

20 September 2013

**Clear Leisure plc**  
("Clear Leisure", "the Group" or "the Company")

**INTERIM RESULTS**  
**For the 6 Months Ended 30 June 2013**

Clear Leisure (AIM: CLP) announces its unaudited Interim Results for the 6 months ended 30 June 2013.

**HIGHLIGHTS**

- Consolidated NAV attributable to owners of the company increased to EUR 30.7m (H1 2012: EUR 26.3m, FY 2012: EUR 29.5m)
- NAV per share, as at 30 June, of 13.3 pence (unchanged)
- Revenue of EUR 19.7m (H1 2012: Nil, FY 2012: EUR 8.7m) resulting from the full consolidation of the investee companies
- Operating Profit of EUR 0.6m (H1 2012: Loss of EUR 0.4m FY 2012: Loss of EUR 0.1m)
- Profit before tax of EUR 0.5m (H1 2012: Loss of EUR 0.4m FY 2012: Loss of EUR 2.3m)
- Reduced costs and debt position

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**About Clear Leisure Plc**

Clear Leisure is an AIM listed investment company pursuing a strategy to of building a portfolio of companies in the leisure and real estate sectors, predominantly in Italy but also other European countries. The Company may be either a passive or active investor and Clear Leisure's investment approach ranges from acquiring minority positions with strategic influence through to larger controlling positions. For further information, please visit, [www.clearleisure.com](http://www.clearleisure.com)

## **Financial Review**

Traditionally the first half of the year is the weakest period for the Leisure and Travel sectors. Despite this, the Company has delivered significant growth over the previous comparable period and a respectable increase over the year end 2012. This is due to a number of measures implemented by the Board which primarily comprise cost cutting and a streamlining of the portfolio to focus on the Group's core strategy.

The consolidated net asset value (equity attributable to the Company) at 30 June 2013 was EUR 30.7 million (June 2012: EUR 26.3 million, December 2012: Eur 29.5 million) and fully diluted net asset value per share was 13.3 pence (unchanged). Total equity, including non-controlling interests, increased to EUR 41.1 million (December 2012 Eur 39.6m).

The Group reported Revenues of EUR 19.7 million (June 2012: Nil, December 2012: 8.7 million) and Operating Profit of EUR 0.6 million (June 2012: loss of EUR 0.4 million; December 2012 loss of Eur 0.1 m). Profit before taxation was EUR 0.4m (December 2012: Loss EUR 2.3m).

Head Office costs have reduced by 30% from the same period in FY 2012 and the Board will continue to review all expenditure across the Group.

## **Operational review**

On 6 February 2013 the Company announced that at the end of December 2012 the Company had entered into a conditional agreement with certain creditors to buy back £2,704,594 of Clear Leisure debt for a cash amount of £1,576,165. This amount was settled on 28 March 2013, and the realised profit of £1.1 million was included in the full year 2012 financial statements. On the same date the Company also announced that it had repaid a debt of EUR 230,000 to an outstanding creditor by issuing 3.2 million Clear Leisure ordinary shares at a price of 6p per share. The Company also repaid clients of Eufingest S.A. the amount of £600,000 in settlement of a short term loan through the issue of 15 million Clear Leisure ordinary shares at a price of 4p per share.

On 25 February 2013 the Company announced that Eufingest S.A., the Lugano based portfolio management company, held 55,000,000 ordinary shares of the Company on behalf of its clients. This holding represents 27.6 per cent. of Clear Leisure's issued ordinary share capital.

On 25 March 2013 the Company announced that it had completed the placing of its December 2015, Zero Coupon Convertible Bond (the "Convertible Bond") at a conversion price of 15 pence and issued at 78% of face value. Bonds totalling EUR 3 million were sold to different European institutions, with the net proceeds being used mainly to buy back, at a discount, existing debt positions. The remaining EUR 6.9 million of the Convertible Bond is held in the Company's treasury account, available to be sold into the secondary market if and when the Group requires further cash for investment and growth.

On 7 May 2013 the Company announced that it had signed an agreement with the Milan based corporate adviser and broker, Integrae SIM SpA, for the dual listing of the Company's

shares on AIM Italia - Alternative Capital Market. The Company continues to work with Integrae on its AIM Italia listing and will update shareholders when an Admission date has been agreed with AIM Italia.

On 6 June 2013 the Company announced that its holding in ORH SpA, the Italian tour operator and hotel management group, had increased to 73.43 per cent, from 60.82 per cent. This increase resulted from the sale of a hotel development in Mozambique to Mr Presti, a director and shareholder of ORH SpA in return for shares representing approximately 16 per cent of the total voting rights in ORH SpA. ORH SpA has subsequently cancelled the consideration shares received. Following the transaction Mr Presti no longer has a shareholding in ORH SpA and has resigned from the board of ORH SpA.

### **Investment Portfolio as at 30 June 2013**

#### **Operational Assets**

<b>Name</b>	<b>Stake</b>	<b>Division</b>
ORH	73.43%	Hotels & Leisure
Sipiem	50.16%	Theme Parks
You Can Group	50.1%	Restaurants
Ascend Capital	10.0%	Finance

#### **Investments for Sale**

<b>Name</b>	<b>Stake</b>	<b>Division</b>
Mediapolis S.p.A.	69.45%	Leisure / Real Estate
Bibop	67.12%	Interactive Media
Geosim	8.9%	Interactive Media

The Board continues to look for suitable buyers for these “investments held for sale” and will update the market when a firm offer has been received.

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**GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD  
ENDED 30 JUNE 2013**

	Note	Six months to 30 June 2013	Six months to 30 June 2012 (Resated)	Year Ended 31 December 2012
		Unaudited	Unaudited	Audited
		€'000	€'000	€'000
<b>Continuing operations</b>				
<b>Revenue</b>		19,742	-	8,662
Cost of sales		(13,723)	-	(5,960)
		6,019	-	2,702
Administration expenses		(5,386)	(414)	(2,843)
<b>Operating profit/(loss)</b>		<b>633</b>	<b>(414)</b>	<b>(141)</b>
Other operating profit		233	410	3,244
Other gains and losses				(4,693)
Finance income		7	-	40
Finance charges		(422)	(365)	(726)
<b>Profit / (loss) before tax</b>		<b>451</b>	<b>(369)</b>	<b>(2,276)</b>
Tax		-	-	(110)
<b>Profit / (loss) for the period</b>		<b>451</b>	<b>(369)</b>	<b>(2,386)</b>
<b>Other comprehensive income</b>				
Revaluation of land and buildings		-	-	3,000
Exchange translation differences		-	-	(4)
<b>Total other comprehensive income /(loss)</b>		<b>451</b>	<b>(369)</b>	<b>2,996</b>
<b>TOTAL COMPREHENSIVE INCOME /( LOSS) FOR THE PERIOD</b>		<b>451</b>	<b>(369)</b>	<b>610</b>
<b>Profit /(loss) attributable to:</b>				
Owners of the parent		325	(369)	(2,300)
Non-controlling interests		126	-	(86)
<b>Total comprehensive income attributable to:</b>		<b>325</b>	<b>(369)</b>	<b>(221)</b>
Owners of the parent		126	-	831
Non-controlling interests				
<b>Earnings per share:</b>		€0.002	(€0.01)	(€0.02)
Basic and diluted loss per share				

## STATEMENTS OF FINANCIAL POSITION AT 30 JUNE 2013

Notes	Six Months to 30 June 2013	Six Months to 30 June 2012	Year Ended 31 December 2012
	Unaudited €'000	Unaudited (Resated) €'000	Audited €'000
<b>Non-current assets</b>			
Goodwill	6,652	-	6,652
Other intangible assets	4,665	-	4,510
Property, plant and equipment	41,301	-	41,565
Available for sale investments	7,894	2,781	7,894
Other receivables	2,613	18,547	1,670
<b>Total non-current assets</b>	<b>63,125</b>	<b>21,328</b>	<b>62,291</b>
<b>Current assets</b>			
Inventories	204	-	266
Available for sale investments	320	16,636	320
Trade and other receivables	9,637	1,209	16,264
Cash and cash equivalents	1,618	16	1,843
<b>Total current assets</b>	<b>11,779</b>	<b>17,861</b>	<b>18,693</b>
<b>Current liabilities</b>			
Trade and other payables	(8,160)	(6,467)	(23,357)
Borrowings	(18,896)	-	(15,340)
<b>Total current liabilities</b>	<b>(27,056)</b>	<b>(6,467)</b>	<b>(38,697)</b>
<b>Net current (liabilities)/assets</b>	<b>(15,277)</b>	<b>11,394</b>	<b>(20,004)</b>
<b>Total assets less current liabilities</b>	<b>47,848</b>	<b>32,722</b>	<b>42,287</b>
<b>Non-current liabilities</b>			
Borrowings	(6,237)	(6,383)	(2,222)
Deferred liabilities and provisions	(504)	-	(499)
<b>Total non-current liabilities</b>	<b>(6,741)</b>	<b>(6,383)</b>	<b>(2,721)</b>
<b>Net assets</b>	<b>41,107</b>	<b>26,339</b>	<b>39,566</b>
<b>Equity</b>			
Share capital	6,068	3,028	5,536
Share premium account	42,734	41,208	42,457
Other reserves	10,702	8,457	10,698
Equity component of convertible bond		1,418	
Retained losses	(28,789)	(27,772)	(29,236)
Equity attributable to owners of the Company	30,715	26,339	29,455
Non-controlling interests	10,392	-	10,111
<b>Total equity</b>	<b>41,107</b>	<b>26,339</b>	<b>39,566</b>

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2012

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 2012	1,370	31,749	9,511	(26,382)	16,248	-	16,248
Exchange translation adjustments	31	701	181	(554)	359	-	359
At 1 January 2012 (adjusted)	1,401	32,450	9,692	(26,936)	16,607	-	16,607
Loss for the year	-	-	-	(2,300)	(2,300)	(86)	(2,386)
Other comprehensive income	-	-	2,079	-	2,079	917	2,996
Total comprehensive income for the year	-	-	2,079	(2,300)	(221)	831	610
Non-controlling interests in subsidiary undertakings acquired	-	-	-	-	-	9,280	9,280
Conversion of loan note	-	-	(1,073)	-	(1,073)	-	(1,073)
Issue of shares in the year	4,135	10,007	-	-	14,142	-	14,142
At 31 December 2012	5,536	42,457	10,698	(29,236)	29,455	10,111	39,566

## STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS YEAR TO 30 JUNE 2013

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 2013	5,536	42,457	10,698	(29,236)	29,455	10,111	39,566
Exchange translation adjustments	-	-	4	122	126	-	126
Loss for the period	-	-	-	325	325	127	452
Other comprehensive income	-	-	-	-	-	-	-
Revaluation adjustment	-	-	-	-	-	154	154
Issue of shares in the period	532	277	-	-	809	-	809
30 June 2013	6,068	42,734	10,702	(28,789)	30,715	10,392	41,107

## STATEMENT OF CASH FLOWS FOR THE YEAR SIX MONTHS ENDED 30 JUNE 2013

	Note	Six Months to 30 June 2013	Six Months to 30 June 2012	Year Ended 31 December 2012
		Unaudited €'000	Unaudited Restated €'000	Audited €'000
<b>Net cash outflow from operating activities</b>		<b>(934)</b>	<b>(865)</b>	<b>(762)</b>
<b>Cash flows from investing activities</b>				
<b>Acquisition of subsidiary undertakings</b>			-	(1,348)
Cash balances of subsidiaries acquired			-	1,828
Purchase of available for sale investments			(289)	(1,786)
Interest received		7	-	40
<b>Net cash inflow/(outflow) from investing activities</b>		<b>7</b>	<b>(289)</b>	<b>(1,266)</b>
<b>Cash flows from financing activities</b>				
<b>Proceeds from issues of new ordinary shares (net of expenses)</b>		<b>702</b>	<b>1,162</b>	<b>4,810</b>
Interest paid		-	-	(389)
<b>Net cash inflow from financing activities</b>		<b>702</b>	<b>1,162</b>	<b>4,421</b>
<b>Net increase /(decrease) in cash for the period</b>		<b>(225)</b>	<b>8</b>	<b>2,393</b>
Cash and cash equivalents at beginning of year		1,843	9	8
Exchange differences		-	-	(558)
<b>Cash and cash equivalents at end of period</b>		<b>1,618</b>	<b>17</b>	<b>1,843</b>

## **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 AIM of the London Stock Exchange. The address of the registered office is 45 Pont Street, London SW1X 0BD.

The principal activity of the Group is that of an investment company pursuing a strategy to create a portfolio of companies within the leisure, entertainment and interactive media sectors.

### **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 information set out above does not constitute statutory accounts within the meaning of the Companies Act 2006. It has been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union. Statutory financial statements for the year ended 31 December 2012 were approved by the Board of Directors on 24 June 2013 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified.

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.

The interim financial information for the six months ended 30 June 2013 has not been reviewed or audited. The interim financial report has been approved by the Board on 19 September 2013.

#### **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 2013.

#### **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 2012 Annual Report and Financial Statements, a copy of which is available on the Company's website: [www.clearleisure.com](http://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 2 of the Company's 2012 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

## Change in accounting policy

These financial statements are presented in Euro because that is the currency of the primary economic environment in which the group now operates. Interim financial statements for 30<sup>th</sup> June 2012 were presented in pounds sterling, so the comparative figures for 30 June 2012 have been restated in Euro.

## 3. Segment information

IFRS 8 requires reporting segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker.

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is specifically focused on the geographical segments within the Group.

Information regarding the Group's reportable segments is presented below:

	Six months to 30 June 2013 Unaudited			Six Months to 30 June 2012 Unaudited			12 Months to 31 December 2012 Audited		
	UK €'000	Italy €'000	Total €'000	UK €'000	Italy €'000	Total €'000	UK €'000	Italy €'000	Total €'000
Revenue	-	19,742	<b>19,742</b>	-	-	-	-	8,662	<b>8,662</b>
Cost of sales	-	(13,723)	<b>(13,723)</b>	-	-	-	-	(5,960)	<b>(5,960)</b>
Gross Profit		6,019	<b>6,019</b>					2,702	<b>2,702</b>
Gain/(loss) on disposal of investment	-	-	-	-	-	-	1,367	1,877	<b>3,244</b>
Finance Income	-	7	<b>7</b>	-	-	-	-	40	<b>40</b>
Finance charges	(255)	(167)	<b>(422)</b>	(365)	-	<b>(365)</b>	(337)	(389)	<b>(726)</b>
Other operating expenses	(27)	(5,359)	<b>(5,386)</b>	(414)	-	<b>(414)</b>	(817)	(2,026)	<b>(2,843)</b>
Impairment of investments	233	-	<b>233</b>	410	-	<b>410</b>	-	(4,693)	<b>(4,693)</b>
<b>Loss for the period</b>	(49)	500	<b>451</b>	(369)	-	<b>(369)</b>	213	(2,489)	<b>(2,276)</b>

**Unaudited six months to 30 June 2013**

	Segment assets €'000	Segment liabilities €'000	Net additions to non- current Assets €'000	Net assets/ (liabilities) €'000
UK	25	(6,421)	-	(6,396)
Italy	74,879	(27,376)	-	47,503
	<b>74,904</b>	<b>(33,797)</b>	-	<b>41,107</b>

**Unaudited Six months to 30 June 2012**

	Segment assets €'000	Segment liabilities €'000	Net additions to non- current Assets €'000	Net assets/ (liabilities) €'000
UK	13	(6,803)	-	(6,790)
Italy	39,176	(6,047)	-	33,129
	<b>39,189</b>	<b>(12,850)</b>	-	<b>26,339</b>

**Audited Year ended 31 December 2012**

	Segment assets €'000	Segment liabilities €'000	Net additions to non- current Assets €'000	Net assets/ (liabilities) €'000
UK	15	(7,896)	-	(7,881)
Italy	72,881	(33,537)	8,103	47,447
	<b>72,896</b>	<b>(41,433)</b>	<b>8,103</b>	<b>39,566</b>

**4. Loss 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 2013 (Unaudited) €'000	Six months to 30 June 2012 (Unaudited) €'000	Year ended 31 December 2012 (Audited) €'000
Loss attributable to ordinary shareholders	325	(369)	(2,300)
Adjusted loss	325	(369)	(2,300)
Weighted average number of ordinary shares	110,225	62,158	92,327
Adjusted weighted average number of ordinary shares	110,225	62,158	92,327
Basic and Diluted loss per share	€0.002	(€0.02)	(€0.02)

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. Since it seems inappropriate that option holders would act irrationally, no adjustment has been made to diluted earnings per share for out-of-the money options and warrants in the comparatives. There are no other diluting share issues

## 5. Available for sale investments

Group	Six months to 30 June 2013 €'000	Six months to 30 June 2012 (Restated) €'000	Year Ended 31 December 2012 €'000
<b>Fair value</b>			
At beginning of period	8214	18,999	18,296
Exchange translation adjustment	-	337	484
Impairment recognised in the income statement	-	-	(2,227)
Transfer to Investments in Subsidiaries	-	-	(15,927)
Transfer from trade and other receivables	-	-	5,831
Additions	-	-	1,757
Carrying value	8,214	19,417	8,214
<b>Non-current assets</b>	7,894	2,781	7,894
<b>Current assets</b>	320	16,636	320
	8,214	19,417	8,214

## **6. Copies of Interim Accounts**

Copies of the interim results are available at the Group's web site at [www.clearleisure.com](http://www.clearleisure.com). Copies may also be obtained from the Group's registered office: Clear Leisure plc, 45 Pont Street, London SW1X 0BD.