

**INTERIM FINANCIAL INFORMATION**  
**FOR THE SIX MONTH PERIOD ENDED 30 NOVEMBER 2015**  
**FOR**  
**CRAVEN HOUSE CAPITAL PLC**

**CRAVEN HOUSE CAPITAL PLC**

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FOR THE SIX MONTH PERIOD ENDED 30 NOVEMBER 2015**

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**CRAVEN HOUSE CAPITAL PLC**

**COMPANY INFORMATION  
FOR THE SIX MONTH PERIOD ENDED 30 NOVEMBER 2015**

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<b>DIRECTORS:</b>	Mr. M J Pajak Mr. B S Bindra Mr. C P Morrison (appointed 5 <sup>th</sup> February 2016) Miss. A.N Eavis (resigned 5 <sup>th</sup> February 2016)
<b>SECRETARY:</b>	Miss A N Eavis
<b>REGISTERED OFFICE:</b>	60 Cannon Street London EC4N 6NP
<b>REGISTERED NUMBER:</b>	05123368 (England and Wales)
<b>AUDITORS:</b>	Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH
<b>BANKERS:</b>	Royal Bank of Scotland 280 Bishopsgate London EC2M 4RB
<b>SOLICITORS:</b>	Field Fisher Waterhouse LLP 35 Vine Street London EC3N 2PX
<b>NOMINATED ADVISER:</b>	Spark Advisory Partners Limited 5 St John's Lane London EC1M 4BH

**CHAIRMAN'S STATEMENT FOR THE SIX MONTH PERIOD ENDED 30 NOVEMBER 2015**

At the end of the period ending 30 November 2015, Net Asset Value was £4.6m compared to £4.7m at the year ending May 2015. As an investment company with a variety of assets located in the emerging markets, we have spent this period focusing on evaluating our current portfolio companies' ability to withstand the current market turmoil whilst at the same time conducting a thorough review of the emerging market economic landscape.

While some of our portfolio companies in South Africa and Brazil have been battered by rapidly falling currencies, political scandal and capital flight, we have been impressed by their overall resilience. Our NAV has dipped marginally as a result of currency fluctuation but overall we believe our existing investments will weather this storm and come out the other side as stronger companies better prepared for future expansion. While we do not see any imminent exits we are comfortable holding on to our positions. Perhaps more importantly our strategic review has led us to the conclusion that once in an economic cycle opportunities are now available in emerging markets and we intend to increase both our capacity to invest and our exposure to markets and companies whose valuations have been reduced dramatically over the past year. While we know we are incapable of calling a bottom or predicting the near future, we do believe that the next year or two will present excellent opportunities to enter or increase our presence in markets with cyclically low entry points. To this end, during the period, we announced a new £30m structured stock subscription agreement with GEM and have recently announced our intention to raise further new capital. Whilst there can be no guarantee that any capital investment will be made, discussions with prospective new investors continue to progress well.

Emerging markets are sensitive to a number of variables. Our view is that the two most important variables after political stability and the rule of law are international capital flows and commodity prices. Our assessment is that in many markets the adherence to the rule of law and political stability are rising while capital flight is increasing and falling commodity prices are accelerating. Capital flight is painful for emerging economies. During the great commodity bull run many emerging economies benefited from inward capital flows. These include foreign currency denominated purchases of raw materials as well as financial capital flooding the local markets in search of growth, higher interest rates or in many cases the pursuit of a "riskless carry trade". Investors and speculators alike poured dollars, euros and pounds into Brazil, Angola, and Nigeria to the point that, as recently as two years ago all three governments had policies designed to stop or slow the flow of capital into their economies for fear of domestic inflation. Now these very same countries are desperate to shore up their reserves and prop up their currencies.

This situation is further exacerbated by the modern financial services industry's fixation on indexing and asset allocation. Capital aggregators and allocators in distant lands, together with their clients, determine their exposure to "emerging markets" based as much on headlines as economics. If emerging market funds managed in Chicago and Edinburgh are hit with redemptions from its customers it effects the valuation of shares listed in Lusaka, Rio and Nairobi. If hundreds of hedge funds borrow Yen to buy Niara, Kwansa and Reals and then the carry trade unravels small businesses in Legos, Luanda and Rio feel the pain as their access to capital dries up. While the economy may slow marginally, the capital available for transactions, expansion and day-to-day business dries up at a much faster rate than the changes in the underlying economy necessitate.

In the past year a slowdown in China and resulting commodity price collapse combined with the expectation that the United States Federal Reserve Board will raise interest rates resulted in a rapid exodus of capital from many emerging markets. In several markets the stock market multiples have cratered while the currencies collapsed in dollar terms. This means that companies are selling at much lower multiples while the cost of buying the shares in local currency has dropped dramatically. The valuation of private companies has been even further constrained by the lack of liquidity in the marketplace.

If an investor entered the market at or near the top it is a painful period. However, a new investor with fresh capital is now presented with a plethora of buying opportunities. Our view is that many emerging economies have experienced an overdue and well deserved correction. Institutional capital spent the last decade chasing emerging market growth and yield with free money provided by developed world policy makers. Over a decade billions flooded into markets ill equipped to withstand the onslaught of hot capital while the commodity bull market raged on. These same economies were even less equipped to handle the capital flight, which withdrew from the market much faster than it entered. Everyone from finance ministers to shopkeepers have been caught up in the riptide of capital flight. We believe this has created a once in thirty-year opportunity to invest in good companies.

**CRAVEN HOUSE CAPITAL PLC**

**CHAIRMAN'S STATEMENT (Continued)  
FOR THE SIX MONTH PERIOD ENDED 30 NOVEMBER 2015**

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Craven House is at its core a deep value investor.

A handwritten signature in black ink, appearing to read 'M. Pajak', with a stylized flourish extending to the right.

**Mark Pajak**  
Acting Chairman

**CRAVEN HOUSE CAPITAL PLC****INCOME STATEMENT  
FOR THE SIX MONTH PERIOD ENDED 30 NOVEMBER 2015**

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	<b>Six months ended</b>		<b>Year Ended</b>
	<b>30 Nov 2015</b>	<b>30 Nov 2014</b>	<b>31 May 2015</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>CONTINUING OPERATIONS</b>			
Gross Portfolio return	<b>(38)</b>	<b>(469)</b>	(705)
Administrative expenses	<b>(80)</b>	<b>(96)</b>	(227)
	<hr/>	<hr/>	<hr/>
<b>OPERATING (LOSS)</b>	<b>(118)</b>	<b>(565)</b>	(932)
Finance costs	2 <b>(9)</b>	<b>(8)</b>	(27)
Finance income	<b>5</b>	<b>28</b>	48
	<hr/>	<hr/>	<hr/>
<b>(LOSS) BEFORE INCOME TAX</b>	<b>(122)</b>	<b>(545)</b>	(911)
Income tax	-	-	-
	<hr/>	<hr/>	<hr/>
<b>(LOSS) FOR THE PERIOD</b>	<b>(122)</b>	<b>(545)</b>	(911)
	<hr/>	<hr/>	<hr/>
<b>Earnings per share expressed In pence per share:</b>			
Basic and diluted	6 <b>(0.02)</b>	<b>(0.07)</b>	(0.11)
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**CRAVEN HOUSE CAPITAL PLC**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTH PERIOD ENDED 30 NOVEMBER 2015**

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	<b>Six months ended</b>		<b>Year Ended</b>
	<b>30 Nov 2015</b>	<b>30 Nov 2014</b>	<b>31 May 2015</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>(LOSS) FOR THE PERIOD</b>	<b>(122)</b>	<b>(545)</b>	<b>(911)</b>
<b>OTHER COMPREHENSIVE INCOME</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>	<hr/>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(122)</b>	<b>(545)</b>	<b>(911)</b>
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**CRAVEN HOUSE CAPITAL PLC**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 NOVEMBER 2015**

		Six months ended		Year Ended
		30 Nov 2015	30 Nov 2014	31 May 2015
		(Unaudited)	(Unaudited)	(Audited)
		£'000	£'000	£'000
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Investments at fair value through profit or loss	4	4,635	5,626	4,673
		<u>4,635</u>	<u>5,626</u>	<u>4,673</u>
<b>CURRENT ASSETS</b>				
Trade and other receivables		337	116	312
Cash and cash equivalents		146	296	217
		<u>483</u>	<u>412</u>	<u>529</u>
<b>TOTAL ASSETS</b>		<u><u>5,118</u></u>	<u><u>6,038</u></u>	<u><u>5,202</u></u>
<b>EQUITY</b>				
<b>SHAREHOLDERS' EQUITY</b>				
Called up share capital	5	8,526	8,519	8,526
Share premium		7,391	7,310	7,391
Retained earnings		(11,332)	(10,844)	(11,210)
<b>TOTAL EQUITY</b>		<u>4,585</u>	<u>4,985</u>	<u>4,707</u>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Trade and other payables		134	678	104
Financial liabilities-borrowings interest bearing loans and borrowings	7	399	375	391
		<u>533</u>	<u>1,053</u>	<u>495</u>
<b>TOTAL LIABILITIES</b>		<u>533</u>	<u>1,053</u>	<u>495</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>5,118</u></u>	<u><u>6,038</u></u>	<u><u>5,202</u></u>



**CRAVEN HOUSE CAPITAL PLC****STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE SIX MONTH PERIOD ENDED 30 NOVEMBER 2015**

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	<b>Called up share capital £'000</b>	<b>Profit and loss account £'000</b>	<b>Share premium £'000</b>	<b>Total equity £'000</b>
<b>Balance at 1 June 2014</b>	8,519	(10,299)	7,310	5,530
<b>Changes in equity</b>				
Total comprehensive income	-	(545)	-	(545)
<b>Balance at 30 November 2014</b>	8,519	(10,844)	7,310	4,985
<b>Changes in equity</b>				
Issue of share capital	7	-	81	88
Total comprehensive income	-	(366)	-	(366)
<b>Balance at 31<sup>st</sup> May 2015</b>	8,526	(11,210)	7,391	4,707
<b>Changes in equity</b>				
Total comprehensive income	-	(122)	-	(122)
<b>Balance at 30 November 2015</b>	8,526	(11,332)	7,391	4,585

**CRAVEN HOUSE CAPITAL PLC**

**STATEMENT OF CASH FLOWS  
FOR THE SIX MONTH PERIOD ENDED 30 NOVEMBER 2015**

	<b>Six months ended</b>		Year Ended
	<b>30 Nov 2015</b>	<b>30 Nov 2014</b>	<b>31 May 2015</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cash flows from operating activities</b>			
Cash (used in)/generated from operations	(79)	257	(564)
Interest paid	-	(8)	(13)
<b>Net cash (used in)/generated from operating activities</b>	<b>(79)</b>	<b>249</b>	<b>(577)</b>
<b>Cash flows from investing activities</b>			
Sale of fixed asset investments	-	-	717
Advance of loans	8	35	321
Repayment of loans	-	-	(270)
Interest received	-	28	42
<b>Net cash generated from investing activities</b>	<b>8</b>	<b>63</b>	<b>810</b>
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(71)</b>	<b>312</b>	<b>233</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>217</b>	<b>(16)</b>	<b>(16)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>146</b>	<b>296</b>	<b>217</b>
<b>Cash and cash equivalents consist of:</b>	<b>146</b>	<b>296</b>	<b>217</b>
Cash and cash equivalents included in current assets			

**1. ACCOUNTING POLICIES**

**General Information**

Craven House Capital plc is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on the company information page. The Company is listed on the AIM Market of the London Stock Exchange (code: CRV).

The next annual financial statements of Craven House Capital plc will be prepared in accordance with applicable International Financial Reporting Standards (IFRS) as adopted for use by the European Union. Accordingly, the interim financial information in this report has been prepared using accounting policies consistent with IFRS. IFRS are subject to amendment and interpretation by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) and there is an on-going process of review and endorsement by the European Commission. The financial information has been prepared on the basis of the IFRS that the directors expect to be applicable as at 31<sup>st</sup> May 2016.

The financial information has been prepared under the historical cost convention except in relation to the fair value adjustments required by accounting standards. The principal accounting policies have been applied to all periods presented.

This financial information is unaudited and does not constitute statutory financial statements within the meaning of Section 434 of the Companies Act 2006. The financial statements of the Company for the year ended 31 May 2015, which were prepared in accordance with IFRS as adopted for use by the European Union, have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified and did not include any statement under Section 498 of the Companies Act 2006.

This financial information is presented in pounds sterling, rounded to the nearest £'000. Pounds sterling is the currency of the primary economic environment in which the company operates.

The directors do not propose the issuance of a dividend.

The interim financial information for the six months ended 30 November 2015 was approved by the directors on 26th February 2016.

**Going concern**

As in prior periods the Company continues to receive financial support from Desmond Holdings Limited to provide working capital when needed. The Directors also aim to generate cash from yield-based investments; and full / partial exits of the Company's more liquid investments (if required). Further to the ongoing working capital facility provided by Desmond; and income generated by investments, the Board is pleased to report that the Company can prepare accounts on the going concern basis

## CRAVEN HOUSE CAPITAL PLC

### NOTES TO THE FINANCIAL INFORMATION - continued FOR THE SIX MONTH PERIOD ENDED 30 NOVEMBER 2015

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#### 2. Finance expense

	Six months ended		Year Ended
	30 Nov 2015 (Unaudited) £'000	30 Nov 2014 (Unaudited) £'000	31 May 2015 (Audited) £'000
Loan interest	9	8	27
	<u>9</u>	<u>8</u>	<u>27</u>

#### 3. Taxation

No tax charges arose in the period or in comparative periods as a result of losses incurred.

#### 4. Investments at fair value through profit or loss

	Quoted Investments £'000	Unquoted Investment £'000	Total £'000
At 1 June 2015 (audited)	-	4,673	4,673
Revaluations	-	(38)	(38)
At 30 <sup>th</sup> November 2015 (unaudited)	<u>-</u>	<u>4,635</u>	<u>4,635</u>

Quoted investments at 30 November 2015 relate to shares held in Farm Lands of Africa Inc, a company listed on the OTC market in New York. These shares have been measured on a Level 3 basis due to these not being traded in an active market.

Unquoted investments at 30 November 2015 have been measured on a Level 3 basis as no observable market data was available. These investments are as follows:

Shares in Pressfit Holdings Plc are valued at £516,648, representing a 22.6% holding. These have been valued using an earnings multiple as the Directors believe this is the best indication of the fair value of the investment at the reporting date. They are not aware of any circumstances to indicate an impairment of this investment.

Shares in Ceniako Limited valued at £703,830, representing a 49% holding. These have been valued at the price paid by Craven House Capital as the Directors believe that the price of recent investment continues to represent the best indication of the fair value at the period end.

**4. Investments at fair value through profit or loss (continued)**

Shares in Craven House Industries Limited are valued at £665,333, representing a 95% holding. These have been valued at the price paid by the Company for its 50.1% stake in Finishtec Acabamento Tecnicos em Matais Ltd, as the Directors believe that the price of recent investment continues to represent the best indication of the fair value at the period end in light of supporting forecasts.

Shares in EmVest Barvale (Pty) Ltd valued at £390,254, representing a 49% holding. These have been valued at the price paid by Craven House Capital, as the Directors believe that this is the best indication of the value at the period end.

Shares in EmVest Evergreen (Pty) Ltd valued at £0, representing a 49% holding. These have not been attributed a value as the Directors believe that this is the best indication of the value at the period end.

Shares in EmVest Evergreen Properties (Pty) Ltd valued at £438,980, representing a 49% holding. These have been valued at the price paid by Craven House Capital, during the year, as the Directors believe that this is the best indication of the value at the period end.

Shares in EmVest Foods (Pty) Ltd valued at £146,327, representing a 49% holding. These have been valued at the price paid by Craven House Capital, as the Directors believe that this is the best indication of the value at the period end based in supporting forecasts.

Shares in Royalty Sports Brands Ltd valued at £1,330,579, representing a 49% holding. These have been valued at the price paid by Craven House Capital, as the Directors believe that this is the best indication of the value at the period end.

Shares in Farm Lands of Africa Ltd valued at zero, representing a 50% holding. The value of the shares have been written down to zero as the Directors believe that this is the best indication of the value at the period end considering the Ebola outbreak in Guinea.

A convertible loan to Pressfit Holdings Plc valued at £91,376. This has been valued based on the number of shares that Craven House Capital would receive on conversion.

A loan with Greentel Limited valued at £351,914 The period end valuation is based on the agreed conversion of the loan into a facility of €500,000 to be repaid on or before 14 November 2016, which the Directors believe is the most appropriate indicator

**CRAVEN HOUSE CAPITAL PLC**

**NOTES TO THE FINANCIAL INFORMATION - continued  
FOR THE SIX MONTH PERIOD ENDED 30 NOVEMBER 2015**

**5. CALLED UP SHARE CAPITAL**

The Company's authorised share capital is as follows:

Number	Class:	Nominal Value	30 Nov 2015 (Unaudited) £'000	31 May 2015 (Audited) £'000
2,280,038,212	Ordinary	0.001	2,280	2,280
77,979,412	Deferred	0.09	7,018	7,018
77,979,412	Deferred	0.009	702	702
			<b>10,000</b>	<b>10,000</b>

Issued and fully paid share capital as at 30 November 2015 are as follows:

Number	Class:	Nominal Value	30 Nov 2015 (Unaudited) £'000	31 May 2015 (Audited) £'000
805,540,872	Ordinary	0.001	806	806
(2014: 789,466,557)				
77,979,412	Deferred	0.09	7,018	7,018
77,979,412	Deferred	0.009	702	702
			<b>8,526</b>	<b>8,526</b>

The deferred shares carry no entitlement to receive notice of any general meeting, to attend, speak or vote at such general meeting. Holders are not entitled to receive dividends, and on a winding up of the Company holders of deferred shares are entitled to a return of capital only after the holder of each Ordinary share has received a return of capital together with a payment of £1 million per share. The deferred shares may be cancelled at any time for no consideration by way of a reduction in capital.

There was no movement in share capital in the six months ended 30 November 2015.

**6. EARNINGS PER SHARE**

The calculation of basic earnings per share is based on the loss attributable to the equity holders for the period of £122,000 and on weighted average number of shares in issue of 805,540,872 (Six months ended 30 November 2014: loss of £545,000 and 798,466,557 shares; Year ended 31 May 2015 loss of £911,000 and 799,920,183 shares) being the weighted average number of shares, in issue during the period.

Diluted loss per share earnings per share has not been disclosed as the inclusion of unexercised warrants would be anti-dilutive.

**7. LOANS**

Other loans of £399,000 comprise a convertible loan made by Mr E Kalimtgis, a shareholder, totalling £318,000 and loans made by Wise Star Capital Investment Limited, a Hong Kong investment company. The loans were provided to enable the Company to make qualifying investments under its Investing Policy and to provide working capital for the Company.

The loan provided by Mr E Kalimtgis is a convertible loan which includes interest payable at a rate of 6% per annum. The loan was provided for 12 months dated 22<sup>nd</sup> October 2014 with the holder having the option of converting the principal portion of £300,000 into 24,000,000 fully paid Ordinary Shares of 0.1p pence per share at the conversion price of 1.25 pence per share. The loan has been extended to 22<sup>nd</sup> October 2016. The directors do not consider the value of the conversion rights attaching to the loans to be a material component of equity.

The loan provided by Wise Star Capital Investment Limited includes interest payable at a rate of 6% per annum. The loan was provided for 12 months dated 1st September 2011; however this loan has since been extended to at least 31<sup>st</sup> May 2016. The amount owed to Wise Star Capital Investment Limited at the balance sheet date was £81,000.

**8. RELATED PARTY DISCLOSURES**

During the period, the Company entered into the following transactions with related parties and connected parties:

**Loans from Wise Star Capital Investment Limited**

At the period end the Company owed £81,000 to Wise Star Capital Investment Limited, Mark Pajak was Director of Wise Star Capital Investment Limited during the year.

**Loans from Mr E Kalimtgis**

At the period end the Company owed £318,000 to Evangellos Kalimtgis, a shareholder in respect of a loan advanced in a prior period. During the period an additional loan of \$2,099,989 was received but was repaid immediately, with no interest being charged.

**Management fees payable to Desmond Holdings Limited**

During the period the Company incurred management fees of £35,000 from Desmond Holdings Limited. At the period end, included in trade creditors, is an amount of £52,500 payable to Desmond Holdings Limited in respect of unpaid invoices.

**8. RELATED PARTY DISCLOSURES (continued)**

**Loan to Royalty Sports Brands Limited**

At the period end the Company held shares in Royalty Sports Brands Limited as included in unquoted investments. Mark Pajak was a Director of Royalty Sports Brands Limited during the period.

At the period end, included in other receivables, is an amount of £220,540 owed to the Company by Royalty Sports Brands Limited.

**Investment in Pressfit Holdings Plc**

At the period end the Company held shares in Pressfit Holdings Plc and a convertible loan was owed to the Company, both of which were included in unquoted investments. Mark Pajak was Chairman of Pressfit Holdings Plc during the year

**9. EVENTS AFTER THE REPORTING PERIOD**

On 5 February 2016 it was announced that Miss A N Eavis had resigned from the Board of Directors with immediate effect and was to be replaced with Mr C Morrison. Miss Eavis will remain as Company Secretary.

On 5 February 2016, at a General Meeting, various resolutions were passed which approved an increase in the authorised share capital of the Company.