CONYGAR

THE CONYGAR INVESTMENT COMPANY PLC

INTERIM REPORT
Six Months Ended 31 March 2018

The Conygar Investment Company PLC

Interim Results

for the six months ended 31 March 2018

Highlights

- **Net asset value per share 198p** at 31 March 2018 decreased from 203p at 30 September 2017.
- Disposed of M&S Food Hall at **Ashby-de-la-Zouch** for **£4.4 million** and subject to planning, agreed a lease with B&M Retail and a forward sale.
- Planning permission granted and construction started for an 80 bed **Premier Inn at Parc Cybi, Anglesey**.
- **Purchase** of industrial property in **Selly Oak, Birmingham** for £3.5 million in April 2018.
- **Bought back 2.27 million shares** (3.4% of ordinary share capital) at an average price of 154.3 pence per share.
- **Total cash** available of **£35.7 million** and **no debt**.

Summary Group Net Assets as at 31 March 2018

		Per Share
	£'m	*p*
Properties	66.4	102.8
Investment in Regional REIT Limited	25.1	38.8
Cash	35.7	55.3
Other Net Assets	0.9	1.4
Net Assets	128.1	198.3

The Conygar Investment Company PLC

Interim Results

for the six months ended 31 March 2018

Chairman's and Chief Executive's Statement

Progress and Results Summary

The net asset value per share for the six months ended 31 March 2018 decreased to 198.3p from 203.0p at 30 September 2017 (201.0p at 31 March 2017).

The loss before taxation of £4.3 million compares with a profit of £0.6 million for the six months ended 31 March 2017. The reasons for the loss in the period are as follows: firstly, there was a paper loss of £1.6 million relating to the Regional REIT shares we hold. The share price was 98.9 pence per share as at 31 March 2018 and this gave rise to the decrease in value to £25.1 million. The share price has since recovered to 99.9 pence per share as at the close of business on 21 May 2018. The shares continue to provide the Group with an important income stream which amounted to £1.1 million in the six month period ended 31 March 2018.

Secondly, we have written down the values of two of our development projects, the most significant of which is the Fishguard Waterfront development. We announced in January 2018 that we could no longer progress our plans for this mixed-use marina development as Stena Line Ports informed us that the proposed development would interfere with their harbour and ferry operations. Accordingly, the project cannot go ahead and we have written off a total of £2.4 million.

We have also written off the value of our £0.8 million investment in the Llandudno Junction Project. We have been working in partnership with Conwy County Council as its preferred development partner to bring forward a 90,000 square foot retail park. The outlook for retailers is difficult and we believe that we will be unable to deliver the retail park as planned. However, we hope to devise alternative schemes for the site.

In November 2017, we sold the recently constructed M&S Food Hall at Ashby-de-la-Zouch for £4.4 million, realising a profit of £0.5 million. On the remaining two acres, we have exchanged a lease agreement with B&M Retail Ltd to construct a 20,000 square foot store with an additional 7,500 square foot garden centre. This agreement is conditional on planning approval, which we hope to receive in the coming weeks. We have also agreed terms to sell this asset once the construction has completed.

Also in November 2017, detailed planning permission was granted for an 80-bedroom Premier Inn Hotel at Parc Cybi, Anglesey, on the outskirts of Holyhead. Construction of this hotel began in April 2018 and is expected to complete in early 2019.

After the period end, in April 2018, the Group acquired an industrial property in Selly Oak, Birmingham for £3.5 million, generating income of £215,000 per annum. The property is located in a predominantly residential area and has strong short to medium term redevelopment prospects and we intend to maximise the value of the site in the near future.

On the financing side, the Group used £3.5 million surplus cash to buy back 3.4% of its shares at an average price of £1.54 per share and this has enhanced net asset value per share by 2 pence.

Development Projects

We continue to make good progress on the majority of our development projects since we last reported.

Work on the planning application for our 37 acre site in **Nottingham City Centre** is progressing well and we expect to submit the planning application at the end of June 2018. The application will consist of a mixed-use scheme of over two million square feet which will include apartments, student housing, offices, leisure uses and associated community retail offering along with open public spaces.

We have agreed, subject to contract, with our partner, Stena Line Ports Limited ("Stena"), in the development at **Holyhead Waterfront** to take full control of the joint venture. Both parties are working hard to finalise the legal documentation for this agreement and a further announcement will be made once this has completed. The transaction will enable us to progress with the scheme as planned and we will continue work to obtain detailed planning permission in the coming months. As part of the transaction, the joint venture company will grant 999 year leases to Stena of the platform at Soldier's Quay, which is not required for the waterfront development, and a warehouse which is situated at Soldier's Point and currently used by Stena. We have a right to call for a sublease if this warehouse is required for the waterfront development in the future. Stena will also repay £2.5 million to Conygar, which is its 50% share of a loan Conygar made to the joint venture company, and Stena will receive 20% of the profits of the development once it has completed.

The option agreement we signed with Horizon Nuclear Power in December 2016, enabling them to construct a logistics centre on our 6.9 acre site at **Parc Cybi**, is still in place. Similarly, the second option agreement, which covers the 203 acre site at **Rhosgoch** for use in the construction of Wylfa B stands until 2022. The submission of the Development Consent Order for the entire Wylfa B scheme and associated infrastructure by Horizon Nuclear Power has been delayed but is expected to be submitted shortly.

We completed the construction of the initial 65,000 square foot phase of the retail park at **Cross Hands**, South West Wales in 2017. The majority of the site is now let and we are finalising the lease for a new 22,000 square foot store which will be built on completion of the legal documentation.

At **Haverfordwest**, we have successfully discharged the three pre-commencement conditions of the residential permission relating to masterplanning, phasing and ecology. We plan to submit a reserved matters application for approximately one hundred units this summer. We continue to work on plans for the retail site where we withdrew our planning application in 2017.

Outlook

It is disappointing that we have written down the value of a number of the development projects over the past six months. Despite this, the development pipeline, which is held at cost, presents considerable potential for growth in net asset value per share in the coming years and the team will continue to work hard to deliver these projects.

Our balance sheet remains strong, with cash reserves and no debt, and we are therefore well placed to maximise the value of the projects and investments we hold and to acquire further assets when it makes sense to do so.

N J Hamway
Chairman

R T E Ware
Chief Executive

21 May 2018

Financial review

Net Asset Value

The net asset value at 31 March 2018 was £128.1 million (31 March 2017: £141.8 million; 30 September 2017: £135.8 million). The primary movements in the six month period were £1.0 million from investment property sales and net rental income plus £1.1 million of dividends from Regional REIT Limited offset by a £1.6 million write down of the value of our investment in Regional REIT Limited, £3.2 million of development costs written off, £1.6 million of administrative costs and £3.5 million spent on purchasing our own shares.

Cash Flow

The Group used £0.5 million cash in operating activities (31 March 2017: used £1.8 million; 30 September 2017: used £0.2 million).

The primary cash outflows in the period were £2.6 million incurred on investment properties under construction and £3.9 million to buy back shares. These were partly offset by cash inflows of £4.3 million from the sale of an investment property and £0.9 million from the sale of 908,251 Regional REIT Limited shares, resulting in a net cash outflow during the period of £1.5 million (31 March 2017: £17.6 million outflow; 30 September 2017: £26.5 million outflow).

Net Income from Investment Property Activities

	31 Mar 2018 £'m	*30 Sept 2017 £'m*	*31 Mar 2017 £'m*
Rental income	0.6	5.0	4.9
Direct property costs	(0.1)	(1.6)	(1.4)
Rental surplus	0.5	3.4	3.5
Profit on sale of investment property	0.5	–	–
Profit on sale of group undertakings*	–	1.5	1.5
Total net income arising from investment property activities	1.0	4.9	5.0

*Profit arising from the sale of the investment property portfolio to Regional REIT Limited.

Administrative Expenses

The administrative expenses for the six month period ended 31 March 2018 were £1.6 million (six month period ended 31 March 2017: £1.3 million). The major items were salary costs of £1.1 million and various costs arising as a result of the Group being quoted on AIM.

Financing

At 31 March 2018, the Group had cash of £35.7 million (31 March 2017: £46.0 million; 30 September 2017: £37.2 million). The decrease has resulted mainly from the cash used in buying back shares, administrative costs and investing in the investment properties under construction and developments projects.

As at 31 March 2018, the Group has no bank loan facilities.

Summary of Investment Properties Under Construction

	31 March 2018 £'m	*30 September 2017 £'m*	*31 March 2017 £'m*
Nottingham	14.57	14.01	13.71
Cross Hands	9.38	8.14	5.06
Ashby-de-la-Zouch[1]	0.08	3.55	1.33
Haverfordwest (Retail)	3.56	3.52	3.49
Rhosgoch	3.47	3.46	3.45
Parc Cybi, Holyhead	2.02	1.61	1.47
Total investment to date	33.08	34.29	28.51

1 In November 2017, the recently constructed M&S Food Hall at Ashby-de-la-Zouch was sold for £4.35 million.

Summary of Development Projects

	31 March 2018 £'m	*30 September 2017 £'m*	*31 March 2017 £'m*
Haverfordwest	22.12	22.03	22.03
Holyhead Waterfront	10.27	10.26	10.17
Fishguard Waterfront[1]	–	2.17	2.14
Fishguard Lorry Stop[1]	0.07	0.54	0.54
Llandudno Junction[2]	–	0.71	0.66
King's Lynn	0.87	0.87	0.87
Holyhead Truckstop[3]	–	–	3.18
Total investment to date	33.33	36.58	39.59

1 As set out in the Chairman's and Chief Executive's Statement, the Company wrote off its investment in Fishguard Waterfront in the current period and wrote down the carrying value of the proposed Fishguard Lorry Stop.

2 As set out in the Chairman's and Chief Executive's Statement, the Company wrote off its investment in Llandudno Junction in the current period.

3 On 29 September 2017, the Company disposed of its 50% interest in the Holyhead truckstop joint venture and assigned to the purchaser the £3.2m loan previously advanced to the operating company, Roadking Holyhead Limited.

The Conygar Investment Company PLC
Consolidated Statement of Comprehensive Income
For the six months ended 31 March 2018

	Note	*Six months ended 31 March 2018 £'000*	*Six months ended 31 March 2017 £'000*	*Year ended 30 Sept 2017 £'000*
Rental income		536	4,492	4,641
Other property income		76	363	367
Revenue		612	4,855	5,008
Direct costs of:				
Rental income		91	1,387	1,608
Development costs written off		3,230	76	77
Direct Costs		3,321	1,463	1,685
Gross (Loss)/Profit		(2,709)	3,392	3,323
Profit on sale of group undertakings		–	1,496	1,496
Profit on sale of investment property		458	–	–
Movement on revaluation of investment in Regional REIT		(1,551)	(1,408)	(355)
Loss on sale of Regional REIT shares		(43)	–	–
Dividends received from Regional REIT		1,101	–	948
Share of results of joint ventures		21	27	29
Profit on sale/assignment of interest in joint venture		–	–	3
Other gains and losses		14	72	92
Administrative expenses		(1,616)	(1,298)	(2,710)
Operating (Loss)/Profit		(4,325)	2,281	2,826
Finance costs	3	–	(1,779)	(1,785)
Finance income	3	31	115	174
(Loss)/Profit Before Taxation		(4,294)	617	1,215
Taxation		154	(122)	(360)
(Loss)/Profit and Total Comprehensive (Charge)/Income for the Period		(4,140)	495	855
Basic (loss)/earnings per share	5	(6.29)p	0.68p	1.21p
Diluted (loss)/earnings per share	5	(6.29)p	0.68p	1.21p

All amounts are attributable to equity shareholders.

All of the activities of the Group are classed as continuing.

The Conygar Investment Company PLC
Consolidated Statement of Changes in Equity
For the six months ended 31 March 2018

	Share Capital £'000	*Capital Redemption Reserve £'000*	*Treasury Shares £'000*	*Retained Earnings £'000*	*Total Equity £'000*
Changes in equity for the six months ended 31 March 2017					
At 1 October 2016	4,985	1,568	(32,194)	177,680	152,039
Profit for the period	–	–	–	495	495
Total comprehensive income for the period	–	–	–	495	495
Purchase of own shares	–	–	(10,741)	–	(10,741)
At 31 March 2017	4,985	1,568	(42,935)	178,175	141,793
Changes in equity for the year ended 30 September 2017					
At 1 October 2016	4,985	1,568	(32,194)	177,680	152,039
Profit for the year	–	–	–	855	855
Total comprehensive income for the year	–	–	–	855	855
Purchase of own shares	–	–	(17,104)	–	(17,104)
Cancellation of treasury shares	(1,629)	1,629	48,909	(48,909)	–
At 30 September 2017	3,356	3,197	(389)	129,626	135,790
Changes in equity for the six months ended 31 March 2018					
At 1 October 2017	3,356	3,197	(389)	129,626	135,790
Loss for the period	–	–	–	(4,140)	(4,140)
Total comprehensive charge for the period	–	–	–	(4,140)	(4,140)
Purchase of own shares	–	–	(3,503)	–	(3,503)
At 31 March 2018	3,356	3,197	(3,892)	125,486	128,147

The Conygar Investment Company PLC
Consolidated Balance Sheet
As at 31 March 2018

	Note	*31 March 2018 £'000*	*31 March 2017 £'000*	*30 Sept 2017 £'000*
Non-Current Assets				
Property, plant and equipment		19	28	24
Investment in Regional REIT	6	25,139	26,590	27,643
Investment properties under construction	7	33,075	28,513	34,293
Investment in joint ventures	8	6,675	10,365	7,267
		64,908	65,496	69,227
Current Assets				
Development and trading properties	9	26,657	29,230	29,311
Trade and other receivables		1,469	3,452	1,166
Cash and cash equivalents		35,676	46,031	37,170
		63,802	78,713	67,647
Total Assets		128,710	144,209	136,874
Current Liabilities				
Trade and other payables		563	2,416	879
Non-Current Liabilities				
Deferred tax		–	–	205
Total Liabilities		563	2,416	1,084
Net Assets	10	128,147	141,793	135,790
Equity				
Called up share capital		3,356	4,985	3,356
Capital redemption reserve		3,197	1,568	3,197
Treasury shares		(3,892)	(42,935)	(389)
Retained earnings		125,486	178,175	129,626
Total Equity		128,147	141,793	135,790
Net Assets Per Share		198.3p	201.0p	203.0p

The Conygar Investment Company PLC
Consolidated Cash Flow Statement
For the six months ended 31 March 2018

	Six months ended 31 March 2018 £'000	*Six months ended 31 March 2017 £'000*	*Year ended 30 Sept 2017 £'000*
Cash Flows From Operating Activities			
Operating (loss)/profit	(4,325)	2,281	2,826
Development costs written off	3,230	76	77
Profit on sale of group undertakings	–	(1,496)	(1,496)
Profit on sale of investment property	(458)	–	–
Loss on revaluation of listed investment	1,551	1,408	355
Loss on sale of Regional REIT shares	43	–	–
Share of results of joint ventures	(21)	(27)	(29)
Profit on sale of interest in joint venture	–	–	(3)
Depreciation and amortisation of reverse lease premiums	5	5	66
Other gains and losses	29	25	25
Cash Flows From Operations Before Changes In Working Capital	54	2,272	1,821
Change in trade and other receivables	(303)	(859)	(659)
Change in land, developments and trading properties	(189)	(47)	(127)
Change in trade and other payables	(69)	(2,394)	(436)
Cash Flows (Used In)/Generated From Operations	(507)	(1,028)	599
Finance costs	–	(687)	(693)
Finance income	23	67	74
Tax paid	–	(137)	(181)
Cash Flows Used In Operating Activities	(484)	(1,785)	(201)
Cash Flows From Investing Activities			
Acquisition of and additions to investment properties	(2,564)	(15,617)	(22,149)
Proceeds from sale of investment property	4,331	–	–
Proceeds from sale of shares in Regional REIT	910	–	–
Cash transferred on sale of group undertakings	–	(1,896)	(1,881)
Costs paid on sale of group undertakings	–	(269)	(792)
Cash received from/(investment in) joint ventures	205	(255)	(282)
Proceeds from sale/assignment of interest in joint venture	–	–	3,125
Purchase of plant and equipment	–	(12)	(12)
Cash Flows Generated From/(Used In) Investing Activities	2,882	(18,049)	(21,991)
Cash Flows From Financing Activities			
Bank loans drawn down	–	21,298	21,298
Bank loans repaid	–	(8,335)	(8,335)
Costs paid on new bank loan	–	(548)	(548)
Purchase of own shares	(3,892)	(10,212)	(16,715)
Cash Flows (Used In)/Generated From Financing Activities	(3,892)	2,203	(4,300)
Net decrease in cash and cash equivalents	(1,494)	(17,631)	(26,492)
Cash and cash equivalents at start of period	37,170	63,662	63,662
Cash and Cash Equivalents at End of Period	35,676	46,031	37,170

The Conygar Investment Company PLC
Notes to the Interim Results
For the six months ended 31 March 2018

1. Basis of Preparation

The accounting policies used in preparing the condensed financial information are consistent with those of the annual financial statements for the year ended 30 September 2017 other than the mandatory adoption of new standards, revisions and interpretations that are applicable to accounting periods commencing on or after 1 October 2017, as detailed in the annual financial statements.

The condensed financial information for the six month period ended 31 March 2018 and the six month period ended 31 March 2017 has been reviewed but not audited and does not constitute full financial statements within the meaning of section 435 of the Companies Act 2006.

The financial information for the year ended 30 September 2017 does not constitute the Group's statutory accounts for that period but it is derived from those accounts. Statutory accounts for the year ended 30 September 2017 have been delivered to the Registrar of Companies. The auditors have reported on these accounts; their report was unqualified and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The board of directors approved the above results on 21 May 2018.

Copies of the interim report may be obtained from the Company Secretary, The Conygar Investment Company PLC, Fourth Floor, 110 Wigmore Street, London, W1U 3RW.

2. Segmental Information

IFRS 8 requires the identification of the Group's operating segments which are defined as being discrete components of the Group's operations whose results are regularly reviewed by the Board of directors. The Group divides its business into the following segments:

- Investment in the shares of Regional REIT Limited;
- Investment properties, including investment properties under construction, which are owned or leased by the Group for long-term income and for capital appreciation; and,
- Development properties, which include sites, developments in the course of construction and sites available for sale.

The only items of revenue or profit/loss relating to the investment in Regional REIT Limited are the dividends received from that investment, the fair value movement during each reporting period and the loss on sale of shares in the current period. The only item of revenue or profit/loss relating to the development properties is the write off of development costs and therefore only the segmented balance sheet is reported.

Balance Sheet

	31 March 2018					*31 March 2017*				
	Investment	*Investment Properties*	*Development Properties*	*Other*	*Group Total*	*Investment*	*Investment Properties*	*Development Properties*	*Other*	*Group Total*
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Investment in Regional REIT Limited	25,139	–	–	–	25,139	26,590	–	–	–	26,590
Investment properties	–	33,075	–	–	33,075	–	28,513	–	–	28,513
Investment in joint ventures	–	–	6,675	–	6,675	–	–	10,365	–	10,365
Development & trading properties	–	–	26,657	–	26,657	–	–	29,230	–	29,230
	25,139	33,075	33,332	–	91,546	26,590	28,513	39,595	–	94,698
Other assets	–	4,966	37	32,161	37,164	–	3,245	28	46,238	49,511
Total assets	25,139	38,041	33,369	32,161	128,710	26,590	31,758	39,623	46,238	144,209
Liabilities	–	(326)	(7)	(230)	(563)	–	(966)	–	(1,450)	(2,416)
Net assets	25,139	37,715	33,362	31,931	128,147	26,590	30,792	39,623	44,788	141,793

3. Finance Income/Costs

	Six months ended		*Year ended*
	31 March 2018 £'000	*31 March 2017 £'000*	*30 Sept 2017 £'000*
Finance income			
Bank interest	31	115	174
Finance costs			
Interest payable on bank loans	–	(751)	(757)
Amortisation of arrangement fees	–	(127)	(127)
Interest payable on zero dividend preference shares	–	(901)	(901)
	–	(1,779)	(1,785)

All of the undertakings that were party to both the Group's bank loans and the zero dividend preference shares were sold on 24 March 2017. The Group's finance costs, in connection with those liabilities, ceased at that date.

4. Dividend

No dividend was paid in respect of the year ended 30 September 2017 (2016: nil).

5. Earnings per Share

The calculation of losses / earnings per ordinary share is based on the loss after tax of £4,140,000 (31 March 2017: profit of £495,000; 30 September 2017: profit of £855,000) and on the number of shares in issue being the weighted average number of shares in issue during the period of 65,774,072 (31 March 2017: 72,708,193; 30 September 2017: 70,684,860). There are no diluting amounts in either the current or prior periods. The total number of ordinary shares in issue (net of 2,505,000 shares purchased by the Company and held as treasury shares) at the date of this report was 64,621,435.

6. Investment in Regional REIT

Regional REIT is a United Kingdom based real estate investment trust whose shares were admitted to the premium segment of the Official List and to trading on the main market of the London Stock Exchange on 6 November 2015. Regional REIT is managed by London & Scottish Investments Limited, as asset manager, and Toscafund Asset Management LLP, as investment manager.

The movement in the number and value of the shares during the period was as follows:

	Number of shares	*Valuation £'000*
At 30 September 2017	26,326,644	27,643
Disposals in the period	(908,251)	(953)
Movement in market value	–	(1,551)
At 31 March 2018	25,418,393	25,139

The Company has agreed a lock-in arrangement in respect of the shares. Specifically, the Company is not permitted to dispose (directly or indirectly) of the legal or beneficial ownership of 8,775,548 shares until 24 September 2018.

7. Investment Properties Under Construction

Investment properties under construction are freehold land and buildings representing investment properties under development or construction and they amount to £33,075,000 as at 31 March 2018 (31 March 2017: £28,513,000; 30 September 2017: £34,293,000). These properties comprise landholdings for current or future development as investment properties. This methodology has been adopted because the value of these properties is dependent on a detailed knowledge of the planning status, the competitive position of the assets and a range of complex development appraisals. The fair value of these properties rests in the planned developments, and is difficult to estimate pending confirmation of designs and planning permission, and hence has been estimated by the directors at cost as an approximation to fair value.

The movement in the carrying value of investment properties under construction during the period was as follows:

	£'000
At 30 September 2017	34,293
Disposal	(3,824)
Additions	2,606
At 31 March 2018	33,075

8. Investment in Joint Ventures

The Group has a 50% interest in a joint venture, Conygar Stena Line Limited, which is a property development company and a 50% interest in a joint venture, CM Sheffield Limited, which is a dormant company.

On 29 September 2017, the Group disposed of its 50% interest in the share capital of Roadking Holyhead Limited and assigned its loan to Roadking Holyhead Limited for a gross consideration of £3,125,500.

The following amounts represent the group's 50% share of the assets and liabilities, and results of the joint ventures which are included in the balance sheet and income statement:

	31 March 2018 £'000	*31 March 2017 £'000*	*30 Sept 2017 £'000*
Assets			
Current assets	6,688	10,395	7,282
Liabilities			
Current liabilities	(13)	(30)	(15)
Net assets	6,675	10,365	7,267

	Six months ended		*Year ended*
	31 March 2018 £'000	*31 March 2017 £'000*	*30 Sept 2017 £'000*
Net rental income	21	27	29
Profit before tax	21	27	29
Tax	–	–	–
Profit after tax	21	27	29

9. Development and Trading Properties

	31 March 2018 £'000	*31 March 2017 £'000*	*30 Sept 2017 £'000*
Properties held for resale or development	26,657	29,230	29,311

The above amounts relate to development properties, which include sites, developments in the course of construction and sites available for sale. The movement in the carrying value of development and trading properties during the period was as follows:

	£'000
At 30 September 2017	29,311
Additions	576
Development costs written off/written down	(3,230)
At 31 March 2018	26,657

As set out in the Chairman's and Chief Executive's Statement, the Company is unable to progress its proposals for a mixed-use development at Fishguard, West Wales as Stena Line Ports informed the Company that the proposed development would interfere with their harbour and ferry operations. Accordingly, the project cannot go ahead and the Company has written off a total of £2.4 million.

The Company has also written down its £0.8m investment in the Llandudno Junction project.

The Conygar Investment Company PLC
Notes to the Interim Results (continued)
For the six months ended 31 March 2018

10. Net Asset Value per share

Net asset value per share is calculated as the net assets of the Group divided by the number of shares in issue. There are no diluting or adjusting amounts for the reported periods.

	31 March 2018 £'000	*31 March 2017 £'000*	*30 Sept 2017 £'000*
Net asset value	128,147	141,793	135,790
	No.	*No.*	*No.*
Shares in issue	64,621,435	70,541,435	66,891,435
Net asset value per share	198.3p	201.0p	203.0p

The above calculations exclude the fair value of the Group's development properties. We have not sought to value these assets as, in our opinion, they are at too early a stage in their development to provide a meaningful figure.

11. Related Party Transactions

The Group has made advances to the following joint ventures in order to provide both long term and additional working capital funding. All amounts are repayable upon demand and will be repaid from the trading activities of those subsidiaries. No provisions have been made against the outstanding amounts.

	31 March 2018 £'000	*31 March 2017 £'000*	*30 Sept 2017 £'000*
Joint Ventures			
Conygar Stena Line Limited	7,511	8,023	8,098
CM Sheffield Limited	–	2	2
Roadking Holyhead Limited	–	3,235	–
	7,511	11,260	8,100

11. Related Party Transactions (continued)

The loans to Conygar Stena Line Limited may be analysed as follows:

	31 March 2018 £'000	*31 March 2017 £'000*	*30 Sept 2017 £'000*
Secured interest bearing loan	4,491	5,003	5,078
Unsecured non-interest bearing shareholder loan	3,020	3,020	3,020
	7,511	8,023	8,098

Key Management Compensation

Key management personnel have the authority and responsibility for planning, directing and controlling the activities of the Group and are considered to be the directors of the Company. Amounts paid in respect of key management compensation, including amounts paid to Mr P M C Rabl in advance of his stepping down on 25 January 2018, were as follows:

	Six months ended		*Year ended*
	31 March 2018 £'000	*31 March 2017 £'000*	*30 Sept 2017 £'000*
Short term employee benefits	707	467	1,013

REES POLLOCK
Chartered Accountants

35 New Bridge Street
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Independent Review Report to The Conygar Investment Company PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2018 which comprises the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated balance sheet, the consolidated cash flow statement and the related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the AIM Rules ("the AIM rules"). 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.

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

Our Responsibility

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

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2018 is not prepared, in all material aspects, in accordance with International Accounting Standard 34 as adopted by the European Union and the AIM Rules.

Rees Pollock
Chartered Accountants and Registered Auditors
London
21 May 2018

Notes:

(a) The maintenance and integrity of The Conygar Investment Company PLC website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the website.

(b) Legislation in the United Kingdom governing the presentation and dissemination of financial information may differ from legislation in other jurisdictions.

Directors and Advisers

Directors	N J Hamway (*Non-executive Chairman*) R T E Ware (*Chief Executive*) R H McCaskill (*Finance Director*) F N G Jones (*Property Director*) C J D Ware (*Property Director*) M D Wigley (*Non-executive Director*)
Secretary	R H McCaskill
Registered Office	Fourth Floor 110 Wigmore Street London, W1U 3RW
Registrar	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey GU9 7DR
Nominated Adviser & Stockbroker	Liberum Capital Limited Ropemaker Place, Level 12 25 Ropemaker Street London EC2Y 9LY
Solicitors	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
Auditors	Rees Pollock 35 New Bridge Street London EC4V 6BW

Company Registration No 4907617