

19th December 2019

**TRAFALGAR PROPERTY GROUP PLC**  
**("Trafalgar", the "Company" or "Group")**

**Interim Results**  
**for the six months ended 30 September 2019**

Trafalgar (AIM: TRAF), the AIM quoted residential property developer operating in southeast England, announces its interim results for the six months ended 30 September 2019 (the "Period").

**Key financials:**

- Turnover for the Period was £2,286,000 (H1 2018: £ 1,780,000);
- Gross loss of £145,000, giving a pre-tax loss of £528,000 after overheads (H1 2018: nil, pre-tax loss: £224,000);
- EPS of (0.11p) (H1 2018: (0.05p)); and
- Cash in bank at period end was £27,780 (2018: £16,178); as at 18 December 2019 cash in bank was £14,000.

**CHIEF EXECUTIVE'S REPORT**

I present the Company's Interim Results for the six month period to 30<sup>th</sup> September 2019. Revenue for the period was £ 2,286,000 and costs of sales was £ 2,431,220, giving a gross loss for the period of £145,220.

Other income amounted to £ 43,131. Interest paid was £ 5,319 and administrative expenses for the period amounted to £ 420,636 (2018: £307,000). The increase in general administration expenses related to the additional costs incurred following the acquisition of Beaufort Homes Limited now known as Trafalgar Retirement + Limited (Traf +) which took place during the previous 2018 financial year and the writing off in the current period of costs incurred on sites inherited where options failed to materialise.

The result of the above is an operating loss for the period of £ 528,045. This includes a loss of £ 324,000 relating to the abortive Camberley acquisition.

During the period due to the lack of activity in the market generally it was decided to rent out the remaining unsold properties, Orchard House, Hildenborough and Burnside Court, Tunbridge Wells. These properties were transferred to Selmat Limited, the wholly owned subsidiary, properties refinanced and the bank loans repaid. All of the properties have been let out on Assured Shorthold Tenancy Agreements.

There was retained within the development portfolio of Trafalgar New Homes Limited, the executive detached house at Saxons, Speldhurst, Tunbridge Wells and the six houses under construction at Wellesley Road, Sheerness, Kent. Saxons has recently been sold for £ 1.58 million and the six properties at Sheerness are complete and are now currently on the market.

At Staplehurst, Kent the Company appealed the refusal of its Planning Application for an Extra Care/Assisted Living consent and we currently await the result of the Appeal.

As regards the Options held by the group, planning consent has been forthcoming on two of the sites, one of which (Ewell) was sold during the period to generate a gross profit of £259,152; Planning consent has also been granted for a three unit scheme in Ashtead, Surrey and a sale has been agreed, which again, should show a healthy return.

Other sites under Option are all in the Planning process. Further development land opportunities are being explored and sites with planning permission and sites subject to planning are under consideration.

Paul Treadaway  
Chief Executive

**CONSOLIDATED UNAUDITED INTERIM RESULTS FOR THE  
SIX MONTHS ENDED 30 SEPTEMBER 2019**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	6 month period ended 30 September (Unaudited)	6 month period ended 30 September (Unaudited)	Year ended 31 March (Audited)
Note	2019 £'000	2018 £'000	2019 £'000
Revenue	2,286	1,780	2,123
Cost of sales	<u>(2,431)</u>	(1,717)	(2,392)
Gross (loss)/profit	(145)	63	(269)
Administrative expenses	<u>(421)</u>	<u>(307)</u>	<u>(473)</u>
<b>Underlying operating (loss)*</b>	<b>(566)</b>	<b>(244)</b>	<b>(742)</b>
Other interest receivable and similar income	43	-	5
<b>Exceptional items</b>	-	-	(1,559)
Interest payable and similar charges	<u>(5)</u>	<u>-</u>	<u>-</u>
<b>(Loss) before taxation</b>	<b>(528)</b>	<b>(244)</b>	<b>(2,296)</b>
Tax payable on profit on ordinary activities	4	<u>-</u>	<u>-</u>
<b>(Loss) after taxation for the period</b>	<b><u>(528)</u></b>	<b><u>(244)</u></b>	<b><u>(2,296)</u></b>
Other comprehensive income			
<b>Total comprehensive (loss) for the period</b>	<b>(528)</b>	<b>(244)</b>	<b>(2,296)</b>
<b>(Loss) attributable to:</b>			
Equity holders of the parent	<u>(528)</u>	<u>(244)</u>	<u>(2,296)</u>
<b>Total comprehensive (loss) for the period attributable to:</b>			
Equity holders of the parent	<b>(528)</b>	<b>(244)</b>	<b>(2,296)</b>
<b>(LOSS) PER ORDINARY SHARE;</b>			
Basic/Diluted	5	<u>(0.11)p</u>	<u>(0.05)p</u>

\* Operating (loss) before non-recurring items, costs of acquisition and deemed cost of listing

All results in the current and preceding financial period derive from continuing operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
At 30 September 2019

Note	30 September (Unaudited) 2019 £'000	30 September (Unaudited) 2018 £'000	31 March (Audited) 2019 £'000
<b>Non-current assets</b>			
Tangible fixed assets	<u>1</u> 1	<u>2</u> 2	<u>1</u> 1
<b>Current assets</b>			
Inventory	4,928	6,624	4,481
Trade and other receivables	62	115	92
Cash at bank and in hand	<u>28</u>	<u>16</u>	<u>32</u>
	<u>5,018</u>	<u>6,755</u>	<u>4,605</u>
<b>Total assets</b>	<u>5,019</u>	<u>6,757</u>	<u>4,606</u>
<b>EQUITIES AND LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	463	415	442
Borrowings	<u>2,535</u>	<u>1,731</u>	<u>2,502</u>
	2,998	2,146	2,944
<b>Non-current liabilities</b>			
Borrowings	<u>4,947</u>	<u>5,170</u>	<u>4,273</u>
<b>Total liabilities</b>	<u>7,945</u>	<u>7,316</u>	<u>7,217</u>
<b>Equity attributable to equity holders of the company</b>			
Called up share capital	6 2,632	2,570	2,570
Share premium account	2,661	2,510	2,510
Reverse acquisition reserve	(2,818)	(2,818)	(2,818)
Profit and loss account	<u>(5,401)</u>	<u>(2,821)</u>	<u>(4,873)</u>
<b>Total Equity</b>	<u>(2,926)</u>	<u>(559)</u>	<u>(2,611)</u>
<b>Total Equity and Liabilities</b>	<u>5,019</u>	<u>6,757</u>	<u>4,606</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
For the six month period ended 30 September 2019

	Share capital £'000	Share premium £'000	Reverse acquisition reserve £'000	Retained profits /(losses) £'000	Total equity £'000
At 1 April 2019	2,570	2,510	(2,818)	(4,873)	(2,611)
Loss for period	-	-	-	(528)	(528)
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(528)</u>	<u>(528)</u>
Issue of shares	62	188	-	-	250
Share issue costs	<u>-</u>	<u>(37)</u>	<u>-</u>	<u>-</u>	<u>(37)</u>
<b>At 30 September 2019</b>	<u>2,632</u>	<u>2,661</u>	<u>(2,818)</u>	<u>(5,401)</u>	<u>(2,926)</u>

For the purpose of preparing the consolidated financial statement of the Group, the share capital represents the nominal value of the issued share capital of 1p per share. Share premium represents the excess over nominal value of the fair value consideration received for equity shares net of expenses of the share issue.

The reverse acquisition reserve related to the reverse acquisition between Trafalgar Property Group plc and Trafalgar New Homes Limited on 11 November 2011.

On 31<sup>st</sup> May 2019, 62,500,000 additional shares were issued being ordinary 0.01p shares and 0.03p share premium.

CONSOLIDATED STATEMENT OF CASH FLOWS  
For the six month period ended 30 September 2019

	<b>6 month period ended 30 September (Unaudited)</b>	6 month period ended 30 September (Unaudited)	Year ended 31 March (Audited)
	<b>2019 £'000</b>	2018 £'000	2019 £'000
<b>Cash flow from operating activities</b>			
Operating (loss)	(528)	(244)	(2,296)
Depreciation charges	-	-	-
(Increase)/decrease in stocks	(447)	1,170	3,494
(Increase)/decrease in debtors	30	(23)	3
(Decrease)/Increase in creditors	(38)	21	48
Interest paid	<u>5</u>	<u>-</u>	<u>145</u>
<b>Net cash outflow/(inflow) from operating activities</b>	<b><u>(978)</u></b>	<b><u>924</u></b>	<b><u>1,394</u></b>
<b>Investing activities</b>			
Purchase of tangible fixed assets	<u>-</u>	<u>-</u>	<u>-</u>
Net cash used in investing activities	<u>-</u>	<u>-</u>	<u>-</u>
<b>Taxation</b>	<u>-</u>	<u>-</u>	<u>(291)</u>
<b>Financing activities</b>			
Issue of shares	250	-	-
Net new loans/(loan repayments) in period	707	(1,384)	(1,521)
Share issue costs	(37)	-	-
Amount injected/(withdrawn) by directors	59	18	320
Interest paid	<u>(5)</u>	<u>-</u>	<u>(328)</u>
<b>Net cash flow from financing</b>	<b><u>974</u></b>	<b><u>(1,366)</u></b>	<b><u>(1,529)</u></b>
<b>(Decrease)/increase in cash and cash equivalents in the period</b>	<b><u>(4)</u></b>	<b><u>(442)</u></b>	<b><u>426</u></b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b><u>32</u></b>	<b><u>458</u></b>	<b><u>458</u></b>
<b>Cash and cash equivalents at the end of the period</b>	<b><u>28</u></b>	<b><u>16</u></b>	<b><u>32</u></b>

**1. GENERAL INFORMATION**

This financial information is for Trafalgar Property Group Plc ("the Company") and its subsidiary undertakings. The Company is incorporated in England and Wales.

**2. BASIS OF PREPARATION**

The interim consolidated financial information has been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006. The interim financial information incorporates the results for the group for the six month period from 1 April 2019 to 30 September 2019. The results for the year ended 31 March 2019 have been extracted from the statutory financial statements for the Company for the year ended 31 March 2019. The interim financial information should be read in conjunction with the audited financial statements for the group for the year ended 31 March 2019.

The same accounting policies, presentation and methods of computation have been followed in these unaudited interim financial statements as those which were applied in the preparation of the group's annual financial statements for the year ended 31 March 2019.

The interim consolidated financial information incorporates the financial statements of Trafalgar Property Group Plc and its subsidiaries.

The interim financial information for the six months ended 30 September 2019 was approved by the directors on 18th December 2019.

**3. SEGMENTAL REPORTING**

For the purpose of IFRS 8, the chief operating decision maker ("CODM") takes the form of the Board of Directors. The Directors' opinion of the business of the Group is that the principal activity of the Group was property development and there is considered to be one reportable segment, that of property development carried on in the UK. The internal and external reporting is on a consolidated basis with transactions between group companies eliminated on consolidation. Therefore the financial information of the single segment is the same as that set out in the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of financial position and cash-flows.

NOTES TO THE FINANCIAL INFORMATION  
For the period ended 30 September 2018

**4. TAXATION**

	<b>6 month period ended 30 September (Unaudited)</b>	6 month period ended 30 September (Unaudited)	Year ended 31 March (Audited)
	<b>2019 £'000</b>	2018 £'000	2019 £'000
Current tax	—	—	—
Tax charge/(credit)	—	—	—
(Loss) on ordinary activities before tax	<b>(528)</b>	(244)	(2,296)
Based on profit for the period:			
Tax at 20%	-	-	-
Effect of:			
Losses (not utilised)/utilised	—	—	—
Tax charge for the period	—	—	—

**5. (LOSS) PER ORDINARY SHARE**

The calculation of (loss) per ordinary share is based on the following (losses) and number of shares:

	<b>6 month period ended 30 September (Unaudited)</b>	6 month period ended 30 September (Unaudited)	Year Ended 31 March (Audited)
	<b>2019 £'000</b>	2018 £'000	2019 £'000
(Loss) for the period	<u>(528)</u>	<u>(244)</u>	<u>(2,296)</u>
Weighted average number of shares for basic (loss) per share	<u>487,690,380</u>	<u>425,190,380</u>	<u>425,190,380</u>
Weighted average number of shares for diluted (loss) per share	<u>487,690,380</u>	<u>425,190,380</u>	<u>425,190,380</u>
<b>(LOSS) PER ORDINARY SHARE;</b>			
Basic	<u>(0.11)p</u>	<u>(0.05)p</u>	<u>(0.54)p</u>
Diluted	<u>(0.11)p</u>	<u>(0.05)p</u>	<u>(0.54)p</u>

NOTES TO THE FINANCIAL INFORMATION  
For the period ended 30 September 2019

**6. SHARE CAPITAL**

Authorised Share Capital

	<b>30 September 2019 Number</b>	31 March 2019 Number
Ordinary shares of 1p each	425,190,380	425,190,380
Issued in period	62,500,000	-
	487,690,380	425,190,380

Issued, allotted and fully paid  
Authorised Share Capital

	<b>30 September 2019 £'000</b>	31 March 2019 £'000
Ordinary shares	2,632	2,570
Share premium	2,661	2,510