Camper & Nicholsons Marinas

YACHTING SINCE 1782

Camper & Nicholsons Marina Investments Limited

Unaudited Condensed Consolidated Interim Financial Statements

for the six months ended 30 June 2017

Half Year Report 2017

Index

Cover Picture: Grand Harbour Marina, Malta

CHAIRMAN'S STATEMENT

It is encouraging to report that despite the difficult market conditions in the first half of 2017 we have maintained an operating performance close to the 2016 results largely as a result of cost reductions completed in prior periods. During the first half of 2017 the Results have been as follows:

- Headline Group revenues decreased by 9% or €0.4 million to €3.5 million (2016: €3.9 million) with the combined marina revenues of Grand Harbour Marina ("GHM") and Port Louis in line with last year whilst the third party consultancy business represented most of the revenue shortfall.
- Operating expenses of €2.9 million, which includes €0.4 million for depreciation showed a reduction of €0.2 million from last year. These expenses benefited from the non-recurrence of the €0.1 million bad debt provision and the cost of last year's website upgrade both incurred in 2016 whilst being adversely impacted by around €0.1 million of exchange losses.
- Group operating profit was breakeven (2016: €0.1 million profit) with the reduction in operating expenses referred to above unable to fully offset the reduction in gross profit resulting from the lower level of revenues in the Consultancy business.
- Loss before tax increased to €0.6 million (2016: €0.4 million) which includes €0.1 million loss (2016: Nil) being our share of the losses of our joint ventures, IC Cesme and CNFE.
- Cash flow from operating activities improved by €0.1 million to €0.6 million (2016: €0.5 million) with the negative impact of the reduction in EBITDA more than offset by the improved working capital performance. Capital investment in the period increased to €0.1 million as compared with the minimal level of expenditure in the prior year.

<u>Marinas</u>

- We continue to make demonstrable progress in improving the performance of our owned marinas which have generated compound growth in revenues and EBITDA of 7% and 14% respectively since 2013.
- In the first six months of 2017, GHM generated €0.2 million profit before tax, the same as in the first six months of 2016, on slightly reduced sales of €2.0 million (2016: €2.1 million). Port Louis saw a €0.1 million increase in sales to €1.0 million and with costs maintained at 2016 levels and a small increase in interest costs related to both rate and exchange rate reduced its' loss before tax to under €0.2 million.
- Management at IC Cesme, our joint venture in Turkey, continued their efforts to minimize the impact of the political and economic uncertainty in that country. Revenues reduced by around €0.2 million, primarily the seaside revenues, which resulted in a €0.2 million reduction in profit before tax to €0.1 million (2016: €0.3 million). IC Cesme did however repay €1.9 million of the subordinated loan which led to a €0.9 million reduction (our 45% share) in the Group's cash pledge to Isbank.

<u>Consultancy</u>

- Revenues at our third party consultancy business reduced by €0.3 million as clients reacted cautiously in generally difficult economic conditions whilst also seeking the necessary funding. A number of projects are currently being worked on although the timing of when these might come to fruition is difficult to predict. Refurbishment of St Katharine Docks was completed in early 2017 and since February that marina has been operated under a management and branding contract.
- Although CNFE generated very low revenues in the first half, that business's loss before tax reduced to €0.2 million (2016: €0.3 million) with our share being half of those amounts. The primary driver of the result was the full recovery of a €0.2 million debt that was provided for in 2016.

On 26 June, our majority owned subsidiary, GHM announced the issue of €15 million unsecured 10 year bonds with a 4.5% coupon. This process was completed successfully as announced on 14 August with the proceeds of the issue to be used to repay the existing outstanding 7% bond in addition to providing further working capital for that business.

On 14 July, we announced a fully underwritten offer to raise approximately £3.3 million through the issue of new shares at 8 pence per share, a 33% premium to the previous day's market close. With the support of our major investor, First Eastern, who underwrote the offer, this was completed following approval at the EGM on 1 August at which votes representing 76% of the shares in issue were received and almost 100% of these voted in favour.

CHAIRMAN'S STATEMENT (Continued)

Outlook

Whilst the results for the six months to 30 June 2017 are slightly disappointing when compared with the progress made in the last few years, post period end the Company undertook a successful fund-raise, completed in August 2017, to raise £3.3 million by way of an Open Offer, which, coupled with the Grand Harbour Marina ("GHM") Bond issue, means that the Group is well positioned.

We are considering plans to reposition our assets to create a stronger business. The Board believes that, as marina revenue streams continue to be re-evaluated following the return of development interest in the sector, the time is right to adopt a more expansive strategy, particularly at GHM.

Your Board believes the Company is well placed to now deal with the uncertain outlook we face.

Sir Christopher Lewinton
Chairman
27 September 2017

Camper & Nicholsons Marina Investments Limited

BUSINESS REVIEW

By Clive Whiley, Chief Executive Officer of Camper & Nicholsons Marinas Limited

2017 Review

As highlighted in our Preliminary results, released in March, notwithstanding a cautious stance with regard to the short-term uncertainty created by Brexit, we entered 2017 positioned to pursue an expansive development strategy in the medium-term. This was designed to tap into the latent development potential of our existing portfolio of marina projects, particularly at Grand Harbour Marina Plc ("GHM"), in pursuit of a return to long-term asset growth.

Accordingly, our focus in the year to date has been to explore ways to fund added value to our core marina business, whilst controlling operating costs closely, where in the first half of 2017:

- A flat performance from our marina operating activities and lower revenue from the consultancy business, led to a reduction in gross profit of 9% to €2.9 million (2016: €3.2 million);

- operating expenses were again well controlled, despite adverse currency movements, decreasing by some 6% to €3.0 million (2016: €3.1 million), and efforts continue to reduce these;

- our equity-accounted investees, IC Cesme Marina (45%) and CNFE (50%), also encountered revenue attrition in the first half of the year. We intend to maintain our cautious stance for Cesme, regardless of the repayment of €0.9 million of the subordinated loan from Isbank in the last year, as we anticipate increased competition in the region post the events of 15th July 2016;

- as a result of the above a deterioration in the loss before tax to €0.6 million (2016: €0.4 million loss) for the first half;

These results highlight that a more radical reduction in operating costs, is evidently necessary to attain our goal of generating a profit before tax.

Strategic Development

Over the last few years we have concentrated our efforts on debt reduction and building upon our core owned-marina EBITDA stream, with new projects exhibiting a more defensive Sovereign risk profile. During this period capital expenditure has remained historically low.

The subsequent impact of Brexit has forced us to consider that we are likely to remain in an uncertain environment, for the foreseeable future. In particular, in relation to a potential slow-down of our client projects.

The conundrum is that this has occurred coterminously with the emergence of genuine, long-term incremental development opportunities, within our overseas assets.

Marina Development Assets

Grand Harbour Marina, Malta ("GHM") - the Maltese Government-led regeneration of the waterfront, around and adjacent to the marina, has continued ahead of Valletta's term as European Capital of culture in 2018, where:

- several years of demonstrable investment are likely to encourage complementary foreign investment, in due course, in the remaining pockets of undeveloped marina side real estate;

- a continuance of the above would further enhance the experience for all GHM stakeholders;

In the interim we have developed a clear strategic understanding as to how to harness the development potential of GHM, where we have consistently improved the marina performance over the last decade.

Marina Development Assets (continued)

Port Louis Marina - in the Board's view this remains a key development asset and we are considering opportunities to optimise its value for shareholders.

Victoria Quay Estate Limited ("VQEL") - we continue to work alongside First Eastern (a 67% shareholder in the Group), as the lead investor in VQEL. First Eastern has been instrumental in maintaining progress as the wider project has been delayed by economic uncertainties surrounding Brexit, and remains subject to the satisfaction of certain conditions.

Development Funding

GHM Bond

On the 14 August 2017 GHM announced the basis of acceptance for €15,000,000, 4.50% GHM Unsecured Bonds 2027 (the "Bonds") via the Prospectus dated 26 June 2017 (the "Prospectus").

The Bonds were available for subscription by holders of the 7% GHM 2017-2020 bonds (the "Redemption Bondholders"), by holders of shares in GHM (the "Existing GHM Shareholders") and Selected Authorised Financial Intermediaries through an Intermediaries' Offer.

GHM received a total of 1,285 applications for an aggregate value of €15,832,300, which were allocated as follows:

Redemption Bondholders
Applications for an aggregate value of €8,869,200 were received for the €11,000,000 Bonds reserved for the Redemption Bondholders. In accordance with the terms of the Prospectus, the balance of the Bonds not subscribed to by the Redemption Bondholders equal to €2,130,800 (the "Balance") was reserved for subscription by Selected Authorised Financial Intermediaries through an Intermediaries' Offer.

Existing GHM Shareholders
Applications for an aggregate value of €2,832,300 were received for the €2,000,000 Bonds reserved for the Existing GHM Shareholders. Each application received from Existing GHM Shareholders was allocated the first €20,000 in full and 21.78% on the remaining balance rounded to the nearest €100. The remaining amount of €832,300 remained unallocated and was refunded.

Authorised Financial Intermediaries
The Selected Authorised Financial Intermediaries were allocated the remaining €2,000,000 reserved for them and the Balance of the Bonds not subscribed to by the Redemption Bondholders.

Interest on the Bonds commenced on 22 August 2017.

CNMI Open Offer

On the 14 July 2017 the Company announced a fully-underwritten offer to raise approximately £3.3 million (before expenses) by way of an open offer of 41,446,089 new ordinary shares of no par value in the capital of the Company ("New Ordinary Shares") at an offer price of 8 pence per New Ordinary Share (the "Open Offer"), being a premium of approximately 33 per cent. to the closing price on 13 July 2017.

The Open Offer, in which certain Directors irrevocably undertook to subscribe for in aggregate of 699,999 New Ordinary Shares, was open to existing Qualifying Shareholders and fully underwritten by First Eastern Holdings.

Outlook

We are confident that the investment capital raised from both the CNMI Open Offer and the GHM Bond in the last three months will ultimately allow us to release the latent potential evident within our development assets.

First Half Group Financials

	January – June		
€m	2017 H1	2016 H1	2015 H1
Marina operating activities	4.0	4.1	4.0
Marina consultancy fees	0.4	0.8	0.6
Marina consultancy – recharged costs	-	0.1	0.9
Licensing of superyacht berths	-	-	-
Total revenues	4.4	5.0	5.5
Adjustment for joint ventures*	(0.9)	(1.1)	(1.0)
Adjusted Sales Revenues	3.5	3.9	4.5
Cost of Sales	(0.6)	(0.7)	(1.6)
Gross Profit	2.9	3.2	2.9
Operating expenses	(2.4)	(2.7)	(2.6)
Exchange (loss) / gain	(0.1)	-	0.2
EBITDA	0.4	0.5	0.5
Depreciation	(0.4)	(0.4)	(0.4)
Net interest expense	(0.5)	(0.4)	(0.6)
Loss before tax and share of Joint Ventures	(0.5)	(0.3)	(0.5)
Share of losses of equity accounted investees	(0.1)	(0.1)	(0.1)
Group (loss) before tax	(0.6)	(0.4)	(0.6)

* Under the accounting standard IFRS 11, which was applied for the first time in 2013, the Group's 45% and 50% shares of the revenues and the costs of Cesme Marina and CNFE respectively are excluded from the Statement of Comprehensive Income. Instead the statement includes the Group's share of Cesme and CNFE's after tax profits or losses as a single amount for profits and losses of equity-accounted investees, net of tax.

The table above shows the Group revenues before this change, ie reflecting the Group's proportional share of the revenues of Cesme Marina and CNFE, with an adjustment made to show the impact of the change. All other figures in the table above are as reported in accordance with IFRS 11.

Grand Harbour Marina, Malta

	January – June		
€m	2017 H1	2016 H1	2015 H1
Berth Sales	-	-	-
Marina operating revenues	2.0	2.1	1.8
Total revenues	2.0	2.1	1.8
EBITDA	0.7	0.8	0.6
PBT	0.2	0.2	-
Capital expenditure	0.1	-	-

Berthing revenues of €1.5 million were maintained at a similar level to the first half of 2016 with increased annual contract revenues offsetting small reductions in seasonal and visitor revenues. Revenues from berth services and utilities reduced by €0.1 million to €0.5 million but all of the decrease was due to the non recurrence of the €100k novation fee generated in 2016. Within these figures, electricity revenues increased by c. 9% which reflected the high levels of power used by some superyachts. Cost of sales reduced slightly with increased electricity costs more than offset with reduced commissions and costs for using sold berths whilst overhead costs were also reduced slightly from the 2016 levels. EBITDA reduced therefore by €0.1 million to €0.7 million (2016: €0.8 million) with the novation fee achieved in 2016 representing the difference. After deducting depreciation and the interest costs relating to the €12 million Bond, GHM again achieved a profit before tax of €0.2 million (2016: €0.2 million).

During the year to date there have been four enquiries for berths ranging in size from 40m to 75m. Two of these remain active with one yacht scheduled to visit the marina later this year. Although no berth sales were completed during the first half, management believes that berth sales remain a good future revenue stream for the business although the timing and value of such sales remains uncertain.

The landside area around the marina continues to improve with the most recent project of the “Cottonera Waterfront Revival Area” being the conversion of the water’s edge Macina bastion building, overlooking Grand Harbour Marina’s superyacht area into a luxury/boutique hotel, due to open in summer of 2017 under the management of IBB Hotel Collection. In addition, management has recently relocated the Capitainerie office to be opposite a superyacht berth area, a decision welcomed by clients and crew members, being closer and more accessible. The previous Capitainerie office has been successfully sublet.

CNMI continues to hold 79.2% of the shares of Grand Harbour Marina plc (“GHM plc”), a Maltese listed marina company, with the remainder of the shares being traded on the Malta Stock Exchange. As at 27 September 2017 the market capitalisation of GHM plc was €17.88 million. CBRE Ltd valued GHM (based on a 100% interest) at €23.2 million as at 31 December 2016 and this valuation has not been updated during the period to 30 June 2017. Using the 31 December 2016 valuation and after adjusting for the Group’s 79.2% shareholding, other assets and liabilities and losses there is a cumulative positive NAV adjustment of €4.7 million since acquisition.

Cesme Marina, Turkey

For 100% of Marina		**January – June**	
€m	2017 H1	2016 H1	2015 H1
Seaside revenues	1.3	1.5	1.5
Landside revenues	0.8	0.8	0.7
Total revenues	2.1	2.3	2.2
EBITDA	0.6	0.9	0.9
PBT	0.1	0.3	0.2
Capital expenditure	-	0.1	-

The political and economic uncertainty which existed in the second half of 2016 has continued into the first half of 2017 with the most significant impact being seen in the reduction in the number of international boats visiting the marina. Although nearly 50 boats have left the marina during the first half of 2017, 59 new contracts have been signed with a net positive impact on the square metres of water area let. Berths remain nearly 100% occupied but scope for revenue growth remains with occupancy by square metre around 70%. Cesme has continued to work with other marinas in the area with campaigns organised to refer yachts to marinas of a similar quality and this helped generate €77k berthing revenues during the period

Landside occupancy has been maintained at 100% and management continue to seek opportunities to replace underperforming tenants with higher quality tenants and brand names. Although in Euro terms landside revenues have decreased by around 5% they have increased by around 16% in local currency terms with the most significant increase being in in revenue based rentals.

In the first half of the year, Cesme generated total revenues of €2.1 million (2016: €2.3 million) with the majority of the decrease coming from seaside revenues which have been most affected by the political uncertainty in Turkey. Direct cost of sales remained largely unchanged and operating costs, before depreciation, reduced by €0.1 million to €1.2 million before a €0.2 million adverse exchange impact. The benefit of the cost reductions could only partly offset the revenue reductions and the €0.2 million adverse exchange impact (2016: Nil) to leave EBITDA down €0.3 million at €0.6 million (2016: €0.9 million). After finance charges and depreciation, both reduced from the prior year level, Cesme generated profit before tax of €0.1 million (2016: €0.3 million). During the period, in addition to making the normal €0.5 million semi-annual loan repayment to Isbank, Cesme also repaid €2.0 million of the Isbank sub-loan which resulted in a €0.9 million reduction in the Group’s cash pledge with Isbank which supports the sub-loan.

Cesme continues to promote both landside and seaside events. Between March and May, Cesme hosted four of the Izmir Winter Trophy races with an average of 31 participants in each race (2016: 27). The races reached a potential audience of four million with live streaming, news on television and digital, written and social media. In June Cesme played host to the first Grand Masters’ chess contest on the sea which had coverage on national TV and was the first event in the marina, supported by Cesme Municipality.

CBRE Ltd valued the Cesme Marina BOT Contract (based on a 100% interest) at €18.3 million as at 31 December 2016 and this valuation has not been updated during the period to 30 June 2017. Using the 31 December 2016 valuation and after adjusting for the Group’s 45% shareholding, other assets and liabilities and losses there is a cumulative positive NAV adjustment of €2.1 million since acquisition.

Port Louis Marina, Grenada

€m	January – June 2017 H1	2016 H1	2015 H1
Berth Sales	-	-	-
Marina operating revenues	1.0	0.9	1.1
Total revenues	1.0	0.9	1.1
EBITDA	0.2	0.1	0.2
PBT	(0.2)	(0.2)	(0.2)
Capital expenditure	0.1	-	0.1

Revenues at Port Louis Marina increased by €0.1 million to €1.0 million (2016: €0.9 million) but still did not reach the high level achieved in 2015. The increase in revenues was supported by both an increase in revenues in local currency and a 4% improvement in the average exchange rate. Seaside utility revenues decreased from the 2016 level but this was more than offset by the improved berthing revenues. Annual and visitor revenues were similar to last year but seasonal revenues increased significantly with the benefit of a 10 week stay by an 82m superyacht. The crew praised the marina and facilities and wish to return next year if their schedule allows. Management reported that 567 different boats visited the marina during the first half of the year of which 75 were superyachts with an average stay of just over 10 nights. Landside revenues increased a little from 2016 with improvements in both rental and utility revenues.

Cost of sales was maintained at the 2016 level and with a small reduction in operating costs, excluding depreciation, EBITDA increased by €0.1 million to €0.2 million (2016: €0.1 million), the same level as achieved in 2015. After depreciation and net finance costs which have increased with the higher rate on the Scotia Bank loan and the change in exchange rate, the loss before tax was maintained at €0.2 million (2016: €0.2 million).

Port Louis Marina has again hosted the World Arc Rally with 16 boats visiting. After changing location for 2017, Royal Ocean Racing Club has been in discussion for the Transatlantic Race to return to Port Louis for 3 years.

CBRE Ltd valued the Port Louis Marina and reclaimed land for development at US$19.75 million (€18.7 million) at 31 December 2016 and this valuation has not been updated during the period to 30 June 2017. Using the 31 December 2016 valuation adjusted by US$1.5 million for the estimated value of the unused seabed which CBRE did not include in their valuation and after adjusting for other assets and liabilities, losses and exchange impacts there is a cumulative positive NAV adjustment of €0.2 million.

Third Party Marina Service and Consultancy Agreements

€m	January – June 2017	2016	2015
External revenues - fees	0.4	0.8	0.6
External revenues – recharged costs	-	0.1	0.9
Revenues from Owned marinas	0.4	0.4	0.4
Revenues from Parent Company	0.2	0.2	0.2
Total revenues	1.0	1.5	2.1
Cost of Sales	(0.3)	(0.3)	(1.2)
Third Party Business operating costs	(0.7)	(1.0)	(0.9)
Bad debt write-back / (provisions)	0.1	(0.2)	-
Third Party Business operating costs - CNFE	(0.2)	(0.2)	(0.2)
EBITDA	(0.1)	(0.2)	(0.2)

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The above figures include the Group's share (50%) of the results of Camper & Nicholsons First Eastern, our Asia Pacific joint venture with First Eastern although as explained previously, under the IFRS11 accounting standard, the detailed revenues and costs of the joint venture are not shown in the Statement of Comprehensive Income as they are included as part of a total share of profits and losses of equity-accounted investees, net of tax. The Group's share of CNFE's result in the current period was a €0.1 million loss (2016: €0.2 million loss). Further information on the Group's share of the results of CNFE is provided in Note 13 to the Financial Statements.

Total revenues in the period reduced by €0.5 million to €1.0 million (2016: €1.5 million) with the €0.4 million reduction in external fee revenues being shared almost equally between CNFE and the Rest of the World. Whilst the number and quality of enquiries remains high, funding issues and economic uncertainty in some regions continue to cause delays in commencement of work. Successful completion of the refurbishment of St Katharine Docks in London resulted in this becoming a management and branding contract with effect from February 2017.

Although gross profit reduced by €0.5 million, reflecting the reduction in revenues, EBITDA improved by €0.1 million to a loss of €0.1 million with a reduction of normal operating costs, partly due to the impact of the Sterling : Euro exchange rate on the businesses Sterling cost base and a €0.1 million write back of a CNFE bad debt provision as compared with €0.2 million bad debt provisions made in 2016.

Financial Overview

The IFRS 11 Accounting Standard requires the results of the joint ventures, IC Cesme Marina and Camper & Nicholsons First Eastern to be included in a single line, share of profits and losses of equity-accounted investees, net of tax, in the Statement of Comprehensive Income. Their results are therefore excluded from the detailed lines of the Statement of Comprehensive Income.

Sales of €3.5 million (2016: €3.9 million) during the period, reflected a maintained level of revenues at the marinas with a €0.3million decrease in our third party marina services and consultancy business resulting from continued delays on some third party projects. After direct cost of sales of €0.6 million (2016: €0.6 million) and operating expenses, excluding depreciation but including €0.1 million exchange costs, of €2.5 million (2016: €2.7 million which included €0.1 million bad debt provision), the Group generated EBITDA of €0.4 million (2016: €0.5 million). After deducting depreciation of €0.4 million and net interest expenditure of €0.5 million and including the Group's €0.1 million share of the net losses of the equity accounted investees, the loss before tax was €0.6 million (2016: €0.4 million loss) with an after tax figure of €0.7 million (2016: €0.6 million). The loss per share to CNMI shareholders was 0.45c (2016: loss per share of 0.36c).

The consolidated Statement of Financial Position at 30 June 2017 comprised the assets and liabilities of the Company, Grand Harbour Marina plc, Camper & Nicholsons Caribbean Holdings Ltd and Camper & Nicholsons Marinas International Limited and the Group's share of the net assets of IC Cesme and Camper & Nicholsons First Eastern. The non-current assets of €38.8 million (Dec 2016: €43.4 million) comprised the tangible fixed assets employed in the marina businesses, the goodwill arising on the acquisitions and the €3.1 million pledged cash deposit relating to Cesme. Current assets included the Company's cash deposits of €0.07 million, held mainly in current and overnight accounts, GHM's cash balances of €1.7 million, €1.9 million held in a trust fund for the repayment of the unsecured 7% Bond and the other cash balances and trade and other debtors of the majority owned businesses. As at 30 June 2017, the Group had total cash balances of €2.0 million available for use in the business which excludes the €3.1 million pledged cash deposit and the €1.9 million held in a trust fund, both referred to above.

Current liabilities included the GHM Bond which became current when an announcement was made in June that the Bond would be bought back and replaced with a new Bond issue. Other current liabilities were mainly trade related, together with the current portion of long-term debt at Port Louis. The non-current liabilities comprised the balance of the long term debt at Port Louis.

At 30 June 2017, the Group's net assets on an IFRS basis, amounted to €24.4 million (Dec 2016: €26.0 million). Of this amount, €0.5 million was attributable to the minority shareholders in GHM with €23.8 million (Dec 2016: €25.5 million) attributable to the Company, which equated to 14.4c (Dec 2016: 15.4c) per share on both a basic and diluted basis.

Net Asset Value and Property Valuation

In accordance with our statutory accounting policies, which conform to the requirements of International Financial Reporting Standards (IFRS), the statutory NAV of the Group on a basic and diluted basis as at 30 June 2017 of 14.4c per share (Dec 2016: 15.4c per share) does not reflect any revaluation of the Company's investments in subsidiaries and joint ventures, such investments being consolidated in the balance sheet at the book value of the Group's share of net assets.

However, in accordance with the Group's stated valuation policy, CBRE Limited prepares valuations of Cesme Marina, Turkey, Grand Harbour Marina, Malta and Port Louis Marina, Grenada on an annual basis. The basis on which these valuations are completed, is explained in the Note at the end of this report. CBRE Ltd's valuations of Cesme, Grand Harbour Marina and Port Louis Marina, completed at 31 December 2016 in accordance with RICS Appraisal and Valuation Standards, were €18.3 million, €23.2 million and US$19.75 million respectively. Using those valuations and adjusting for debt and other liabilities, and the estimated value of the unused seabed at Port Louis, and taking into account the Company's shareholding in Grand Harbour Marina of 79.2%, results in a cumulative NAV increase of €7.0 million (December 2016: €6.7 million) equating to an adjusted NAV per share on both a basic and a diluted basis of 18.6c per share.

The Company holds certain investments, which are accounted for and valued in currencies other than Euros. In keeping with its stated policies, it is not intended to hedge the exchange rate risk but, where possible, the Company's investments and related borrowings will be in matched currencies.

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The NAV, and reconciliation to Adjusted NAV, are summarized in the table below.

	Total (€m)	Per share # (c)
NAV (IFRS)	23.8	14.4
Grand Harbour Marina – cumulative value uplift	4.7	2.8
Cesme Marina, Turkey – cumulative value uplift	2.1	1.3
Port Louis Marina – cumulative value uplift	0.2	0.1
NAV (Adjusted)	30.8	18.6

Basic and diluted per share figures are the same as no options were in issue at the reporting date

Note concerning Property Valuations

External valuations of the Group's owned marinas are prepared annually to coincide with the Group's full year results. CBRE Ltd, the Company's property valuer, prepared valuations for Grand Harbour Marina, Malta, Cesme Marina Turkey and Port Louis Marina, Grenada at 31 December 2016. Further information is set out below.

Grand Harbour Marina, Malta

The property was initially valued as at 11 June 2007 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Standards Fifth Edition (Red Book) in the sum of €23.2 million. The property was valued as a fully operational business entity with reference to trading potential. The property is occupied by way of a sub-Emphyteusis agreement granted June 1999 expiring in 2098. The property was valued again in accordance with the RICS Valuation – Professional Standards January 2014 ("the Standards") at 31 December 2016 in the sum of €23.2 million. We are in receipt of a valuation report as at 31 December 2016.

Cesme Marina, Turkey

The property was initially valued as at 20 April 2007 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Standards, Fifth Edition (Red Book) in the sum of €4.1 million. The property was valued as a fully operational business entity with reference to trading potential. The property is occupied by way of a Build Operate and Transfer agreement expiring after 25 years. On expiry, all interest in the Marina, its fixtures and fittings will revert to the Turkish Government, free of consideration or compensation. The property was valued again in accordance with the RICS Valuation – Professional Standards January 2014 ("the Standards") at 31 December 2016 in the sum of €18.3 million. We are in receipt of a valuation report as at 31 December 2016.

Port Louis Marina, Grenada

The property was initially valued as at 6 December 2007 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Standards Fifth Edition (Red Book) in the sum of US$27.3 million (€18.7 million). The property and reclaimed land for development was valued in its then current state with reference to trading potential. The property is occupied by way of a 99 year lease from the Government of Grenada which expires in 2105 but is renewable at that time for a further 99 years. The property was valued again in accordance with the RICS Valuation – Professional Standards January 2014 ("the Standards") at 31 December 2016 in the sum of US$19.75 million (€18.7 million). We are in receipt of a valuation report as at 31 December 2016. As explained in Note14 of the Consolidated Financial Statements for the year ended 31 December 2016, the CBRE valuation at that date was around 9% below the then book value. The Directors having given careful consideration to the economic climate and global uncertainties concluded that the value of Port Louis Marina might not return to book value in the near term and decided that an impairment charge of US$1.1 million (€1.0 million) should be made in the financial statements for the year ended 31 December 2016. No further impairment charge is considered necessary in the current period.

Camper & Nicholsons Marina Investments Limited

General Information

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8 Prince's Street
London EC2R 8HL

The Bank of Nova Scotia
Halifax Street
PO Box 194
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Grenada

Nominated Advisor:

finnCap
60 New Broad Street
London EC2M 1JJ

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website, and for the preparation and dissemination of financial statements. . Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Camper & Nicholsons Marina Investments Limited

Independent Review Report to Camper & Nicholsons Marina Investments Limited

Conclusion

We have been engaged by Camper & Nicholsons Marina Investments Limited (the "Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2017 of the Company and its subsidiaries (together the "Group") which comprises the Unaudited Condensed Consolidated Statement of Comprehensive Income, Unaudited Condensed Consolidated Statement of Changes in Equity, Unaudited Condensed Consolidated Statement of Financial Position, Unaudited Condensed Consolidated Statement of Cash Flows and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2017 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* ("IAS 34") as issued by the IASB and the AIM Rules.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Directors' responsibilities

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

As disclosed in note 2, annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards. The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34.

Our responsibility

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

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Company in accordance with the terms of our engagement. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

KPMG Channel Islands Limited
Chartered Accountants, Guernsey
27 September 2017

Camper & Nicholsons Marina Investments Limited
Unaudited Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2017

		30-Jun-2017	30-Jun-2016
		€000	*€000*
Marina operating activities		3,009	3,030
Marina consultancy fees		539	854
Revenue		3,548	3,884
Cost of sales		(605)	(642)
Gross Profit		2,943	3,242
Operating Expenses	6	(2,956)	(3,139)
Operating profit		(13)	103
Finance income		21	23
Finance expense		(496)	(480)
		(475)	(457)
Share of losses of equity-accounted investees, net of tax	13	(110)	(41)
Loss before tax		(598)	(395)
Taxation	9	(150)	(164)
Loss for the period from continuing activities		(748)	(559)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences – foreign operations		(936)	(333)
Other comprehensive income for the period		(936)	(333)
Total comprehensive (loss)/profit for the period		(1,684)	(892)
Loss attributable to:			
Equity shareholders		(765)	(599)
Non-controlling interest		17	40
Loss for the period		(748)	(559)
Total comprehensive (loss)/profit attributable to:			
Equity shareholders		(1,701)	(932)
Non-controlling interest		17	40
Total comprehensive (loss)/profit for the period		(1,684)	(892)
Loss per share (Euro cents)			
Basic and diluted, attributable to equity shareholders	10	(0.46)	(0.36)

The accompanying notes on pages 18 to 32 form an integral part of these unaudited condensed consolidated interim financial statements.

Camper & Nicholsons Marina Investments Limited
Unaudited Condensed Consolidated Statement of Changes in Equity
For the six months ended 30 June 2017

	Issued Capital €000	Accumulated Loss €000	Foreign Exchange Reserve €000	Total €000	Non-controlling Interests €000	Total Equity €000
6 months ended 30 June 2016						
At 1 January 2016	61,621	(39,323)	4,969	27,267	550	27,817
Total comprehensive income for the period						
Profit / (loss) for the period	-	(599)	-	(599)	40	(559)
Other comprehensive income	-	-	(333)	(333)	-	(333)
Total comprehensive income	-	(599)	(333)	(932)	40	(892)
At 30 June 2016	61,621	(39,922)	4,636	26,335	590	26,925
6 Months Ended 30 June 2017						
At 1 January 2017	61,621	(41,523)	5,413	25,511	528	26,039
Total comprehensive income for the period						
Profit / (loss) for the period	-	(765)	-	(765)	17	(748)
Other comprehensive income	-	-	(936)	(936)	-	(936)
Total comprehensive income	-	(765)	(936)	(1,701)	17	(1,684)
At 30 June 2017	61,621	(42,288)	4,477	23,810	545	24,355

The accompanying notes on pages 18 to 32 form an integral part of these unaudited condensed consolidated interim financial statements.

Camper & Nicholsons Marina Investments Limited
Unaudited Condensed Consolidated Statement of Financial Position
As at 30 June 2017

	Notes	30-Jun-2017	31-Dec-2016
		€000	€000
Non current assets			
Property, plant & equipment	12	23,875	25,671
Equity accounted investees	13	1,197	1,188
Assets held under Trust	11	-	1,926
Cash pledges	15	3,123	4,047
Goodwill		10,604	10,604
		38,799	43,436
Current assets			
Assets held under Trust	11	1,927	-
Trade and other receivables		1,987	1,847
Cash and cash equivalents	16	2,005	1,343
		5,919	3,190
TOTAL ASSETS		44,718	46,626
Current Liabilities			
Trade and other payables		3,587	3,349
Interest bearing loans and borrowings repayable within one year	18	857	523
Unsecured 7% Bond repayable within one year	17	10,833	-
		15,277	3,872
TOTAL ASSETS LESS CURRENT LIABILITIES		29,441	42,754
Non current liabilities			
Interest bearing loan repayable after more than one year	18	4,295	5,243
Unsecured 7% Bond	17	-	10,810
Other payables		161	180
Deferred tax liability		630	482
		5,086	16,715
NET ASSETS		24,355	26,039
Equity attributable to equity shareholders			
Issued capital		61,621	61,621
Accumulated loss		(42,288)	(41,523)
Foreign exchange reserve		4,477	5,413
		23,810	25,511
Non-controlling interest	22	545	528
Total equity		24,355	26,039
Net Assets per share:			
basic, attributable to ordinary equity shares	20	14.36c	15.39c
diluted, attributable to ordinary equity shares	20	14.36c	15.39c

The financial statements on pages 14 to 32 were approved and authorised for issue by the Board of Directors on 27 September 2017

Sir C Lewinton, Chairman

Martin Bralsford, Director

The accompanying notes on pages 18 to 32 form an integral part of these unaudited condensed consolidated interim financial statements.

Camper & Nicholsons Marina Investments Limited
Unaudited Condensed Consolidated Statement of Cash Flows
For the six months ended 30 June 2017

	30-Jun-2017 €000	30-Jun-2016 €000
Cash flows from operating activities		
Loss before taxation	(598)	(395)
Adjusted for:		
Finance income	(21)	(23)
Finance expense	496	480
Depreciation	412	414
Share of loss of equity accounted investees, net of tax	110	41
Unrealised foreign exchange loss	7	6
	406	523
Increase in receivables	(176)	(489)
Increase in payables	344	466
Income tax expense	(2)	-
Net cash flows from operating activities	572	500
Cash flow from investing activities		
Acquisition of property, plant & equipment	(86)	(26)
Disposals of property, plant & equipment	8	-
Short term investment in equity accounted investee	(119)	(157)
Interest received	21	23
Decrease / (Increase) in pledged cash	924	(19)
Net contribution to Trust	(1)	-
Net cash flows from investing activities	747	(179)
Cash flows from financing activities		
Proceeds of borrowings	24	26
Repayment of borrowings	(175)	(92)
Interest paid	(499)	(483)
Net cash flows from financing activities	(650)	(549)
Net increase/(decrease) in cash and cash equivalents	669	(228)
Opening cash and cash equivalents	1,343	3,029
Effect of exchange rate fluctuations on cash held	(7)	(6)
Closing cash and cash equivalents	2,005	2,795

The accompanying notes on pages 18 to 32 form an integral part of these unaudited condensed consolidated interim financial statements.

1. Corporate Information

Camper & Nicholsons Marina Investments Limited (the "Company") is a limited liability company, incorporated and domiciled in Guernsey, whose shares are publicly traded on the AIM Market.

The principal activity of the Company, and its subsidiaries and joint ventures (together the "Group") is the acquisition, development, redevelopment and operation of an international portfolio of both new and existing marinas and related real estate primarily in the Mediterranean and the United States/Caribbean. The Group continues to develop its third party marina management and consulting business.

2. Basis of preparation

(a) Statement of compliance
The Unaudited Condensed Consolidated Interim Financial Statements of the Group for the 6 months ended 30 June 2017 have been prepared in accordance with IAS 34: *Interim Financial Reporting*. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2016, which were prepared in accordance with International Financial Reporting Standards ("IFRS"). This unaudited condensed consolidated interim financial report does not include all of the information required for full financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2016.

(b) Going concern
The Group's business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Business Review. The financial position of the Group, its cash balances and borrowings are set out in notes 16, 17 and 18 of the unaudited condensed consolidated interim financial statements. The Group's financial risk management objectives and policies remain unchanged from those set out in notes 29 and 30 of the Group's consolidated financial statements for the year ended 31 December 2016.

Having completed the £3.3 million fundraising (£3.2 million net of expenses) at the beginning of August this year the Board, having made the necessary enquiries, believes that the Group has adequate resources to continue trading for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing these unaudited condensed consolidated financial statements.

At 30 June 2017, as can be seen in the consolidated statement of financial position, the Group had net current liabilities of €9.4 million. As explained in Note 17 the option to redeem its' outstanding 7% bonds was exercised in June by Grand Harbour Marina plc resulting in them being classified as current liabilities at the period end. Redemption was completed in August and was financed by the issue of €15 million of new 10 year bonds bearing an interest rate of 4.5%.

(c) Judgements and estimates
The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these Unaudited Condensed Consolidated Interim Financial Statements, the significant judgements made by management in applying the accounting policies to the Group and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2016.

3. Significant Accounting Policies

The accounting policies applied by the Group in the Unaudited Condensed Consolidated Interim Financial Statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2016.

(a) Basis of consolidation

The treatments of the different entities within the Group in the consolidation are as follows:

Subsidiaries being entities controlled by the Group are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Joint ventures are contractual arrangements in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Joint ventures are considered to be equity accounted investees and the Group's interest in them is accounted for using the equity method. The unaudited condensed consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity accounted investees.

Non-controlling interest. This reflects the 20.83% minority interest in the Group's majority owned subsidiary, Grand Harbour Marina plc. Adjustments to non-controlling interests in the period are based on a proportionate amount of the net assets of the subsidiary.

Intra Group transactions. All intra-Group balances, transactions, income and expenses and profits and losses resulting from intra-Group transactions that are recognised in assets, are eliminated in full. As charges to equity accounted investees relate to services provided and are charged to profit and loss as incurred, there will not be any unrealised gains on such transactions.

(b) Measurement of fair values

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy as defined in IFRS 13.

(c) Standards issued but not yet effective

As reported in Note 4 of the Consolidated Financial Statements for the year ended 31 December 2016, the Group has been assessing the potential impact of 3 new Standards none of which are effective for annual reporting periods beginning on 1 January 2017 and none of which will be early adopted by the Group.

IFRS 9 (Financial Instruments) published in July 2014 and effective for annual reporting periods beginning on or after 1 January 2018. The Group's initial assessment is that there will be no material reporting changes as a result of adopting this new standard.

IFRS 15 (Revenue from Contracts with Customers) which is effective for annual reporting periods beginning on or after 1 January 2018. The Group's initial assessment is that there will be no material reporting changes as a result of adopting this new standard.

IFRS 16 (Leases) was published in January 2016 and is effective for annual reporting periods beginning on or after 1 January 2019. The Standard will result in the recognition of right-of-use assets and corresponding liabilities, on the basis of the discounted remaining future minimum lease payments. The Group is continuing to assess the potential impact of this Standard on the leases relating to the marinas at Grand Harbour and Port Louis.

4. Seasonality of operations

Marinas derive their income from several sources of which visitor berthing and related income will produce greater revenues during the summer months and while these seasonally-affected sources are generally relatively small in relation to the overall level of sales they can make an important contribution to profitability. Consultancy revenue is derived from both project work and monthly retainers so although there can be fluctuations from month to month the changes are not seasonal in nature. The timing of long term berth sales, which are neither seasonal by nature nor capable of accurate prediction, can have a more significant impact on the level of both sales and profits. There were no berth sales during the 6 months ended 30 June 2017 or in the same period last year.

5. Segmental reporting

Under the "management approach" to segmental reporting, the Company believes there are two separately reportable segments to its business, Marina operations and Marina consultancy. These two operating segments are managed separately as they have different resource and capital requirements. A summary of the business operations in each of these two operating segments is given below:

Marina operations: ownership and operation of high quality marina facilities providing berthing and ancillary services for yachts and super yachts.

Marina consultancy: provision, through multi-year contracts, of a range of services, including consultancy, to third party marinas.

The results for these two segments for the 6 months ended 30 June 2017 are set out below:-

	Marina Operations	Marina Consultancy	Parent Company	Totals
For the 6 months ended 30 June 2017	€000	€000	€000	€000
Revenues from external customers	3,960	430	18	4,408
Intersegment revenues	-	561	146	707
Total including Joint ventures	3,960	991	164	5,115
Exclude Joint Venture impact	(951)	(18)	-	(969)
Total excluding Joint Ventures	3,009	973	164	4,146
Revenues from external customers	3,009	503	36	3,548
Intersegment revenues	-	470	128	598
Net Interest revenue / (expense)	(493)	-	18	(475)
Depreciation & amortisation	(400)	(12)	-	(412)
Reportable segment profit / (loss)	41	(21)	(508)	(488)
Share of profits / (losses) of equity accounted investees	9	(119)	-	(110)
Profit / (loss) before tax including equity accounted investees	50	(140)	(508)	(598)
Expenditures for reportable segment non-current assets	92	1	-	93

5. Segmental reporting (continued)

For the 6 months ended 30 June 2016	Marina Operations €000	Marina Consultancy €000	Parent Company €000	Totals €000
Revenues from external customers	4,083	937	18	5,038
Intersegment revenues	-	585	149	734
Total including Joint ventures	4,083	1,522	167	5,772
Exclude Joint Venture impact	(1,053)	(192)	1	(1,244)
Total excluding Joint Ventures	3,030	1,330	168	4,528
Revenues from external customers	3,030	818	36	3,884
Intersegment revenues	-	512	132	644
Net Interest revenue / (expense)	(476)	-	19	(457)
Depreciation & amortisation	(397)	(17)	-	(414)
Reportable segment profit / (loss)	12	(34)	(332)	(354)
Share of profits / (losses) of equity accounted investees	104	(145)	-	(41)
Profit / (loss) before tax including equity accounted investees	116	(179)	(332)	(395)
Expenditures for reportable segment non-current assets	26	1	-	27

	30-June-2017 €000	**30-June-2016** €000
Revenues		
Total revenues for reportable segments	4,146	4,528
Elimination of inter-segment revenues	(598)	(644)
Group revenues	3,548	3,884
Profit & Loss		
Total profit and loss for reportable segments	(488)	(354)
Share of losses of equity accounted investees	(110)	(41)
Group loss before tax	(598)	(395)

Reconciliation of reportable segment assets and liabilities

As at 30 June 2017	Marina Operations €000	Marina Consultancy €000	Parent Company €000	Totals €000
Assets for reportable segments	42,727	1,820	37,213	81,760
Investment in and loan to equity accounted investees	1,197	-	-	1,197
Total	43,924	1,820	37,213	82,957
Less: intercompany loans				(36,041)
Less: investment in subsidiaries net of goodwill				(2,198)
Group total assets				44,718
Liabilities for reportable segments	50,187	1,765	4,452	56,404
Less: intercompany loans				(36,041)
Group total liabilities				20,363
Group Net Assets				24,355

5. Segmental reporting (continued)

As at 31 December 2016	Marina Operations €000	Marina Consultancy €000	Parent Company €000	Totals €000
Assets for reportable segments	43,953	1,877	37,571	83,401
Investment in equity accounted investees	1,188	-	-	1,188
Total	45,141	1,877	37,571	84,589
Less: intercompany loans				(35,765)
Less: investments in subsidiaries net of goodwill				(2,198)
Group total assets				46,626
Liabilities for reportable segments	49,990	1,634	4,728	56,352
Less: intercompany loans				(35,765)
Group total liabilities				20,587
Group Net Assets				26,039

6. Operating Expenses

	Note	**30-Jun-2017** *€000*	**30-Jun-2016** *€000*
Directors' remuneration	24	94	100
Wages, salaries and consultancy fees	7	1,057	1,069
Audit fees		65	67
Rent and rates		277	299
Other general administration expenses	8	748	847
Legal & professional fees		93	110
Promotion expenses		89	253
Depreciation		412	414
Foreign exchange losses / (gains)		121	(20)
Total		2,956	3,139

7. Wages, salaries and consultancy fees

	30-Jun-2017 *€000*	**30-Jun-2016** *€000*
Marina Operations	510	453
Marina Consultancy	547	616
Total	1,057	1,069

8. Other General Administration expenses

	30-Jun-2017	30-Jun-2016
	€000	*€000*
Communications including travel	102	89
Repairs & maintenance	128	115
Security	42	46
Insurance	90	94
Electricity, water & gas	74	59
Printing stationery & postage	14	13
Bank charges	33	60
Administration fees	31	35
Bad debt (write back) / provision	(21)	76
Bond costs amortisation	23	26
Royalty fees	130	129
Other	102	105
Total	748	847

9. Taxation

The Company, Camper & Nicholsons Marina Investments Ltd is a Guernsey Exempt Company and is therefore not subject to taxation on its income, other than an annual exempt fee of £1,200 (2016: £1,200), under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989.

The taxation charge shown in these accounts is the aggregate of taxation payable and receivable by subsidiaries. The analysis of the current year charge is shown in the table below.

	30-Jun-2017	30-Jun-2016
	€000	*€000*
Deferred tax charge	148	164
Income tax charge	2	-
Total tax charge	150	164

The deferred tax charge of €148k arises in a subsidiary where management has recognised a charge based on the estimated annual income tax rate being applied to the pre-tax income of the interim period. The deferred tax liability has increased by the same amount to €630k at 30 June 2017 (31 December 2016: €482k). The small income tax charge relates to withholding tax in foreign jurisdictions.

10. Earnings per share

Basic earnings per share amounts are calculated by dividing €765k Group net loss (2016: €599k Group net loss) for the period attributable to ordinary equity holders of the parent by 165.784 million (2016: 165.784 million) being the weighted average number of ordinary shares outstanding during the period.

For the six months ended 30 June 2017 the weighted average number of shares used to calculate the basic and diluted earnings per share is the same because there were no outstanding options.

11. Assets held under Trust

In accordance with the terms of the trust deed for Grand Harbour Marina's ("GHM") unsecured 7% Bond, GHM is required to establish a sinking fund to support repayment of the Bond in 2020. During the period, no bonds were bought back and the only funds transferred to the Trustees was the interest received on the Term deposit.

	30-Jun-2017	31-Dec-2016
	€000	€000
Balance at start of period	1,926	1,118
Transfers to Trustees	1	808
Balance at end of period	1,927	1,926

11. Assets held under Trust (continued)

In June 2017 GHM announced the buyback of the remaining Bond and at that time the Bond became a current liability and the Assets held under Trust became a current asset. In August 2017 these assets became part of the Group's available cash and cash equivalents when the remaining Bond was bought back using some of the proceeds of a new Bond issue.

12. Property, plant and equipment

	Marina Develop. €000	Deferred super yacht berth costs €000	Office furniture & equipment €000	Motor vehicles €000	Leasehold Property €000	Total €000
Cost:						
At 1 January 2017	35,613	496	1,100	73	81	37,363
Additions	54	-	39	-	-	93
Disposals	-	-	(12)	-	-	(12)
Exchange adjustment to closing rate	(2,025)	-	(44)	(2)	(3)	(2,074)
As at 30 June 2017	33,642	496	1,083	71	78	35,370
Depreciation:						
At 1 January 2017	10,675	5	908	58	46	11,692
Depreciation charge	366	-	31	5	10	412
Disposals	-	-	(4)	-	-	(4)
Exchange adjustment to closing rate	(571)	-	(31)	(2)	(1)	(605)
As at 30 June 2017	10,470	5	904	61	55	11,495
Net Book Value						
As at 30 June 2017	23,172	491	179	10	23	23,875
As at 31 December 2016	24,938	491	192	15	35	25,671

At 31 December 2016, the CBRE valuation of the Port Louis Marina continued to be below the book value and, as explained in note 14 of the consolidated financial statements for the year ended on that date, the Directors decided to include an impairment charge of US$1.1 million (€1.0 million) in the 2016 financial statements. With an improvement in trading performance of the Port Louis Marina in the first half of 2017, the Directors believe that no further impairment of the asset is required in the current period.

13. Equity Accounted Investees

The Group has a 45% interest in IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi ("IC Cesme"), a jointly controlled entity that operates a marina in Turkey. As at 30 June 2017 the Group had invested €1.8 million (31 December 2016: €1.8 million) in the equity of IC Cesme.

The Company has a 50% interest in Camper & Nicholsons First Eastern Limited ("CNFE"), a jointly controlled entity, established during 2011, which is involved in marina management and consultancy in the Asia Pacific region. The Company agreed initially to provide funding of up to US$1.25 million to CNFE over 2 years of which US$0.5 million was to be equity capital with US$0.75 million as shareholder loan. The equity capital was provided in 2011 and a US$0.3 million (€0.229 million) shareholder loan was provided in July 2013. Additional funding was then provided by the joint venture partners permitting CNFE to take extended credit terms on invoices for services provided. As reported in the Group's 2016 Financial Statements, in April 2016, the two joint venture partners agreed that they should each convert the equivalent of US$950k of the amounts owed to them into a shareholder loan, to rank as preferred debt of CNFE, with interest at 3% per annum, and be due for repayment by March 2018. Following implementation of this agreement, each joint venture partner had provided funding of

13. Equity Accounted Investees (continued)

US$1.75 million (€1.6 million) of which US$0.5 million (€0.45 million) is equity capital and US$1.25 million (€1.1 million) is a shareholder loan. Since the end of 2016 the Group has provided a further €119k of short term investment in the joint venture in the form of extended payment of receivables.

The share of the assets and liabilities of the jointly controlled entities, reported as equity accounted investees, at 30 June 2017 and at 31 December 2016, which are included in the consolidated financial statements, are as follows:

	30-June 2017			31-Dec-2016		
	IC Cesme	CNFE	Total	IC Cesme	CNFE	Total
Percentage ownership interest	45%	50%		45%	50%	
	€000	€000	€000	€000	€000	€000
Non current assets	11,653	16	11,669	11,952	20	11,972
Cash and cash equivalents	2,015	202	2,217	4,458	104	4,562
Other current assets	2,236	172	2,408	2,079	240	2,319
Non-current financial liabilities	-	(2,192)	(2,192)	-	(2,372)	(2,372)
Other non-current liabilities	(91)	-	(91)	(177)	-	(177)
Isbank Loan	(12,448)	-	(12,448)	(14,957)	-	(14,957)
Other current liabilities	(1,534)	(926)	(2,460)	(1,542)	(710)	(2,252)
Net assets/(liabilities) (100%)	1,831	(2,728)	(897)	1,813	(2,718)	(905)
Group's share of net assets/(liabilities)	825	(1,364)	(539)	816	(1,359)	(543)
Goodwill	372	-	372	372	-	372
Loan to equity accounted investee	-	1,095	1,095	-	1,186	1,186
Short term investment in joint ventures	-	170	170	-	51	51
Exchange	-	99	99	-	122	122
Carrying amount of interest in joint ventures	1,197	-	1,197	1,188	-	1,188

The income and expenses of the jointly controlled entities for the six months ended 30 June 2017 and 30 June 2016 are shown in the table below. In accordance with IFRS 11 the Group's share of the losses of these joint ventures is included in the Statement of Comprehensive income. As the shareholder loan is considered to be part of the Group's investment cost in CNFE for equity accounting purposes, the current and prior periods' losses are offset against the value of the loan.

	30-June-2017			**30-June-2016**		
	IC Cesme	CNFE	Total	IC Cesme	CNFE	Total
Percentage ownership interest	45%	50%		45%	50%	
	€000	€000	€000	€000	€000	€000
Revenue	2,113	20	2,133	2,339	380	2,719
Operating expenses	(1,542)	(238)	(1,780)	(1,452)	(722)	(2,174)
Depreciation & amortisation	(328)	-	(328)	(400)	(2)	(402)
Finance revenue	51	-	51	33	-	33
Finance costs	(184)	-	(184)	(230)	-	(230)
Tax	(91)	(20)	(111)	(58)	54	(4)
Profit/(Loss) and total comprehensive income (100%)	19	(238)	(219)	232	(290)	(58)
Group's share of loss and total comprehensive income	9	(119)	(110)	104	(145)	(41)

13. Equity Accounted Investees (continued)

The lease of Cesme Marina in Turkey is held by IC Cesme Marina Yatrim Turizm ve Isletmeleri Sirketi, a company in which the Group's subsidiary, GHM, has a 45% interest. The lease is non-cancellable and expires in 2033. The initial annual rent payable was approximately €1m and this is index linked in future years in accordance with the Build Operate Transfer (BOT) contract.

The bank loan was provided by Isbank to IC Cesme in the form of a Term Facility Agreement ("Term Facility") in the amount of €9.25 million. This loan was repayable in semi-annual instalments which commenced in December 2011 and had reduced the outstanding balance to €5.44 million at 30 June 2015. In July 2015 negotiations were completed with Isbank to increase the loan by €1.56 million to €7.0 million (Group's 45% share, €3.15 million) with the additional funding to be used for further development of the marina. At the same time, the interest rate on the loan was reduced to Euribor + 4.5% (previously Euribor + 5.5%) and the repayment profile was amended with the loan to be repaid in thirteen equal semi-annual instalments commencing July 2016 and ending July 2022.

In addition to the Term Facility, Isbank provided a loan in the form of a General Cash and Non-Cash Credit Agreement (the "Subordinated Loan") with a maximum facility of €10 million of which €8.495 million was drawn down. As explained in Note 15, €1.97 million of this loan was repaid during the period and the outstanding balance at 30 June 2017 had been reduced to €6.525 million. The Subordinated Loan has been secured against cash pledges by the shareholders and is repayable commensurate with the Term Facility. The Isbank loans are guaranteed by the shareholders as detailed in note 23.

14. Financial Instruments

The fair values of financial assets and financial liabilities, together with the carrying amounts, as at 30 June 2017, in the unaudited condensed consolidated statement of financial position, and as at 31 December 2016 in the consolidated statement of financial position at that date are as follows:

	30-Jun-2017		31-Dec-2016	
€000	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial liabilities not measured at Fair Value				
Interest bearing loans and borrowings	(5,152)	(5,152)	(5,766)	(5,766)
Unsecured 7% Bond	(10,833)	(11,298)	(10,810)	(11,189)

The Unsecured 7% Bond is a financial instrument that is quoted on the Malta Stock Exchange albeit that the market for the Bond is considered to be illiquid. The fair value of the bonds in issue at 30 June 2017, as shown above, is based on the trading price existing at the balance sheet date of €103.0 (31 December 2016: €102.0) per €100 nominal value.

15. Cash pledge

As detailed in Note 13, the subordinated loan provided by Isbank to IC Cesme is secured against cash pledges made by the IC Cesme Marina shareholders. The Company's interest in IC Cesme Marina was sold to Grand Harbour Marina plc ("GHM") in March 2011. Part of the contractual terms of the sale required GHM to take over the Company's obligations to Isbank. During the period, €1,970k of the subordinated loan was repaid by IC Cesme to Isbank. The Group's share of this, €886k plus interest of €46k was released by Isbank so reducing the level of the cash pledge. At 30 June 2017, the Group's share of the cash pledge amounted to €3,123k (31 December 2016: €4,047k) including interest added of €173k (31 December 2016: €210k) continued to be held in the Company's name but in line with the terms of the sale agreement, GHM has lodged an equivalent sum with the Company.

16. Cash & Cash Equivalents

	30-Jun-2017	31-Dec-2016
	€000	*€000*
Cash & Cash Equivalents comprise the following:		
Cash at bank and in hand	2,005	1,343
Short term deposits	-	-
	2,005	1,343

17. Unsecured Bond Issue

During the period ended 31 December 2010, Grand Harbour Marina plc ("GHM") issued €10,000,000 bonds, with an over-allotment option of €2,000,000 bearing an interest rate of 7%, redeemable on 25 February 2020 and subject to an early redemption option that may be exercised by GHM between 2017 and 2020. That option was exercised in June when Bondholders were notified that their bonds would be redeemed in August 2017. The Bond is therefore being shown as a current liability in these Unaudited Condensed Consolidated Interim Financial Statements.

As at 30 June 2017 the outstanding balance related to these bonds was €10,833k (31 December 2016: €10,810k) which can be analysed as shown in the table below:

	30-Jun-2017	31-Dec-2016
	€000	€000
Opening balance	10,810	10,762
Amortisation of transaction costs	23	48
Balance at period end	10,833	10,810

18. Interest bearing loans and borrowings

	30-Jun-2017	31-Dec-2016
	€000	*€000*
Scotia Bank Loan	5,150	5,765
Bank Overdrafts	2	1
	5,152	5,766
Unsecured 7% Bond	10,833	10,810
	15,985	16,576
Repayable within one year	11,690	523
Repayable after more than one year	4,295	16,053
	15,985	16,576

	Interest rate at 30 June 2017	Interest rate at 31 December 2016	Due within 12 months	Due 1 July 2018 – 31 Dec 2018	Due 2019	Total
	%	%	€000	€000	€000	€000
Scotia Bank Loan	4.30%	4.00%	855	657	3,638	5,150
Bank overdraft	4.85%	4.85%	2	-	-	2
Unsecured 7% Bond	7.00%	7.00%	10,833	-	-	10,833
Total			11,690	657	3,638	15,985

18. Interest bearing loans and borrowings (continued)

Security and maturity:

The Scotia Bank loan in respect of Camper & Nicholsons Grenada Limited ("CNGL") is secured by:

- First ranking and continuing sum Demand Mortgage Debenture stamped for US$15 million or equivalent charge over the fixed assets, goodwill, and uncalled capital of the borrower and a floating charge over all other assets.

The Scotia Bank loan was re-profiled during 2014 to remove the bullet repayment that was due at 30 June 2015 and to amend the 5.7% fixed interest rate to a floating rate being Libor+3%. Under the terms of the amendment the capital repayments were due to recommence in June 2016 with the initial quarterly instalments being $250k. During the first few months of 2016 agreement was reached with Scotia Bank to reduce each of the six quarterly payments commencing in June 2016 from $250k to $100k with the total $900k (€811k) reduction in these payments being added to the final bullet payment due in 2019.

The bank overdraft in respect of Grand Harbour Marina plc ("GHM") is secured by:

- a first general hypothec for €1,747,030 on overdraft basis over all assets, present and future given by Grand Harbour Marina plc; and
- a first special hypothec for €1,747,030 on overdraft basis over the temporary utile dominium for 99 years commencing from 2 June 1999 over the land measuring 1,410 square metres at Cottonera Waterfront Vittoriosa.

Details of the Grand Harbour Marina 7% unsecured bond are given in Note 17.

19. Share Capital

		30 Jun 2017	31 Dec 2016
Ordinary shares of no par value (000)	Unlimited	165,784	165,784

The share capital is shown in the consolidated Statement of Financial Position net of issue costs of €2,883k (31 December 2016: €2,883k).

20. Net asset value per share

The calculation of basic net asset value per share as at 30 June 2017 is based on net assets of €23,810k (December 2016: €25,511k) attributable to the equity shareholders, divided by the 165,784k (December 2016: 165,784k) ordinary shares in issue at that date. As there were no options outstanding at 30 June 2017 the basic and diluted net asset value per share are the same.

21. Subsidiaries and joint ventures

	Activity	Country of Incorporation	Equity Interest %
Subsidiaries			
Camper & Nicholsons Marinas (Malta) Ltd	Investment Holding	Malta	100.00
Camper & Nicholsons Caribbean Holdings Ltd	Investment Holding	Bahamas	100.00
Camper & Nicholsons Grenada Ltd	Property Holding	Grenada	100.00
Camper & Nicholsons Grenada Services Ltd	Marina Operator	Grenada	100.00
Grand Harbour Marina plc (including its subsidiary Maris Marine Limited)	Marina Operator	Malta	79.17
Camper & Nicholsons Marinas International Ltd	Group Investment Management and Third Party Marina Management & Consultancy	Malta	100.00
Camper & Nicholsons Marinas Ltd	Group Investment Management and Third Party Marina Management & Consultancy	UK	100.00
Jointly Controlled Entities			
Camper & Nicholsons First Eastern Ltd	Third Party Marina Management & Consultancy	Hong Kong	50.00
IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi	Marina Operator	Turkey	35.63*

* The Group's subsidiary, Grand Harbour Marina plc, owns a 45% equity interest in IC Cesme Marina

There has been no change to the Subsidiaries and Joint Ventures of the Company, nor the equity interest presented, since the year ended 31 December 2016.

22. Non-controlling Interest

The non-controlling interest is all attributable to the 20.83% non-controlling shareholding in Grand Harbour Marina plc.

23. Commitments and contingencies

Operating lease commitments – Group as lessee

The Group has entered into the equivalents of commercial leases in respect of certain of the properties it occupies.

The lease of Grand Harbour Marina in Malta is held by Grand Harbour Marina plc ("GHM"), a 79% subsidiary. The lease is non-cancellable and expires in 2098, except that it has a break clause exercisable by the tenant only in 2030. The rent payable is based on turnover but the lease specifies a minimum and maximum level of rent payable in any year. The minimum future rental payments under the lease amount to approximately €3.6 million and the maximum to approximately €9.1 million. Further details on the terms of, and background to, the lease of Grand Harbour Marina were included in Note 26 of the Consolidated Financial Statements for the year ended 31 December 2016.

The lease of the water area of Port Louis Marina in Grenada is held by Camper & Nicholsons Grenada Ltd, a 100% subsidiary. The lease is non-cancellable and expires in 2105 with an option to extend for a further 99 years subject to negotiation on expiry of the initial term. The rent payable is based on the total square footage brought into use. Not all the available area has yet been brought into use and may not be during 2017. The future rental payments under the terms of the lease, assuming that the whole area is brought into use are estimated at €2 million.

23. Commitments and contingencies (continued)

The Group has four office premises. Three of these are held under non-cancellable operating leases which range in length between 5 and 25 years with rents reviewable periodically to prevailing market rates. The fourth property is held under a 15 year operating lease which is cancellable at any time after the first five years subject to a six month notice period. The unexpired periods of these leases at 30 June 2017 were between 2.2 and 13.5 years with total minimum future rentals payable under the four leases amounting to approximately €1.4 million before any subletting revenues. The Group ceased to occupy one of the offices during 2012 and those premises were sub-let at a small premium for five years from February 2013. During the first half of 2017 this arrangement was extended until February 2021 at the same time as a second office in the same location was sublet to the same tenant for a period of 14 years.

Finance lease commitments – Group as lessor

The Group has granted a number of licences ranging in duration from 25 to 45 years in respect of berths at Grand Harbour Marina and Port Louis Marina. The licence fees payable for the berth are accounted for in the year of sale and consequently there is no future licence fee income. Licensees are required to pay annual service charges to defray the costs of maintenance of the berths. Because all amounts receivable under long term licenses are collected at the outset of the contract, the Group's gross and net investment in finance leases is zero.

Finance lease and hire purchase commitments

At the reporting date the Group has no commitments as lessee under finance leases.

Trade Mark Licence

The Company has an exclusive, perpetual, global licence to use the Camper & Nicholsons brand and related trademarks in connection with marinas and marina related services and is liable to pay a royalty of, generally, 1.5% of the marina related turnover of entities licensed to use the brand and of 1.5% of fees earned from marina related consultancy services provided.

Capital commitments

At 30 June 2017, the Group had contracted capital commitments of €Nil (31 December 2016: €Nil)

Contingent liabilities

The Group had the following contingent liabilities as at 30 June 2017:

As explained in Note 26 of the consolidated financial statements for the year ended 31 December 2016, the District Governorship of Cesme is claiming that the landside tenants/subtenants in Cesme should pay to the Governorship a charge of 1% on the annual revenues from 2010 until the current date and in future years. This charge would ultimately be the responsibility of IC Cesme in the event that the Governorship's claim is successful and the tenants/subtenants do not make the payment. The Board of Directors of IC Cesme Marina believes that this claim is contrary to the signed agreements and in this regard, has initiated a legal case. As at 30 June 2017 the potential claim would amount to €764k (31 December 2016: €772k), with the Group's 45% share being €344k (31 December 2016: €347k), if IC Cesme had to make payment in full.

In addition, as reported in Note 26 of the consolidated financial statements for the year ended 31 December 2016, IC Cesme, is disputing a claim and lawsuit by the Izmir Tax Inspection Board that it has incorrectly calculated the useful lives of certain assets and therefore the depreciation charge for the years between 2010 and 2013, resulting in a claim for payment of €205k tax, including a €123k penalty. The Board of Directors of IC Cesme, having consulted the company's Attorney, believe that the lawsuit will be cancelled in a subsequent period, however, in the event that it was not cancelled and IC Cesme lost the lawsuit, it would result in a liability of €164k (31 December 2016: €177k) with the Group's 45% share being €74k (31 December 2016: €80k).

23. Commitments and contingencies (continued)

Litigation and claims

At 30 June 2017, there were no material claims against the Group or litigation issues with which the Group was involved.

Guarantees

The Company and Camper & Nicholsons Grenada Services Limited, a subsidiary, have each provided an unlimited guarantee in favour of The Bank of Nova Scotia in support of a loan facility provided to Camper & Nicholsons Grenada Limited.

The Parent Company currently acts as a guarantor and sponsor of IC Cesme's repayment obligations under the Term Facility and the Subordinated Loan to the extent of 45% of any non-payment. As part of the contractual arrangements for the sale of the Company's interest in IC Cesme to GHM, GHM agreed to become guarantor in place of the Company but the legal formalities relating to this substitution had not been completed at 30 June 2017. GHM has indemnified the Company against any loss arising. The Group's potential liability at 30 June 2017 was €5,602k (31 December 2016: €6,731k).

Grand Harbour Marina plc, a subsidiary, has provided a guarantee in respect of a performance bond amounting to €35k (December 2016: €35k).

24. Related party transactions

Directors' Remuneration

During the six months ended 30 June 2017, the contractual level of fees for the six Directors that served throughout the period remained unchanged from that disclosed in the Directors' Report in the 2016 Annual Report. However, Mr Whiley continued to waive his Director fees, which represented a saving of €14.5k (£12.5k). Mr Whiley and Mr Bralsford also continued to waive their entitlement to fees from Grand Harbour Marina, which represented a further saving of €7k.

For the six months ended 30 June 2017, Directors' remuneration of €94k (30 June 2016: €100k) was charged and a payable amount of €Nil (31 December 2016: €Nil) was accrued in the Unaudited Condensed Consolidated Statement of Financial Position.

Administration and support services provided by Y-LEE Limited

During the period, Y-LEE Limited charged €26k (30 June 2016: €29k) to Camper & Nicholsons Marinas Limited for providing the services of Clive Whiley as CEO of that business. At 30 June 2017 €Nil (31 December 2016: €Nil) was due to Y-LEE Limited.

Office Rental agreement with Evolution Securities China Limited

As explained in Note 27.3 of the consolidated financial statements for the year ended 31 December 2016, Camper & Nicholsons Marinas Limited shares office space with Evolution Securities China Limited, a Company which, like Camper & Nicholsons Marina Investments Limited, is majority owned by First Eastern. During the period €19.5k (30 June 2016: €22k) was charged to Evolution Securities China Limited for the provision of office space. At 30 June 2017 €Nil (31 December 2016: €4k) was due to Camper & Nicholsons Marinas Limited.

Consultancy Services provided to Victoria Quay Estate Limited ("VQEL")

During the period, Camper & Nicholsons Marinas Limited credited €20k (30 June 2016: charged €180k) to VQEL for marina consultancy services in relation to the proposed Victoria Quay development at East Cowes for which VQEL is the developer. First Eastern, which has a 59% shareholding in Camper & Nicholsons Marina Investments Limited, is also the lead investor in VQEL. At 30 June 2017 €Nil (31 December 2016: €126k) was due to Camper & Nicholsons Marinas Limited.

25. Financial Risk Management

The Group's financial risk management objectives and policies remain unchanged from the prior period. Details of these objectives and policies were included in Note 29 of the Consolidated Financial Statements for the year ended 31 December 2016.

26. Post balance sheet events

As announced on 14 July, the Company made an Open Offer to shareholders of 41,446,089 New Ordinary Shares at 8 pence per share on the basis of one New Ordinary Share for every four shares held in order to raise £3.3 million (£3.2 million net). This was approved at an EGM on 1 August and the New shares were admitted to AIM the following day. As a result of the Open Offer, First Eastern (Holdings) Limited, which underwrote the Open Offer, increased its' holding in the Company from 34.45% to 42.16%.

At the end of June, the Group's majority owned subsidiary, Grand Harbour Marina plc, announced that it had received approval for the issue at par of €15 million, 4.5% Unsecured Bonds redeemable in 2027 with nearly €11 million of the proceeds to be used for the redemption of the existing 7% Bond. This was completed in August with the Bonds admitted to the Malta Stock Exchange listing on 22 August with trading commencing the following day.

Except for the above there were no material subsequent events between the end of the reporting period and the date of signing these unaudited condensed consolidated interim financial statements.

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