

28 September 2017

All Asia Asset Capital Limited

(All Asia Asset Capital”, “AAA” or the “Company”)

Unaudited Interim Results for the period ended 30 June 2017

All Asia Asset Capital (AIM: AAA), an investment company focused on investing in the growing markets of the Asia Pacific region, today announces its unaudited interim results for the six months ended 30 June 2017.

Highlights:

- *During six months ended 30 June 2017, the Company disposed of its subsidiary, Energy Central Limited, which held the Company's interest in Andaman Power and Utility Company Limited (“APU”), for a consideration of Thai Baht 34,889,000 (approximately £810,000).*
- *AAA maintained its investment in a minority stake in Myanmar Allure Group Co., Ltd. (“MAG”), which owns and operates the Allure Resort, a combined hotel, resort and gaming facilities located in Tachileik province, Myanmar, in the vicinity of the Thailand-Myanmar Mae Sai border.*
- *During the six months ended 30 June 2017, the Company recorded a profit attributable to the owners of the Company of £1.21 million, attributable to net gain on the disposal of its investment and a change of fair value of a convertible loan issued by the Company.*
- *On 21 April 2017 the board announced the resignation of Mr. Paniti Junhasavasdikul as an Executive Director and General Counsel of the Company, whose resignation became effective 30 April 2017.*

Robert Berkeley, Chairman of AAA said: “During these six months under review, the Company disposed of Energy Central Limited, which held the Company's minority interest in Andaman Power and Utility Company Limited. The Company currently has one remaining investment, this being the Company's 7% interest in Myanmar Allure Group Co., Ltd which owns and operates the Allure Resort, a combined hotel, resort and gaming facility located in Tachileik province, Myanmar, in the vicinity of the Thailand-Myanmar Mae Sai border. We look forward to continuing to seek investments in line with our investing policy from the Asia Pacific region in order to deliver and enhance value to shareholders.”

For further information:

All Asia Asset Capital Limited

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About AAA

AAA is an investment company that has been established as a platform for investors looking to access growing markets in the Asia-Pacific region. The Company invests in a portfolio of companies with at least a majority of operations (or early-stage companies that intend to have at least a majority of their operations) in the Asia-Pacific region in industries with high growth potential including, but not limited to: agriculture, forestry and plantations, mining, natural resources, property, and/or technology. AAA is publicly quoted and its shares are traded on the AIM Market, which is operated by the London Stock Exchange.

Chairman's Statement

I am pleased to present the results of All Asia Asset Capital Limited (the "Company") together with its subsidiaries (the "Group") for the half year ended 30 June 2017.

Business review

During the year ended 30 June 2017 the Company continued its focus on Myanmar. The Company disposed of its subsidiary, Energy Central Limited, which held the Company's minority investment of a 7 per cent interest in APU. and maintained its minority investment of 7 per cent interest in MAG.

As previously noted the Company's disposal of Energy Central Limited was approved by shareholders at an Extraordinary General Meeting held on 24 March 2017 and the disposal was completed shortly following payment of the cash consideration by the purchaser on 3 May 2017.

During the year MAG continued operating the Allure Resort, a combined hotel, resort and gaming facilities located in Tachileik province, Myanmar, in the vicinity of the Thailand-Myanmar Mae Sai border. The resort is situated in an 11-acre plot and is easily accessible from Chiang Rai, Thailand and located within five minutes' walk from the border.

The latest indication provided by the management of the Allure Resort points to a robust year-ended 31 March 2016 and the Allure Resort's management have informed AAA that the Resort has shown stable room occupancy and operating performance between 2016 and 2017 to-date in spite of adverse weather conditions during the annual

monsoons. The outlook of the Allure Resort's management remains positive and they are confident there is potential for improvement in profit margins and capturing a greater share of cross-border traveller traffic in the Allure Resort's vicinity.

MAG is also seeking a partner or partnership opportunities with other entities which have a gaming background, with a view to potentially having a partner co-invest in a new building development.

Financial Results

During the six months ended 30 June 2017 the Company recorded a profit attributable to the owners of the Company of £1.21 million (six months ended 30 June 2016: loss attributable to the owners of the Company of £0.11 million). This profit was attributable to a net gain on the disposal of Energy Central Limited and a change of fair value for a convertible loan issued by the Company.

After the disposal of Energy Central Limited, the majority of the assets of the Group consists now of its investment in MAG which, as at 30 June 2017, had a carrying value of £1.51 million in AAA's balance sheet (31 December 2016: carrying value of MAG - £1.59 million). As at 30 June 2017 the net assets of the Group were £2.01 million (31 December 2016: net assets of £2.13 million) and the Group had cash and cash equivalents of £0.52 million (31 December 2016: cash and cash equivalents of £0.05 million).

Board Changes

On 21 April 2017 the Company announced that Mr. Paniti Junhasavasdikul would step down as an executive director and general counsel of the Company as of 30 April 2017. We extend our gratitude to him for his diligence, commitment and contribution to the Company during his tenure of office and we wish him the best for his future endeavours.

The Company believes that it is very important that they identify the right candidate to replace Paniti Junhasavasdikul and who possesses the skills and experience that match the strategic direction of the business. AAA will provide an update on its plans for the board once it has further assessed the strategic direction of the Company following the sale of Energy Central Limited.

Economic Outlook

With the Company's investee company, MAG, being located in Myanmar it is important that we consider the current political and economic climate. In a report dated 30 January 2017, the World Bank commented that Myanmar's economy will grow by an average of 7.1% per year in the next three years, as inflation pressures are expected to ease up and private and public investments in infrastructure services and non-commodity sectors, such as light manufacturing and hospitality, are forecasted to rise. Given that MAG's focus is on the local tourism and hospitality sector, this should be a positive trend. However the Board is aware of recent events in Myanmar and that sanctions could be re-established, which could potentially reverse the trends mentioned above. This Rohingya humanitarian crisis could potentially stall growth in the shorter-term, although the medium to long-term outlook for Tachileik province in particular and Myanmar in general seems robust for the time being.

AAA's Investing Policy

(As adopted at the Annual General Meeting of the Company on 10 December 2013)

The Company intends to invest in companies with at least the majority of their operations (or early stage companies that intend to have at least the majority of their operations) in the Asia Pacific region. The Company intends to invest in a portfolio of companies with an initial focus on companies that operate (or early stage companies that intend to operate) in industries with likely high growth potential including, but not limited to: agriculture, forestry and plantation, mining, natural resources, property and/or technology.

The Directors intend to source and identify potential investments in line with the Investing Policy through their own research and network of contacts and possibly strategic partnerships with other companies or persons who can assist the Company in sourcing and identifying potential investments. Investments are expected to be mainly in the form of equity although investments may be by way of debt, convertible securities or investments in specific projects. In the case of equity investments, the Directors intend typically to take minority positions (with suitable minority protection rights), primarily in unquoted companies. Investments will therefore typically be of a passive nature. However, whilst the Directors intend that typical investments will constitute minority positions in investee companies, should the Company make majority investments, the Company may seek participation in the management or board of directors of such an entity with a view to seeking to improve the performance and growth of the business.

There is no limit on the size of an investment in a project. The Directors expect that each investment will typically yield a targeted internal rate of return of at least 20 to 30 per cent. per annum. It is likely that a substantial portion of the Company's financial resources will be invested in a small number of companies, however the Company has not excluded the possibility of making just one investment. Depending on the size of investments, they may be deemed to be reverse takeovers for the purposes of the AIM Rules, which would require Shareholder approval and re-admission of the Company, as enlarged by the acquisition, to trading on AIM.

In addition to paying the costs of the Company's ongoing expenses, the Company's cash resources will primarily be used to identify, evaluate and select suitable investment opportunities and to make investments, either in part or in full, as applicable. The Directors consider that as investments are made, or promising new investment opportunities arise, further funding of the Company will be required and they anticipate further equity fundraisings by the Company. Subject to prevailing authorities to issue new Ordinary Shares or, if required, with Shareholder approval, new Ordinary Shares may be used as consideration, in whole or in part, for investments. The Company will not be subject to any borrowing or leverage limits. In order to mitigate investment risk, the Directors intend to carry out a thorough due diligence process in evaluating each potential investment including: site visits, analysis of financial, legal and operational aspects of each investment opportunity, meetings with management, risk analysis, review of corporate governance and anti-corruption procedures and the seeking of third party expert opinions and valuation reports where the Directors see fit.

The Directors will apply investment criteria including: the potential for capital growth and/or the potential for profit generation with a view to receiving dividend income over time, high attractiveness to potential buyers of the company in question in order to facilitate exits and a strong and experienced management team.

Given the time frame to fully maximise the value of an investment, the Board expects that investments will be held for the medium to long term, although short-term disposals of assets cannot be ruled out in exceptional or opportunistic circumstances. The Directors intend to re-invest the proceeds of disposals in accordance with the Company's Investing Policy unless, at the relevant time, the Directors believe that there are no suitable investment opportunities in which case the Directors will consider returning the proceeds to Shareholders in a tax efficient manner.

Cash held by the Company pending investment, reinvestment or distribution will be managed by the Company and placed in bank deposits or in capital guaranteed schemes offered by major global financial institutions, in order to

protect the capital value of the Company's cash assets. The Company may, where appropriate, also enter into agreements or contracts in order to hedge against interest rate or currency risks. Investments are expected to be held by the Company or a subsidiary to be incorporated for the purpose of holding an investment.

Any material change to the Company's Investing Policy will only be made following the approval by ordinary resolution of Shareholders in general meeting. In addition, if the Company has not substantially implemented its Investing Policy within 18 months of Admission, the Company will seek the approval of Shareholders at its next annual general meeting for its Investing Policy and on annual bases thereafter until such time that its Investing Policy has been substantially implemented. If it appears unlikely that the Company's Investing Policy can be implemented at any time, the Directors will consider returning remaining funds to Shareholders.

The Directors will review the Investing Policy on an annual basis and will implement any non-material changes or variations as they consider fit. Details of any such non-material changes or variations will be announced as appropriate. Any material change or variation of the Investing Policy will be subject to the prior approval of Shareholders

Appreciation

I would like to thank all the hard work of my fellow Board members and staff, our advisers and of course our shareholders for their continuing support for AAA. I sincerely hope that the Company will continue to enjoy such support towards the development of the Group in the years to come.

ALL ASIA ASSET CAPITAL LIMITED
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2017

	Notes	Six months ended 30 June	
		2017 GBP (Unaudited)	2016 GBP (Unaudited)
Net realised gain on disposal of available-for-sale investments		1,213,028	-
Change in fair value of convertible loan designated at fair value through profit or loss		220,243	-
Other income		-	677
Administrative expenses		(219,697)	(110,888)
Profit/ (Loss) before tax	3	1,213,574	(110,211)
Income tax	5	-	-
Profit/ (Loss) for the period attributable to the owners of the Company		1,213,574	(110,211)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Release upon disposal of available-for-sale investments		(1,230,513)	-
Exchange difference on translating financial statements of foreign subsidiaries		(99,792)	569,399
Total comprehensive (expense)/ income for the period		(116,731)	459,188
Earnings/ (Loss) per ordinary share			
Basic earnings/ (loss) per ordinary share	6(a)	0.57 pence	(0.05 pence)
Diluted earnings/ (loss) per ordinary share	6(b)	0.57 pence	(0.05 pence)

The notes below form an integral part of these financial statements

ALL ASIA ASSET CAPITAL LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Notes	As at 30 Jun 2017 GBP (Unaudited)	As at 31 Dec 2016 GBP (Audited)
ASSETS			
<i>Non-current assets</i>			
Property, plant and equipment		8,679	10,276
Available-for-sale financial assets	7	1,507,460	2,416,336
		<u>1,516,139</u>	<u>2,426,612</u>
<i>Current assets</i>			
Prepayment, deposit and other receivable		29,850	8,932
Cash and bank balances		494,206	44,648
Total current assets		<u>524,056</u>	<u>53,580</u>
Total assets		<u>2,040,195</u>	<u>2,480,192</u>
CAPITAL AND RESERVES			
Share capital	8	6,284,194	6,284,194
Reserves		(4,274,907)	(4,158,176)
Total equity		<u>2,009,287</u>	<u>2,126,018</u>
LIABILITIES			
<i>Current liabilities</i>			
Other payables and accruals		30,908	33,931
<i>Non-current liabilities</i>			
Convertible loan	9	-	320,243
Total liabilities		<u>30,908</u>	<u>354,174</u>
Total equity and liabilities		<u>2,040,195</u>	<u>2,480,192</u>
Net current assets		<u>493,148</u>	<u>19,649</u>
Total assets less current liabilities		<u>2,009,287</u>	<u>2,446,261</u>
Net assets		<u>2,009,287</u>	<u>2,126,018</u>

Approved and authorised for issue by the board of directors on 27 September 2017

Wai Tak Jonathan Chu
Director

Robert Anthony Rowland Berkeley
Director

The notes below form an integral part of these financial statements

ALL ASIA ASSET CAPITAL LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2017

	Share capital GBP	Fair value reserve GBP	Share option reserve GBP	Exchange reserve GBP	Accumulated losses GBP	Total GBP
At 1 January 2017	6,284,194	(106,780)	44,125	1,687,395	(5,782,916)	2,126,018
Total comprehensive expense for the period	-	-	-	(1,330,305)	1,213,574	(116,731)
As at 30 June 2017	6,284,194	(106,780)	44,125	357,090	(4,569,342)	2,009,287
At 1 January 2016	6,284,194	180,779	44,125	601,104	(1,431,483)	5,678,719
Total comprehensive income for the period	-	-	-	569,399	(110,211)	459,188
As at 30 June 2016	6,284,194	180,779	44,125	1,170,503	(1,541,694)	6,137,907

The notes below form an integral part of these financial statements

ALL ASIA ASSET CAPITAL LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2017

	Six months ended 30 June	
	2017	2016
	GBP	GBP
	(Unaudited)	(Unaudited)
Operating activities		
Profit/ (Loss) before taxation	1,213,574	(110,211)
Adjustments for:		
Bank interest income	-	(2)
Depreciation of property, plant and equipment	1,518	1,448
Foreign exchange gain	-	(675)
Gain on change in fair value of convertible loan	(220,243)	-
Net realised gain on disposal of available-for-sale investments	(1,213,028)	-
Operating loss before working capital changes	(218,179)	(109,440)
Decrease in prepayment, deposit and other receivable	(20,918)	-
Decrease in accrual and other payable	(3,023)	(5,942)
Cash used in operating activities	(242,120)	(115,382)
Interest received	-	2
Net cash used in operating activities	(242,120)	(115,380)
Investing activities		
Proceed from disposal of available-for-sale investments	795,069	-
Net cash generated from investing activities	795,069	-
Financing activities		
Repayment of convertible loan	(100,000)	-
Net cash used in financing activities	(100,000)	-
Net increase/ (decrease) in cash and cash equivalents	452,949	(115,380)
Cash and cash equivalents at beginning of the period	44,648	186,783
Effect of foreign exchange rate changes, net	(3,391)	(7,305)
Cash and cash equivalents at end of the period	494,206	64,098
Analysis of balances of cash and cash equivalents		
Cash and bank balances	494,206	64,098

The notes below form an integral part of these financial statements

ALL ASIA ASSET CAPITAL LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2017

1. GENERAL INFORMATION

All Asia Asset Capital Limited (the “Company”) is an investing company incorporated in British Virgin Islands on 14 September 2012 with its registered office located on Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands. The shares of the Company are quoted on the AIM market of the London Stock Exchange.

The principal activity of the Company is to invest in growing markets of Asia Pacific region.

The interim financial information relating to the six months ended 30 June 2017 is unaudited and does not constitute statutory accounts.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

(a) Statement of compliance

These condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, Interim financial reporting, issued by the International Accounting Standards Board (“IASB”) and the applicable disclosure provisions of the AIM Rules for Companies issued by the London Stock Exchange. The interim financial information is presented in Great British Pounds (“GBP”), rounded to the nearest thousand, unless otherwise stated.

These condensed consolidated financial statements have been prepared under the historical cost convention, except that certain available-for-sale investments are carried at their fair values. The principal accounting policies adopted in the preparation of these condensed consolidated financial statements are consistent with those followed in the Group’s annual financial statements for the year ended 31 December 2016, except for below amendments to IFRSs effective on 1 January 2017.

Amendments to IAS 7
Amendments to IAS 12

Disclosure Initiative
Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the amendments to IFRSs in the current period has had no material effect on the Group’s financial performance and positions for the current and prior years and/or the disclosures set out in these interim condensed consolidated financial statements.

The preparation of condensed consolidated financial statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial information contains condensed consolidated financial statements and explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2016 annual financial statements. The condensed consolidated financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

ALL ASIA ASSET CAPITAL LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2017

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS – CONTINUED

(b) New and revised IFRSs issued but not yet effective

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

<i>Amendments to IFRSs</i>	<i>Annual Improvements to IFRS Standards 2014-2016 Cycle³</i>
<i>Amendments to IFRS 10 and IAS 28</i>	<i>Sale or contribution of assets between an investor and its Associate or joint venture⁵</i>
<i>IFRS 9</i>	<i>Financial instruments¹</i>
<i>IFRS 15</i>	<i>Revenue from contracts with customers¹</i>
<i>IFRS 16</i>	<i>Lease²</i>
<i>IFRS 17</i>	<i>Insurance Contracts⁴</i>
<i>IFRIC 22</i>	<i>Foreign Currency Transactions and Advance Consideration³</i>
<i>IFRIC 23</i>	<i>Uncertainty over Income Tax Treatments²</i>
<i>Amendments to IFRS 2</i>	<i>Classification and movement of share-based payment Transactions²</i>
<i>Amendments to IFRS 4</i>	<i>Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts¹</i>
<i>Amendments to IAS 40</i>	<i>Transfers of Investment Property¹</i>

Notes:

- ¹ Effective for annual periods beginning on or after 1 January 2018
² Effective for annual periods beginning on or after 1 January 2019
³ Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate
⁴ Effective for annual periods beginning on or after 1 January 2021
⁵ Effective for annual periods beginning on or after a date to be determined

The Group is in the process of making an assessment of the impact of these new and revised IFRSs upon initial application. So far, the Group considers that these new and revised IFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

3. PROFIT/ (LOSS) BEFORE TAX

Profit/ (Loss) before tax arrived at after charging/(crediting):

	Six month ended 30 June	
	2017	2016
	GBP	GBP
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	1,518	1,448
Foreign exchange gain	-	(675)
Staff costs (including directors' remuneration)		
- Salaries and other benefits	38,694	29,466
- Fees	10,500	11,250
- Retirement scheme contribution	1,935	1,935
Operating lease payment in respect of office premises	-	7,111

ALL ASIA ASSET CAPITAL LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2017

4. DIRECTORS' REMUNERATION

The emoluments paid or payable to each of the directors were as follows:

For six months ended 30 June 2017 (unaudited):

	Fees	Salaries and other benefits	Retirement scheme contribution	Total
	GBP	GBP	GBP	GBP
Executive directors				
Mr. Robert Anthony Rowland Berkeley	-	8,600	-	8,600
Mr. Chu Wai Tak Jonathan	-	-	-	-
Mr. Paniti Junhasavasdikul (Note 1)	-	25,200	-	25,200
	-	33,800	-	33,800
Independent non-executive director				
Mr. Seah Boon Chin	10,500	-	-	10,500
	10,500	33,800	-	44,300

For six months ended 30 June 2016 (unaudited):

	Fees	Salaries and other benefits	Retirement scheme contribution	Total
	GBP	GBP	GBP	GBP
Executive directors				
Mr. Robert Anthony Rowland Berkeley	-	6,000	-	6,000
Mr. Chu Wai Tak Jonathan	-	6,095	305	6,400
	-	12,095	305	12,400
Independent non-executive director				
Mr. Seah Boon Chin	11,250	-	-	11,250
	11,250	12,095	305	23,650

Notes:

1. Mr. Paniti Junhasavasdikul was appointed on 9 September 2016 and resigned on 30 April 2017.

ALL ASIA ASSET CAPITAL LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2017

5. INCOME TAX

No change to income tax arises in the period as there were no taxable profits in the period. The Company and its subsidiaries, except the Hong Kong subsidiary, are incorporated in British Virgin Islands and are not subject to any income tax.

The Hong Kong subsidiary of the Company did not record any assessable profits during the period (2016: nil).

No deferred tax asset has been recognised in respect of the tax loss due to the loss are not recognised by the tax authority of relevant jurisdictions.

6. EARNINGS/ (LOSS) PER SHARE

(a) Basic earnings/ (loss) per share

During the period, the calculation of basic earnings/ (loss) per share is based on the earnings/ (loss) for the period attributable to shareholders of GBP1,213,574 (2016: GBP110,211) by the weighted average number of 212,826,072 ordinary shares in issue during the period (2016: 212,826,072).

(b) Diluted earnings/ (loss) per share

No adjustment has been made to the basic earnings/ (loss) per share presented for the six months ended 30 June 2016 and 30 June 2017 in respect of dilution, as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings/ (loss) per share presented.

7. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets comprise of:

	30 June 2017	31 December 2016
	GBP	GBP
	(Unaudited)	(Audited)
Unlisted equity securities		
Andaman Power and Utility Company Limited	-	828,134
Myanmar Allure Group Company Limited	1,507,460	1,588,202
	1,507,460	2,416,336

The unlisted equity securities are measured at fair value and are classified as being subject to Level 3 fair value measurement methods. Fair value is estimated using Discounted Cash Flow ("DCF") method. There were no changes in valuation techniques during the periods.

The movements in the value of individual available-for-sale financial assets during the period mainly arise from the exchange realignment.

ALL ASIA ASSET CAPITAL LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2017

8. SHARE CAPITAL

	Number of ordinary shares of GBP0.10 each	GBP
Authorised		
At 30 June 2016 and 2017	1,000,000,000	N/A
Issued		
As at 31 December 2016, 1 January 2017 and 30 June 2017	212,826,072	6,284,194

All issued shares rank *pari passu* in all respects with the existing ordinary shares of the Company.

9. CONVERTIBLE LOAN

The Company issued a two year convertible loan with principal amount of GBP100,000, bearing interest at a rate of 15% per annum, to Nature Cove Holdings Limited ("Nature Cove") on 7 December 2016. The convertible loan entitled Nature Cove to convert the loan into ordinary shares in the Company at any time between the date of issue of the convertible loan and the date of maturity on 1 December 2018 at the lower of conversion price of GBP 0.03 per ordinary share or the market price. If the convertible loan was not converted, it would be redeemed on 1 December 2018 at the principal amount outstanding plus accrued interest.

The convertible loan contains a liability component and a conversion option derivative. The convertible loan was designated at fair value through profit or loss entirely and measured at fair value with changes in fair value recognised in profit or loss. The convertible loan was repaid in full during the period.

The movements of the convertible loan note is set out below:

	As at 30 Jun 2017 GBP	As at 31 Dec 2016 GBP
At the beginning period/ year	320,243	-
Issue during the period/ year	-	100,000
Repayment during the period/ year	(100,000)	-
Change in fair value	(220,243)	220,243
At the end of the period/ year	-	320,243

The following assumptions were used to calculate the fair values of the embedded derivatives:

	As at
	31 Dec 2016
Spot price	GBP0.095
Conversion price	GBP0.030
Time to maturity	1.9 year
Risk-free rate	0.0844%
Volatility	81%

The monte carlo simulation model has been used to estimate the fair value of the embedded derivatives. The variables and assumptions used in computing the fair value of the embedded derivatives are based on the directors' best estimates. Changes in variables and assumptions may result in changes in the fair value of the embedded derivatives.