28 September 2018

Clear Leisure plc

("Clear Leisure", “the Group” or "the Company")

INTERIM RESULTS

For the six months ended 30 June 2018

Clear Leisure plc (AIM: CLP) announces its unaudited interim results for the six months ended 30 June 2018.

For further information please contact:

Clear Leisure Plc +39 335 296573

Francesco Gardin, CEO and Executive Chairman

SP Angel Corporate Finance (Nominated Adviser & Broker) +44 (0)20 3470 0470

Jeff Keating / John Mackay / Charlie Bouverat

Leander (Financial PR) +44 (0) 7795 168 157

Christian Taylor-Wilkinson

About Clear Leisure Plc

Clear Leisure plc (AIM: CLP) is an AIM listed investment company with a portfolio of companies primarily encompassing the leisure and real estate sectors mainly in Italy. The focus of management is to pursue the monetisation of all of the Company’s existing assets, through selected realisations, court-led recoveries of misappropriated assets and substantial debt-recovery processes. The Company has recently launched a joint venture initiative in the cryptocurrency mining sector. For further information, please visit, www.clearleisure.co.uk

Chairman Statement

For the six months to 30 June 2018, the Company reported an operating loss and a loss before tax of €706,000 and €809,000 respectively, excluding the extraordinary loss of €720,000 due to the prudential partial write-down of the value of the first charge on the Mediapolis land, as the result of the recent auction announced on 26 July 2018. This compares to the operating loss and loss before taxation for the first six months of 2017 of €362,000 and €260,000 respectively which included a one off profit of €296,000 resulting from a buyback of bonds at 82% discount from Mediapolis’ bondholders but excluded an exceptional gain of €2.4 million from the repurchase of bank debt. . Increased costs for the first six months of 2018 include, among others, blockchain advisory fees, additional legal costs for the claims filed, Mediapolis related costs after its de-consolidation, and commission fees for an aggregate £1.25 million fundraising.

The undiluted Net Asset Value (NAV) of the Group as at 30 June 2018 was €1.57 million (€1.2 million at 31 December 2017).

During the period under review, the board took the decision to utilise the expertise of senior management to create a technology portfolio to add to the Company’s existing leisure-based portfolio. The Company has long held a 4.53% interest in Geosim, a leading-edge 3D mapping company. The Group has now invested in the rapidly growing blockchain industry through a jointly owned cryptocurrency production facility in Serbia, where it benefits from low cost energy supply. The Company's 50% share of the cost of the facility was €200,000, paid for in cash and the issue of Clear Leisure shares.

Meanwhile, management has continued to pursue the monetisation of the Company's leisure assets through selected realisations and court led recovery of misappropriated assets and by improving the balance sheet through conversion of debt into Clear Leisure new ordinary shares.

During the period under review, the Company raised £1.25 million in three separate market issues, converted a further £315,000 of debt into new ordinary shares and issued shares to the value of £87,000 as its contribution to the cost of the cryptocurrency facility.

At a meeting on 19 June for holders of the Company's €9.9 million Bond (of which only €6.9 million has been issued), resolutions were approved extending the final maturity of the bonds from 15 December 2018 to 15 December 2022 and providing the Company with the option (under certain circumstances) to convert the bonds into new Clear Leisure ordinary shares.

To ensure that the Company can capitalise on further opportunities to purchase debt (which has often been at a discount to face-value) through payment in shares, make new technology investments and raise further funds for running costs, Clear Leisure held a general meeting in May at which shareholders gave the Directors approval to issue new Clear Leisure ordinary shares up to an aggregate nominal amount of £500,000.

With respect to the various leisure operations in which Clear Leisure has, or once had, an interest, virtually each historical investment continues to involve a legal action.

During the first half of the year Clear Leisure issued a claim against Fortune Cookie Ltd and its founder Mr Justin Cooke arising from the alleged breach of a share purchase agreement entered into in 2012. Pending disclosure from the defendants, the Company estimates that the value of its claim is between £700,000 and £5 million.

With the same purpose, the Group, through its 99.3% owned subsidiary Sosushi, has been working with its Italian legal adviser to file a claim for approximately €1.7 million in damages against the former directors of Sosushi for gross mismanagement. In April 2018, the Company was served with a counter claim in the English courts by former shareholders and a former chief executive of Sosushi, for approximately the same amount relating to an agreement entered into in December 2013 by which the Company acquired shares in Sosushi. The Company believes this claim has no merit and has vigorously defended itself against the claim.

The Company continues negotiations with the owners of the Ondaland water park to recover the value of its original investment. Various proposals to resolve the dispute have been tabled by Clear Leisure but, as yet, no agreement has been reached.

The Company was successful in obtaining approval from the Ivrea Court of its first charge on the land of Mediapolis held by Clear Leisure 2017 Ltd, for a value of €2.68 million and formal recognition as an unsecured creditor for an amount of €8.21 million. The Company is still pursuing the outcome of this important ruling by the courts which could lead to Clear Leisure 2017 retaining ownership of the land.

Financial Review

The Company reported a total comprehensive loss in the period to 30 June 2018 of €1.53 million (31 December 2017: loss €63,000). Operating loss for the period was €706,000 (31 December 2017: operating loss €324,000).

The Net Asset Value (NAV) of the Company as of 30 June 2018 was €1.57 million, compared to €1.2 million at 31 December 2017.

During the period, Clear Leisure entered in to a joint venture with 64 Bit Limited ("64 Bit"). Each company will hold a 50% interest in Miner One Limited, a UK based company, which established and currently operates a Bitcoin mining data centre based in Serbia.

Clear Leisure has invested €200,000 into the joint venture, Minor One Limited, by paying cash of €100,000 and issuing 7,868,130 new Clear Leisure ordinary shares at a price of 1.11p per share. The proceeds of the mining activity will be equally divided between Clear Leisure and 64Bit.

Outlook

The Directors have spent a large part of 2018 pursuing various legal disputes and court actions on behalf of the Company's shareholders which ultimately, the Director's believe, should bring rewards.

To increase the long-term likelihood of success for the investment portfolio, a diversification into the technology sector, where the Board has a measure of experience, was a logical step. The first stage was an investment into a cryptocurrencies mining datacentre, with a longer-term strategy to seek opportunities within the broader Blockchain sector. The mining datacentre is expected to provide a stream of revenue for the Company, the first in over 10 years, and develop into a valuable asset, as well as a platform for further diversification.

Portfolio Companies

An update on the Group's portfolio companies, at 30 June 2018, is as follows (percentage of equity held by the Group):

SIPIEM SpA (50.17%): is a minority shareholder in T.L.T. SpA which owns a number of real estate assets including the operating Ondaland Waterpark, located in north-west Italy. The waterpark is a popular summer destination for Italians living in north-west Italy and there are plans to create an all year family-oriented theme park facility, using an existing 7,500 square metre empty building erected in 2012.

GeoSim Systems Ltd (www.geosim.co.il) (4.53%): is an Israeli company, which develops 3D modelling software. The value of this investment was written off in the 2014 accounts. However, Clear Leisure has since been advised that the most recent round of fundraising by GeoSim, at the end of 2017, represents a value for Clear Leisure's stake of US$667,487. This value has been incorporated in the balance sheet.

GeoSim's 3D model of the city of Vancouver can be found at http://geosimmovies.com.

Mediapolis srl (84.04%): on 13 October 2017, the Company was, disappointingly, declared bankrupt by the Ivrea Court. At the time, Mediapolis owned a strategically located development site covering 497,884 sqm in the north-west of Italy on the A4/A5 motorway between Milan and Turin and 10 holiday villas in the Porto Cervo area, the most exclusive holiday location in Sardinia. Following the Ivrea Court ruling in favour of the winding up petition, the Company formally requested the assignment to Clear Leisure of the land on which, through its wholly owned subsidiary Clear Leisure 2017, it holds a first charge to the value of €2.678 million.

Cryptocurrencies Datacentre (50%): At the end of 2017, the Company entered into a Joint Venture with 64 Bit to build a crypto-currency mining datacentre in Serbia. During the first half of 2018, the Company invested €200,000 in cash and shares for the first mining unit which is now operational.

The intention of the Company is to transfer ownership of this first mining unit, currently held by 64 Bit into Miner One Limited.

Operational Review

In January 2018, after having entered into a joint venture with 64 Bit in late December 2017, the Company began to establish a Blockchain based cryptocurrency mining datacentre in Serbia, which will be held by a new subsidiary, Miner One Ltd. The share capital of Miner One Ltd will then be equally divided between Clear Leisure and 64 Bit. Of its investment, totalling €200,000, Clear Leisure contributed €100,000 in cash.

64Bit is a Malta based company founded by Mr Marco Mirra. With nearly 20 years' experience in datacentres expert design and management, he is a cryptocurrencies mining consultant and investor.

On 2 January 2018, the Company agreed with Eufingest to defer to 31 March 2018 the maturity of the €50,000 loan facility announced at the beginning of December. On the same day, the Company announced that it would file a claim to recover damages against the former directors of Sosushi for gross mismanagement. Furthermore, Clear Leisure announced that it would file a claim against previous Sosushi directors and shareholders for approximately €1.7 million (£1.5 million) in regard to Sosushi's published accounts, which Clear Leisure relied upon as the primary basis for the investment decision in 2012.

On 25 January 2018, Clear Leisure raised £350,000 through the placing of 58,333,334 new Ordinary Shares at a price of 0.6p per new Ordinary share.

On 22 February 2018, the Company was informed that its joint appeal against the ruling in favour of the winding up petition against Mediapolis was unsuccessful. Five days later, the Company informed shareholders that it had received confirmation by the receiver that the first charge on the land of Mediapolis and held by Clear Leisure 2017 Ltd, had been approved for a value of €2.678 million and in addition, that Clear Leisure and Clear Leisure 2017 had been formally recognised as unsecured creditors for a cumulative amount of €8.212 million.

On 9 March 2018 Clear Leisure agreed with the lender of €500,000 to settle €250,000 of the loan by issuing 22,321,429 Clear Leisure Plc 0.25p new Ordinary Shares, at 1p per share.

On 15 March 2018, Clear Leisure raised £300,000 through the placing of 42,857,143 new Ordinary Shares at a price of 0.7p per new Ordinary share.

On 27 April 2018, the Company issued a claim against Fortune Cookie Ltd and its founder Mr Justin Cooke arising from the alleged breach of a share purchase agreement entered into in 2012. Pending disclosure from the defendants, the Company estimates that the value of its claim is between £700,000 and £5 million.

On 2 May 2018, as announced, the Company was served with a claim in the English Courts for approximately €1.7 million from the former shareholders of Sosushi, including the previous Chief Executive. The claim relates to an agreement entered into in December 2013, prior to the appointment of the current directors, whereby the Company acquired shares in Sosushi. The Company believes that the claim is without merit.

On 2 May 2018, Mr Alfredo Villa, who until July 2015 was responsible for the management of Clear Leisure as both Chairman and Chief Executive, informed the Company of his intention to lodge a claim for unpaid salary in the amount of £274,450. As announced, the Company is contesting settlement of this claim and will update shareholders with subsequent developments.

On 17 May 2018, the Company held a general meeting, at which all the proposed resolutions were approved:

- to authorise the Directors to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount equal to £500,000; and,
- to dis-apply the statutory pre-emption provisions contained in Section 570 of the Companies Act for all newly authorised shares.

On 22 May 2018, Clear Leisure raised £600,000 through the placing of 63,157,890 new Ordinary Shares at a price of 0.95p per new Ordinary share.

On 30 May 2018, the Company reached a settlement agreement with Mr Peter McBride in respect of an amount due by the Company to Mr McBride. The settlement was in regard to an amount of £91,722 relating to interest accrued on a loan of £250,000 made by Square One Ltd to Clear Leisure in March 2015, at which time the Company was under the control of its previous board. Whilst the principal amount of the loan was repaid in 2016, the benefit of the accrued interest was assigned to Mr McBride by Square One Ltd in February 2018. Settlement of the £91,722 was satisfied through the issue and allotment of 8,263,250 new Clear Leisure Ordinary Shares at a price of 1.11p per share.

On 30 May 2018, the Company issued 7,868,130 new Ordinary Shares at a price of 1.11p per Ordinary Share to 64Bit in order to cover the Company's share of the capital and operating expenditure, amounting to €100,000, which had been advanced to Miner One Ltd by 64Bit Ltd.

On 12 June 2018, the Company was informed that the list of Mediapolis creditors had been finalised and confirmed. The Company's creditor position in Mediapolis being as follows:

- First charge mortgage (held by Clear Leisure 2017) for €2.678 million
- Unsecured creditor position of €8.212 million

On 19 June 2018, Clear Leisure held the second meeting of Bondholders of its Zero Rate Convertible Loan. All resolutions were approved. Under the new terms of the Bonds, the final maturity date was extended to 15 December 2022 and the Company is now able to convert the Bonds into new Ordinary Shares of 0.25p each.

At the same time, the Company agreed with Eufingest, its largest shareholder, to extend the maturity of certain loans outstanding as of 31 March 2018 and in the amount of €300,000, to 30 September 2018***.***

Post 30 June 2018 Events

On 12 July 2018, Clear Leisure announced that its crypto currencies mining datacentre located in Serbia became operational.

On 20 July 2018, Clear Leisure announced that it had been informed by its Italian legal adviser that Court of Ivrea had appointed an auctioneer who set the date for the auction of the 497,884 square meter land owned by Mediapolis Srl, ("Mediapolis"), for Wednesday 25 July 2018.

In response, the Company announced that it had formally presented a request to the Ivrea Court for the direct assignment of the land to Clear Leisure 2017 Ltd.

On 26 July 2018, the Company was informed by its Italian legal advisers that the auctioneer had assigned the 497,884 sqm land owned by Mediapolis Srl ("Mediapolis") to a sole bidder for an amount of €1,958,374. Once the assignment of the land is completed, the proceeds of the auction, less auction and administrative costs (estimated to be between 5-10% of the accepted bid), will be assigned to Clear Leisure 2017 Ltd, as per the rights of the first charge.

As consequence, the amount of the credit ascribed to the first charge on the land, has been prudently reduced to €1,958,374.

On 3 August, further to the Company's announcement dated 26 July 2018; Clear Leisure announced that it had filed an appeal against the result of the auction and the decision of the auctioneer to reject the Company's request to have the land assigned. The Company's Italian lawyers, having received a copy of the minutes of the auction and the reasoning on which the auctioneer's decision to reject the assignment request was based, have advised that the decision and the result of the auction can be challenged.

On 12 September, Clear Leisure held the second meeting of Bondholders of its Zero Rate Convertible Loan, amending the conversion terms as follow:

"The "Conversion Price" means an amount equal to not less than 125 per cent and not more than 500 per cent of the Company's reasonable assessment of average closing mid-market price for the Shares on AIM in the ten working days immediately prior to the date upon which the Conversion Notice is dispatched converted from sterling into euros at the Company's reasonable assessment of the mid-market exchange rate on that date".

On the 20 September, the Company announced that, as of such date, its Cryptocurrencies Mining datacentre had mined 0.454 Bitcoins and 17.045 Litecoins, of which 0.193 and 7.244 were distributable to Clear Leisure. The Company also explained that a delay in the extraction schedule, due to a restriction in power supply, had prevented the datacentre from operating at full capacity and that the energy supplier had advised that the issue is expected to be resolved by the end of September, when the power available at the site should be increased.

On 20 September the Company also announced that, with regard to the appeal against the result of the Mediapolis Land auction and the decision of the auctioneer to reject the Company's request to have the land assigned, the Court of Ivrea had scheduled a first hearing for 28 September 2018

Francesco Gardin

Clear Leisure PLC

CEO and Chairman

27 September 2018

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 JUNE 2018

	Note	Six months to 30 June 2018	Six months to 30 June 2017	Year ended 31 December 2017 Audited
		Unaudited	Unaudited	
Continuing operations		**€'000**	€'000	€'000
Revenue		**8**	21	5
Cost of sales		**-**	-	-
		8	21	5
Profit on settlement on interest bearing loan		**-**	2,394	-
Administrative expenses	3	**(714)**	(383)	(329)
Operating (loss)/profit		**(706)**	2,032	(324)
Other gains and losses		**(687)**	-	(77)
Finance income		**-**	**296**	421
Finance charges		**(136)**	**(188)**	(83)
(Loss)/profit before tax		**(1,529)**	**2,140**	(63)

Taxation		-	-	-
(Loss)/profit for the Period		**(1,529)**	**2,140**	**(63)**
Discontinued operations				
(Loss)/ profit from discontinued operations, net of tax		-	-	**(1,821)**
(Loss) for the period		-	-	**(1,821)**
TOTAL COMPREHENSIVE (LOSS) /INCOME FOR THE PERIOD		**(1,529)**	2,140	**(1,884))**
(Loss)/profit attributable to:				
Owners of the parent		**(1,529)**	2,105	**(1,884)**
Non-controlling interests		**-**	35	**-**
Total comprehensive (loss)/income attributable to				
Owners of the parent**:**		**(1,529)**	2,105	**(1,884)**
Non-controlling interests		**-**	35	**-**
Earnings per share:	4			
Basic and fully diluted (loss)/profit from continuing operations		**(€0.003)**	€0.007	**(€0.01)**
Basic and diluted (loss)/profit per share from discontinued operations		**-**	-	**(€0.01)**
Basic and diluted (loss)/profit) per share		**(€0.003)**	€0.007	**(€0.01)**

STATEMENTS OF FINANCIAL POSITION

AT 30 JUNE 2018

	Notes	**Six months to 30 June 2018**	Six months to 30 June 2017	Year ended 31 December 2017
		€'000	€'000	€'000
Non-current assets				
Other intangible assets		**-**	20	-
Property, plant and equipment		**-**	18,014	-
Other receivables		**-**	62	-
Interest in joint venture		**200**	-	-
Total non-current assets		**200**	18,096	-
Current assets				
Investments		**590**	634	557
Trade and other receivables		**9,175**	7,097	9,631
Cash and cash equivalents		**213**	1,394	-
Total current assets		**9,978**	9,125	10,188

Current liabilities			
Trade and other payables	**(555)**	(3,802)	(716)
Borrowings	**(6,799)**	(16,757)	(7,029)
Total current liabilities	**(7,354)**	(20,559)	(7,745)
Net current assets/(liabilities)	**2,624**	(11,434)	2,443
Total assets less current liabilities	**2,824**	6,662	2,443
Non-current liabilities			
Borrowings	**(1,255)**	(1,309)	(1,243)
Deferred liabilities and provisions	**-**	(407)	-
Total non-current liabilities	**(1,255)**	(1,716)	(1,243)
Net assets	**1,569**	4,946	1,200
Equity			
Share capital	**6,985**	6,354	6,412
Share premium account	**44,858**	43,375	43,563
Other reserves	**10,142**	12,612	10,112
Retained losses	**(60,416)**	(57,738)	(58,887)
Equity attributable to owners of the Company	**1,569**	4,603	1,200
Non-controlling interests	**-**	343	-
Total equity	**1,569**	4,946	1,200

AUDITED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

Group	**Share capital**	**Share premium account**	**Other reserves**	**Retained losses**	**Total**	**Non-controlling interests**	**Total equity**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
At 1 January 2017	6,344	43,351	11,440	(59,842)	1,293	308	1,601
Total comprehensive income for the year	-	-	-	(1,884)	(1,884)	-	(1,884)
Issue of shares	68	212	-	-	280	-	280
Issue of convertible loan notes			1,203				1,203
Transfer of reserves			(2,531)	2,531			-
Transfers of non-controlling interest to retained losses on disposal of Mediapolis				308	308	(308)	-

At 31 December 2017	**6,412**	**43,563**	**10,112**	**(58,887)**	**1,200**	**-**	**1,200**

UNAUDITED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS TO 30 JUNE 2017

Group	**Share capital**	**Share premium account**	**Other reserves**	**Retained losses**	**Total**	**Non-controlling interests**	**Total equity**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
At 1 January 2017	6,344	43,351	11,440	(59,842)	1,293	308	1,601
Total comprehensive income for the period	-	-	-	2,105	2,105	35	2,140
Issue of shares	10	24	-	-	34	-	34
Equity portion on convertible loan	-	-	1,171	-	1,171	-	1,171
At 30 June 2017	**6,354**	**43,375**	**12,611**	**(57,737)**	**4,603**	**343**	**4,946**

UNAUDITED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS TO 30 JUNE 2018

Group	**Share capital**	**Share premium account**	**Other reserves**	**Retained losses**	**Total**	**Total equity**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
At 1 January 2018	**6,412**	**43,563**	**10,112**	**(58,887)**	**1,200**	**1,200**
Total comprehensive loss for the period	-	-	-	(1,529)	(1,529)	(1,529)
Issue of shares	573	1,295	-	-	1,868	1,868
Unrealised foreign exchange gain (loss) reserve	-	-	30	-	30	30
At 30 June 2018	**6,985**	**44,858**	**10,142**	**(60,416)**	**1,569**	**1,569**

STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2018

	Six months to 30 June 2018	**Six months to 30 June 2017**	**Year ended 31 December 2017 Audited**
	Unaudited	**Unaudited**	
	€'000	**€'000**	**€'000**
Net cash outflow from operating activities	(1,098)	(469)	(2,816)
Cash flows from investing activities			
Acquisition of investments	(100)	-	-

Net cash inflow from investing activities	(100)		
Cash flows from financing activities			
Proceeds from issues of new ordinary shares (net of expenses)	1,411	34	280
(Repayment)/proceeds from borrowings	-	1,360	(1,250)
Repayment of debt	-	(901)	(2,416)
Net cash inflow from financing activities	1,411	493	1,446
Net increase/(decrease) in cash for the period	213	24	(1,370)
Cash and cash equivalents at beginning of year	-	1,370	1,370
Cash and cash equivalents at end of period	**213**	**1,394**	**-**

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

Clear Leisure plc is a company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on the AIM market of the London Stock Exchange. The address of the registered office is 22 Great James Street, London, WC1N 3ES.

The principal activity of the Group is that of an investment company pursuing a strategy to create a portfolio of companies.

2. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period covered by these consolidated financial statements.

Basis of preparation

The interim financial statements of Clear Leisure Plc are unaudited consolidated financial statements for the six months ended 30 June 2018 which have been prepared in accordance with IFRSs as adopted by the European Union. They include unaudited comparatives for the six months ended 30 June 2017 together with audited comparatives for the year ended 31 December 2017.

The interim financial statements do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2017 have been reported on by the company's auditors and have been filed with the Registrar of Companies. The report of the auditors was (i) unqualified, (ii) contained an emphasis of matter paragraph with regards Going Concern and (iii) did not contain any statement under section 498 of the Companies Act 2006.

The interim consolidated financial statements for the six months ended 30 June 2018 have been prepared on the basis of accounting policies expected to be adopted for the year ended 31 December 2018, which are consistent with the year ended 31 December 2017 except as stated below:

Changes in accounting policies

The Group has initially adopted IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments from 1 January 2018.

There was no material effect of initially applying IFRS 15 or IFRS 9.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations.

All of the Group's revenue is within the scope of IFRS 15, but no material changes to the timing of revenue recognition are required.

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities, and the adoption of IFRS 9 has not had a significant effect on the Group's accounting policies related to financial liabilities.

The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

IFRS 9 eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale. Under IFRS 9, on initial recognition, a financial asset is classified as:

-amortised cost;

-fair value through other comprehensive income (FVTOCI) – debt investment;

-FVTOCI – equity investment; or

-Fair value through profit or loss (FVTPL).

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. The Group's investments in equity instruments have been classified at fair value through profit or loss.

Financial assets are subject to new rules regarding provisions for impairment, however, the impact on transition is not material.

These accounting policies are drawn up in accordance with adopted International Accounting Standards ("IAS") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and adopted by the EU.

The financial statements have been prepared under the historical cost convention except for certain available for sale investments that are stated at their fair values and land and buildings that have been revalued to their fair value.

Going concern

The Directors, having made appropriate enquiries, consider that adequate resources exist for the Company to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the interim financial statements for the period ended 30 June 2018.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Company's medium-term performance and the factors that mitigate those risks have not substantially changed from those set out in the Company's 2017 Annual Report and Financial Statements, a copy of which is available on the Company's website:

www.clearleisure.com. The key financial risks are liquidity and credit risk.

Critical accounting estimates

The preparation of interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 3 of the Company's 2017 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

1. **Administrative expenses**

In the year ended 31 December 2017 €235,814 of accruals were released against administrative expenses.

4. (Loss) /Earnings per share

The basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is computed using the same weighted average number of shares during the period adjusted for the dilutive effect of share warrants and convertible loans outstanding during the period.

The profit and weighted average number of shares used in the calculation are set out below:

	Six months to 30 June 2018	Six months to 30 June 2017	Year ended 31 Dec 17
	(Unaudited)	(Unaudited)	(Audited)
	€'000	€'000	€'000
Loss/profit attributable to owners of the parent company:			
Basic earnings	(1,678)	2,105	(1,884)
Diluted earnings	(1,678)	2,291	(1,884)
Basic weighted average number of ordinary shares (000's)	504,232	289,234	295,429
Diluted weighted average number of ordinary shares (000's)	504,232	327,118	295,429
Basic and fully diluted earnings per share:			

Basic earnings per share	(€0.003)	€0.007	(€0.01)
Diluted earnings per share	(€0.003)	€0.007	(€0.01)

IAS 33 requires presentation of diluted earnings per share when a company could be called upon to issue shares that would decrease earnings per share or increase net loss per share. For a loss making company with outstanding share options and warrants, net loss per share would only be increased by the exercise of out-of-the money options and warrants, so no adjustment has been made to diluted earnings per share for out-of-the money options and warrants in the comparatives.

5. Investment Policy

The Company intends on identifying and investing in investment opportunities which it believes show excellent growth potential on a stand-alone basis and which would add value to the Company's portfolio of investments through the expertise of the Board or through the provision of ongoing funding.

It is the intention of the Company that the majority of investments will be made in unlisted companies; however pre-IPO and listed companies may, from time to time, be considered on a selective basis.

The Company believes that the collective experience of the Board together with its extensive network of contacts will assist them in the identification, evaluation and funding of investment targets. When necessary other external professionals will be engaged to assist in the due diligence of prospective targets. The Board will also consider, as it sees fit, appointing additional directors and/or key employees with relevant experience as part of any specific investment.

The Company may offer Shares as well as cash by way of consideration for prospective investments, thereby helping to preserve the Company's cash for working capital. The Company may, in appropriate circumstances, issue debt securities or borrow money to complete an investment.

6. Copies of Interim Accounts

Copies of the interim results are available at the Group´s web site at www.clearleisure.co.uk. Copies may also be obtained from the Group´s registered office: Clear Leisure PLC, 22 Great James Street London WC1N 3ES.