables and other assets. These assets were physically segregated from the assets held in respect of Ordinary Shares and accounted for separately by the Administrator.

In accordance with the prospectus, the C Shares were converted when 90% of the net proceeds of the C Share issue had been invested in accordance with the Company's investment policy. The conversion occurred during March 2016 at a ratio of 0.9888 Ordinary Shares for every one C Share held as at the close of the conversion record date. The Ordinary Shares arising upon conversion were divided amongst the former C shareholders pro rata according to their respective former holdings of C Shares.

15. SHAREHOLDERS' CAPITAL

Set out below is the issued share capital of the Company as at 30 June 2017.

| | Nominal value £ | Number of shares | Voting rights of shares |
|----------------------------------|-----------------------|---------------------|----------------------------|
| Ordinary Shares in issue | 819,255 | 81,925,532 | 81,925,532 |
| Ordinary Shares held in Treasury | 43,813 | 4,381,271 | – |
| Total | 863,068 | 86,306,803 | 81,925,532 |

Set out below is the issued share capital of the Company as at 30 June 2016.

| | Nominal value £ | Number of shares | Voting rights of shares |
|----------------------------------|-----------------------|---------------------|----------------------------|
| Ordinary Shares in issue | 860,696 | 86,069,598 | 86,069,598 |
| Ordinary Shares held in Treasury | 2,372 | 237,205 | – |
| Total | 863,068 | 86,306,803 | 86,069,598 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

15. SHAREHOLDERS' CAPITAL (CONTINUED)

Set out below is the issued share capital of the Company as at 31 December 2016.

| | Nominal value £ | Number of shares | Voting rights of shares |
|----------------------------------|-----------------------|---------------------|----------------------------|
| Ordinary Shares in issue | 845,258 | 84,525,803 | 84,525,803 |
| Ordinary Shares held in Treasury | 17,810 | 1,781,000 | – |
| Total | 863,068 | 86,306,803 | 84,525,803 |

Rights attaching to the Ordinary Shares

The holders of Ordinary Shares shall be entitled to all of the Company's net assets.

The holders of Ordinary Shares are only entitled to receive, and to participate in, any dividends declared in relation to the relevant class of shares that they hold.

The Ordinary Shares shall carry the right to receive notice of, attend and vote at general meetings of the Company.

The consent of the holders of Ordinary Shares will be required for the variation of any rights attached to the relevant class of shares.

Voting rights

Subject to any rights or restrictions attached to any shares, on a show of hands every Shareholder present in person has one vote and every proxy present who has been duly appointed by a Shareholder entitled to vote has one vote, and on a poll every Shareholder (whether present in person or by proxy) has one vote for every share of which he is the holder.

A Shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way. In the case of joint holders, the vote of the senior who tenders a vote shall be accepted to the exclusion of the vote of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the Register.

No Shareholder shall have any right to vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, in respect of any share held by him unless all amounts presently payable by him in respect of that share have been paid.

Variation of rights & distribution on winding up

If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class may be varied either in writing of the holders of three-quarters in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the shares of that class.

The Company has no fixed life but, pursuant to the Articles, an ordinary resolution for the continuation of the Company will be proposed at the annual general meeting of the Company to be held in 2021 and, if passed, every five years thereafter. Upon any such resolution not being passed, proposals will be put forward to the effect that the Company be wound up, liquidated, reconstructed or unitised.

If the Company is wound up, the liquidator may divide among the shareholders in specie the whole or any part of the assets of the Company and for that purpose may value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

15. SHAREHOLDERS' CAPITAL (CONTINUED)

Variation of rights & distribution on winding up (Continued)

The table below shows the movement in shares during the period ended 30 June 2017.

| For the period from 1 January 2017 to 30 June 2017 | Shares in issue at the beginning of the period | Buy back of Ordinary Shares | Shares in issue at the end of the period |
|--|--|-----------------------------|--|
| Ordinary Shares in issue | 84,525,803 | (2,600,271) | 81,925,532 |
| Ordinary Shares held in Treasury | 1,781,000 | 2,600,271 | 4,381,271 |

The table below shows the movement in shares during the period ended 30 June 2016.

| For the period from 1 January 2016 to 30 June 2016 | Shares in issue at the beginning of the period | Buy back of Ordinary Shares | Conversion of C Shares | Shares in issue at the end of the period |
|--|--|-----------------------------|------------------------|--|
| Ordinary shares in issue | 46,754,919 | (237,205) | 39,551,884 | 86,069,598 |
| C Shares | 40,000,000 | – | (40,000,000) | – |
| Ordinary Shares held in Treasury | – | 237,205 | – | 237,205 |

The table below shows the movement in shares during the year ended 31 December 2016.

| For the year ended 31 December 2016 | Shares in issue at the beginning of the year | Buy back of Ordinary Shares | Conversion of C Shares | Shares in issue at the end of the year |
|-------------------------------------|--|-----------------------------|------------------------|--|
| Ordinary Shares in issue | 46,754,919 | (1,781,000) | 39,551,884 | 84,525,803 |
| C Shares | 40,000,000 | – | (40,000,000) | – |
| Ordinary Shares held in Treasury | – | 1,781,000 | – | 1,781,000 |

Cash consideration was received for all subscriptions for shares.

Share Buy Back

During the year ended 31 December 2016 the Company commenced a share buy back programme. All shares bought back are held in treasury at the end of the period. As at 30 June 2017, the Company had bought back 4,381,271 shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

15. SHAREHOLDERS' CAPITAL (CONTINUED)

Share Buy Back (Continued)

The Company has engaged Liberum Capital Limited to effect on-market purchases of its shares on its behalf. Both parties can terminate the contract without cause at any point other than during a closed period. As a result, no liability has been recognised as at 30 June 2017 other than in relation to those shares acquired pending settlement.

| 2017 | Ordinary shares purchased | Average price per share | Lowest price per share | Highest price per share | Total Treasury Shares |
|----------|---------------------------|-------------------------|------------------------|-------------------------|-----------------------|
| January | 510,837 | 802.8p | 775.5p | 815.0p | 2,291,837 |
| February | 380,572 | 801.4p | 775.6p | 822.5p | 2,672,409 |
| March | 603,288 | 780.9p | 765.0p | 797.0p | 3,275,697 |
| April | 328,830 | 820.7p | 772.5p | 850.0p | 3,604,527 |
| May | 336,489 | 872.1p | 850.0p | 887.0p | 3,941,016 |
| June | 440,255 | 894.5p | 880.5p | 900.0p | 4,381,271 |

Special Distributable Reserve

At a general meeting of the Company held on 15 June 2015, special resolutions were passed approving the cancellation of the amount standing to the credit of the Company's share premium account as at 29 May 2015 and additional share premium following the issue of new C Shares, which occurred on 28 July 2015.

Following the approval of the Court and the subsequent registration of the Court order with the Registrar of Companies on 17 September 2015, the reduction became effective. Accordingly £832,647,915, previously held in the share premium account, was transferred to the special distributable reserves of the Group as disclosed in the Consolidated Statement of Financial Position.

The cost of the buy back of Ordinary Shares as detailed above was funded by the special distributable reserve. Also, dividends were paid out of the special distributable reserve. Therefore the closing balance in the special distributable reserve has been reduced to £785,514,296 (31 December 2016: £815,049,542).

16. DIVIDENDS PER SHARE

The following table summarises the period end dividends payable to equity shareholders in the period:

| Period to | Share Class | Amount | Payment date | 30 June 2017 Group and Company £ | 30 June 2016 Group and Company £ | 31 December 2016 Group and Company £ |
|-------------------|-------------|--------|------------------|--|--|--|
| 31 December 2015 | Ordinary | 13.7p | 4 March 2016 | – | 6,405,424 | 6,405,424 |
| 31 December 2015 | C | 9.5p | 4 March 2016 | – | 3,800,000 | 3,800,000 |
| 31 March 2016 | Ordinary | 11.5p | 27 May 2016 | – | 9,925,282 | 9,925,282 |
| 30 June 2016 | Ordinary | 11.0p | 26 August 2016 | – | – | 9,429,841 |
| 30 September 2016 | Ordinary | 11.0p | 25 November 2016 | – | – | 9,359,117 |
| 31 December 2016 | Ordinary | 11.0p | 3 March 2017 | 9,229,740 | – | – |
| 31 March 2017 | Ordinary | 12.0p | 26 May 2017 | 9,924,273 | – | – |
| Total | | | | 19,154,013 | 20,130,706 | 38,919,664 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

FOR THE PERIOD FROM 1 JANUARY 2017 TO 30 JUNE 2017

17. RELATED PARTY TRANSACTIONS

Each of the Directors is entitled to receive a fee from the Group at such rate as may be determined in accordance with the Articles. Save for the Chairman of the Board, the fees are £40,000 for each Director per annum. The Chairman's fee is £45,000 per annum.

All of the Directors are also entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, Board or Committee meetings or otherwise in connection with the performance of their duties. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Group.

Investment management fees and performance fees for the period ended 30 June 2017 are paid by the Group to the Investment Manager and these are presented on the Consolidated Statement of Comprehensive Income. Details of Investment management fees and performance fees paid during the year are disclosed in Note 9.

As at 30 June 2017, the Directors' interests in the Group's shares were as follows:

| | 30 June 2017 | 30 June 2016 | 31 December 2016 |
|------------------------------|-----------------|-----------------|---------------------|
| Simon King – Ordinary Shares | 19,895 | 19,895 | 19,895 |

Partners and Principals of the Investment Manager held 1,792,221 (31 December 2016: 1,790,644) Ordinary Shares in the Company at 30 June 2017.

18. SUBSEQUENT EVENTS

The Investment Manager, with the approval of the Company's Directors, has continued to buy back shares in the open market. In July 2017, the Company bought back an additional 475,000 shares at an average price of 884.4p, creating an uplift of 0.7p per share for shareholders. In August 2017, the Company bought back an additional 425,000 shares at an average price of 874.4p to 23 August.

19. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Directors on 30 August 2017.

CONTACT DETAILS OF THE ADVISORS

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Mahnaz Safa

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An investment company as defined under Section 833 of the Companies Act 2006.

Registered in England No. 08805459

A member of the Association of Investment Companies.