

**TRAFALGAR NEW HOMES PLC**  
**("Trafalgar", the "Company" or "Group")**

**Interim Results**  
**for the six months ended 30 September 2017**

Trafalgar (AIM: TRAF), the AIM quoted residential property developer operating in southeast England, announces its interim results for the six months ended 30 September 2017 (the "Period").

**Key financials:**

- Turnover for the Period was £ nil (H1 2016: £ 30,000);
- Gross loss of £nil, giving a pre-tax loss of £174,000 after overheads (H1 2016: gross loss £3,000, pre-tax loss: £132,000);
- EPS of (0.07p) (H1 2016: (0.05p)); and
- Cash in bank at period end was £123,050 (2016: £167,107).

Commenting on today's results, CEO, Chris Johnson, said:

"The loss for the period reflects the six month overhead charge, there being no turnover during the period. The Company has continued with its development of the five sites in Kent, with build work completed at Hildenborough, Burnside, Tunbridge Wells and Edenbridge. Marketing for sale is under way at Hildenborough and Edenbridge and will commence at Tunbridge Wells in the New Year. The sites at Speldhurst, Tunbridge Wells and Sheerness are in the course of construction and the build work is expected to be completed before the year end."

Copies of the interim report will be available later today on the Company's website, [www.trafalgar-new-homes.co.uk](http://www.trafalgar-new-homes.co.uk).

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**Notes to Editors:**

Trafalgar New Homes is the holding company of Combe Bank Homes, a successful residential property developer operating in the southeast of England. The founders of Combe Bank Homes have a long track record of developing new and refurbished homes, principally in Kent.

The Company's focus is on the select acquisition of land for residential property development. The Company outsources all development activities, for example the obtaining of planning permission, design and construction, and uses fixed price build contracts, enabling it to tightly control its development and overhead costs.

For further information visit [www.trafalgar-new-homes.co.uk](http://www.trafalgar-new-homes.co.uk)

## **CHIEF EXECUTIVE'S REPORT**

I am pleased to present the Company's Interim Results for the six month period ending 30<sup>th</sup> September 2017.

There being no sales and no gross profit, the loss reflects the application of the overheads for the period.

The Company has continued with its development of the five sites under construction during the period and I am pleased to report that building work is now fully complete on three of these sites: Edenbridge (3 terrace houses); Hildenborough (two substantial detached houses); and Burnside, Tunbridge Wells (six apartments).

Marketing for the sale of the units at Edenbridge and Hildenborough has recently commenced and two of the houses are under offer at Edenbridge, with interest being shown in the houses at Hildenborough.

The Tunbridge Wells apartments will be offered for sale immediately after the Christmas period.

Build work is 70% complete on the executive detached house at Speldhurst, Tunbridge Wells which is anticipated to complete by end February 2018.

At Sheerness, the six townhouses are currently being roofed in, with completion of the build scheduled for Spring 2018.

It is anticipated that sites at Edenbridge and Hildenborough will contribute to turnover for the year ended 31<sup>st</sup> March 2018, together with a number of the units at Burnside, Tunbridge Wells.

For the financial year ending 31<sup>st</sup> March 2018, the Company expects profit contributions from sales at the Edenbridge, Hildenborough and Burnside sites, with the sale of the units being developed at Speldhurst and Sheerness contributing to turnover and profit for the year ended 31<sup>st</sup> March 2019.

The strategic site at Staplehurst under option to the Company remains an opportunity and the planning focus is now on achieving planning permission for an Extra Care/Assisted Living Scheme on the site. A formal planning application will be made in the near future.

Demand for new housing in the South East remains strong and continues to benefit from the Government's help to buy scheme. While the uncertainty over the UK's future relationship with the EU may impact parts of the market, we believe that the pressure to increase housing stock in the South East is likely to open up opportunities to bring strategic land through the planning process. Areas without an up to date local plan or with insufficient land supply offer the greatest potential. With the support of the range of measures to encourage house building set out in the recent budget, the Company is seeking to take advantage of the opportunities that present themselves.

The Company continues to consider development opportunities in its chosen area of operation, to further its residential development activity. The Company also continues to look for corporate opportunities to grow the Company and its development portfolio and is currently in discussions on a potential opportunity and we will report further should this progress.

C C Johnson  
Chief Executive

**CONSOLIDATED UNAUDITED INTERIM RESULTS FOR THE  
SIX MONTHS ENDED 30 SEPTEMBER 2017**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<b>6 month period ended 30 September (Unaudited)</b>	6 month period ended 30 September (Unaudited)	Year ended 31 March (Audited)
<b>Note</b>	<b>2017 £'000</b>	2016 £'000	2017 £'000
Revenue	-	30	30
Cost of sales	<u>-</u>	<u>(33)</u>	<u>48</u>
Gross (loss)/profit	-	(3)	(18)
Administrative expenses	<u>(174)</u>	<u>(129)</u>	<u>(270)</u>
<b>Operating (loss)/profit</b>	<b>(174)</b>	<b>(132)</b>	<b>(288)</b>
Other interest receivable and similar income	-	-	1
Interest payable and similar charges	<u>-</u>	<u>-</u>	<u>-</u>
<b>(Loss)/profit before taxation</b>	<b>(174)</b>	<b>(132)</b>	<b>(287)</b>
Tax payable on profit on ordinary activities	4	<u>-</u>	<u>(11)</u>
<b>(Loss)/profit after taxation for the period</b>	<b><u>(174)</u></b>	<b><u>(132)</u></b>	<b><u>(298)</u></b>
Other comprehensive income			
<b>Total comprehensive (loss)/income for the period</b>	<b>(174)</b>	<b>(132)</b>	<b>(298)</b>
<b>(Loss)/profit attributable to:</b>			
Equity holders of the parent	<u>(174)</u>	<u>(132)</u>	<u>(298)</u>
<b>Total comprehensive (loss)/income for the period attributable to:</b>			
Equity holders of the parent	<b>(174)</b>	<b>(132)</b>	<b>(298)</b>
<b>(LOSS)/PROFIT PER ORDINARY SHARE;</b>			
Basic/Diluted	5	<u>(0.07)p</u>	<u>(0.12)p</u>

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2017

	Note	30 September (Unaudited) 2017 £'000	30 September (Unaudited) 2016 £'000	31 March (Audited) 2017 £'000
<b>Non-current assets</b>				
Tangible fixed assets		<u>1</u> 1	<u>2</u> 2	<u>2</u> 2
<b>Current assets</b>				
Inventory		6,191	3,988	5,400
Trade and other receivables		110	94	97
Cash at bank and in hand		<u>123</u>	<u>167</u>	<u>101</u>
		<u>6,424</u>	<u>4,249</u>	<u>5,598</u>
<b>Total assets</b>		<u>6,425</u>	<u>4,251</u>	<u>5,600</u>
<b>EQUITIES AND LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables		235	245	179
Borrowings		<u>3,542</u>	<u>1,545</u>	<u>2151</u>
		3,777	1,790	2,330
<b>Non-current liabilities</b>				
Borrowings		<u>4,243</u>	<u>3,715</u>	<u>4,691</u>
<b>Total liabilities</b>		<u>8,020</u>	<u>5,505</u>	<u>7,021</u>
<b>Equity attributable to equity holders of the company</b>				
Called up share capital	6	2,384	2,384	2,384
Share premium account		1,165	1,165	1,165
Reverse acquisition reserve		(2,818)	(2,818)	(2,818)
Profit and loss account		<u>(2,326)</u>	<u>(1,985)</u>	<u>(2,152)</u>
<b>Total Equity</b>		<u>(1,595)</u>	<u>(1,254)</u>	<u>(1,421)</u>
<b>Total Equity and Liabilities</b>		<u>6,425</u>	<u>4,251</u>	<u>5,600</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
For the six month period ended 30 September 2017

	<b>Share capital</b>	<b>Share premium</b>	<b>Reverse acquisition reserve</b>	<b>Retained profits /(losses)</b>	<b>Total equity</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 April 2017	2,384	1,165	(2,818)	(2,152)	(1,421)
Loss for period	-	-	-	(174)	(174)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(174)	(174)
Issue of shares	-	-	-	-	-
Share issue costs	-	-	-	-	-
At 30 September 2017	2,384	1,165	(2,818)	(2,326)	(1,595)

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 New Homes plc and Combe Bank Homes Limited on 11 November 2011.

CONSOLIDATED STATEMENT OF CASH FLOWS  
For the six month period ended 30 September 2017

	<b>6 month period ended 30 September (Unaudited)</b>	6 month period ended 30 September (Unaudited)	Year ended 31 March (Audited)
	<b>2017 £'000</b>	2016 £'000	2017 £'000
<b>Cash flow from operating activities</b>			
Operating (loss)/profit	(174)	(132)	(288)
Depreciation charges	-	-	-
(Increase)/decrease in stocks	(793)	(1,712)	(3,124)
(Increase)/decrease in debtors	(13)	343	340
Increase/(decrease) in creditors	58	93	5
Other income	-	-	1
Interest paid	-	-	296
<b>Net cash (outflow)/inflow from operating activities</b>	<u>(922)</u>	<u>(1,408)</u>	<u>(2,770)</u>
<b>Investing activities</b>			
Purchase of tangible fixed assets	-	-	-
Net cash used in investing activities	-	-	-
<b>Taxation</b>	-	-	10
<b>Financing activities</b>			
Issue of shares	-	-	-
Net new loans/(loan repayments) in period	870	1,353	2,309
Share issue costs	-	-	-
Amount (withdrawn)/injected by directors	74	(56)	569
Interest paid	-	-	(296)
<b>Net cash flow from financing</b>	<u>944</u>	<u>1,297</u>	<u>2,582</u>
<b>Increase/(Decrease) in cash and cash equivalents in the period</b>	<u>22</u>	<u>(111)</u>	<u>(178)</u>
<b>Cash and cash equivalents at the beginning of the year</b>	<u>101</u>	<u>278</u>	<u>279</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>123</u>	<u>167</u>	<u>101</u>

## NOTES TO THE FINANCIAL INFORMATION

For the period ended 30 September 2017

### 1. GENERAL INFORMATION

This financial information is for Trafalgar New Homes 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 2017 to 30 September 2017. The results for the year ended 31 March 2017 have been extracted from the statutory financial statements for the Company for the year ended 31 March 2017. The interim financial information should be read in conjunction with the audited financial statements for the group for the year ended 31 March 2017.

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 2017, except that in future profits will only be booked on completion of sales rather than on exchange of contracts.

The interim consolidated financial information incorporates the financial statements of Trafalgar New Homes Plc and its subsidiaries.

The interim financial information for the six months ended 30 September 2017 was approved by the directors on 8th December 2017.

### 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 2017

**4. TAXATION**

	<b>6 month period ended 30 September (Unaudited)</b>	6 month period ended 30 September (Unaudited)	Year ended 31 March (Audited)
	<b>2017 £'000</b>	2016 £'000	2017 £'000
Current tax	<u>-</u>	<u>-</u>	<u>-</u>
Tax charge/(credit)	<u>-</u>	<u>-</u>	<u>-</u>
(Loss)/profit on ordinary activities before tax	<b>(174)</b>	(132)	(298)
Based on profit for the period:			
Tax at 20%	-	-	57
Effect of:			
Losses (not utilised)/utilised	<u>-</u>	<u>-</u>	<u>(47)</u>
Tax charge for the period	<u>-</u>	<u>-</u>	<u>10</u>

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

The calculation of profit/(loss) per ordinary share is based on the following Profits/(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>2017 £'000</b>	2016 £'000	2017 £'000
(Loss)/profit for the period	<u>(174)</u>	<u>(132)</u>	<u>(298)</u>
Weighted average number of shares for basic Profit/(loss) per share	<u><b>236,375,200</b></u>	<u>238,375,200</u>	<u>238,375,200</u>
Weighted average number of shares for diluted Profit/(loss) per share	<u><b>236,375,200</b></u>	<u>238,375,200</u>	<u>238,375,200</u>
(LOSS)/PROFIT PER ORDINARY SHARE;			
Basic	<u><b>(0.07)p</b></u>	<u>(0.05)p</u>	<u>(0.12)p</u>
Diluted	<u><b>(0.07)p</b></u>	<u>(0.05)p</u>	<u>(0.12)p</u>



NOTES TO THE FINANCIAL INFORMATION  
For the period ended 30 September 2017

**6. SHARE CAPITAL**

Authorised Share Capital

	<b>30 September 2017 Number</b>	31 March 2017 Number
Ordinary shares of 1p each	238,375,200	238,375,200

Issued, allotted and fully paid  
Authorised Share Capital

	<b>30 September 2017 £'000</b>	31 March 2017 £'000
Ordinary shares of 1p each	2,384	2,384