GLI Finance Limited

GLI Finance Limited

INTERIM REPORT AND AUDITED CONDENSED CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015

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OFFICERS AND PROFESSIONAL ADVISERS

Directors

Non-executive:	Patrick Anthony Seymour Firth (Chairman) Frederick Peter Forni James Henry Carthew
Executive:	Geoffrey Richard Miller Emma Stubbs Andrew Noel Whelan
	The address of the Directors is the registered office.

Executive Team

Chief Executive Officer:	Geoffrey Miller
Chief Financial Officer:	Emma Stubbs
Director of Lending:	Andrew Whelan
Managing Director:	Marc Krombach
Head of Public Affairs and Marketing:	Louise Beaumont
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CHAIRMAN'S STATEMENT

I am pleased to report the results of GLI Finance Limited ("GLI" or the "Company") for the six months ended 30 June 2015.

Since the 2014 Annual Report the Company has continued to make significant progress in the transition away from US middle market lending, either directly or through collateralised loan obligations ("CLOs"), to providing SME lending through a range of alternative finance platforms in which the Company holds significant stakes.

It has been a busy six months and a significant amount of corporate activity has been going on, but the core activity of the business remains, as it always has, the provision of finance to the SME sector. The geographic focus has broadened, as envisaged in the amended investing policy approved by shareholders in December 2013, and the range of businesses financed has widened, but we remain a SME lender.

In the first half of the year we disposed of our remaining CLO Investment in Fair Oaks Income Fund "FOIF" for USD32.3m (GBP20.4m) and raised a further GBP20m in ordinary share capital in March 2015. The funds were subsequently used to fund the growth of loan origination within our family of platforms as well as funding the acquisition of four new platforms, taking the total to nineteen. The platforms which make up the GLI family provide lending diversity by duration, geography and asset type and also provide highly differentiated origination strategies. With our new expanded executive team, the platforms are able to benefit from the shared learning, common services and availability of capital from GLI.

Details of the platforms held by the Company are included in the report but the four new SME finance platform investments made in the first half of the year are as below.

- Trade River USA, a non-bank online funding solution which finances trade, both cross-border and in the US.
- MytripleA, a Spanish business finance platform meeting both the short-term and long-term financing needs of Spanish SMEs.
- Open Energy Group, a financing platform for US commercial and small utility-scale solar projects.
- Funding Options, a UK online credit broker that matches lenders with borrowers and acts as a one-stop-shop for business finance.

As with all of the platforms in which we have invested, these companies are seeking to provide an offering that is complementary to the mainstream banking sector, rather than attempting to compete directly with the banks. This is important, as we believe that this will ensure our businesses can maintain a strong market position across economic cycles, rather than being just a cyclical play due to the weakness of the banks after the financial crisis. We will continue to look at more opportunities as they arise and consider how they fit in our current portfolio, but it is not the intention to increase our portfolio of platforms significantly, as the focus will be on growing these companies and increasing their value.

Each quarter the Board reviews the valuation of the platforms on a fair value basis. We have independent valuations carried out which are also referred to. This period we have increased the valuations of a number of our platforms following significant progress in those businesses. As we have increased some, we also decrease in value those where we deem it appropriate in order to ensure we hold our assets at a fair value and on a conservative basis, as we have done with Raiseworks this period.

The Company has seen regulatory changes in the period which we view an important step in GLI's, these changes are noted below:

- With effect from 27 March 2015, GLI ceased to be authorised by the Guernsey Financial Services Commission ("GFSC") as an Authorised Collective Investment Scheme and has been registered with the GFSC as a Non-regulated Financial Services Business. Although this includes the word 'non-regulated' we are actually more regulated than we have ever been and we aim to filter this regulation down to our platforms to ensure that we not only lead the way in regulatory strength within the alternative finance space, but also at the same time provide comfort to our shareholders.
- On 30 June 2015, our 100% owned subsidiary, GLI Asset Management Ltd ("GLIAM") secured its 'Protection of Investors ("POI") asset management licence from the GFSC, thereby enabling GLIAM to manage collective investment schemes and general securities and derivatives. GLI is currently progressing GLIAM's launch of 'GLI Alternative Finance plc' ("GLIAF"), a closed end fund focusing on a loan portfolio diversified by geography, size of loan, type of lending and duration which has been launched very recently, as announced on 21 September 2015.

Performance and Dividend

We are pleased to report that the Company continued to deliver a stable capital performance in the first half of 2015. During the sixth month period the Company paid 2.5p per share in dividends (vs 2.5p for the same period in 2014). Although in the future we will no longer be receiving the CLO investment income, it is expected in time that the newer investments will provide at least as high a total cash return as has been provided by the CLO portfolio, and hence the Board has maintained the dividend throughout the Company's period of transition. Our strategy to increase dividend cover is to increase the proportion of assets funded by Zero Dividend Preference Shares and to develop the asset management business. As both of these are delivered, so dividend cover will rise.

Existing platforms continue to grow their businesses, deploying increasing amounts of GLI's capital across a wide range of maturities. Over the twelve months to the end of June 2015, the volume of loans originated through GLI's platforms totalled GBP227.4m, an increase of 120% compared to the twelve months ended June 2014.

Financials

As at 30 June 2015, the Company had net assets of GBP112.5m or 52.48p per ordinary share compared with net assets of GBP88.2m, or 51.00p per ordinary share at 31 December 2014, which represents a 2.9% increase in NAV per share in the first half of 2015.

The comparative Group numbers show net assets attributable to equity holders increasing from GBP73.4m as at 31 December 2014 to GBP92.9m as at 30 June 2015. The difference in the net assets at a Group and Company level represents the difference in accounting treatment of our subsidiaries and associates in the Group accounts versus fair value treatment of assets held in the Company's financial statements. The Board continues to believe that, at present, the performance of the net asset value at the Company level, as opposed to the Group consolidated level, is the more appropriate measure for the assessment of performance of the underlying business.

At the Company level, for the six months ended 30 June 2015, GLI received interest income, dividends and other income totalling GBP3.4m, compared to GBP5.6m for the comparable period. The decline can be attributed to the final exit from our CLO investments which, in the past, had generated returns in the high teens. The returns we now see are a combination of interest earned on loans to SMEs, which currently average around 10%, and changes to the value of our equity stakes in loan origination platforms, recognised in unrealised gains of GBP4.5m for the period. In the Chief Financial Officer's Report there is a reanalysed Company Statement of Comprehensive Income which provides a detailed breakdown and further insight into our costs and explains the variance against previous periods.

As the Company is classified as an investing company under the AIM Rules, we are required to have an investing policy. This is included at the end of the document after the financial statements.

The board is considering a proposal to issue, subject to market conditions, an additional line of zero dividend preference shares, which would rank behind the existing zero dividend preference shares. If such an issue were to proceed, a further announcement would be made in due course.

Public Affairs

Since October 2014, on behalf of the platforms, GLI has been working closely with HM Government in the UK to establish a clear route through which SMEs are referred, by banks, to alternative finance lenders and, more generally, raise awareness of alternative finance.

Significant progress has been made since initial meetings with Number 10 Downing Street in Autumn 2013 in which we were asked for answers to solve the SME finance crisis in the UK. Since then, legislation has been brought forward on the referral scheme, passed successfully through Parliament, and is in the process of being implemented by the British Business Bank, under the auspices of HM Treasury. We have been involved at every stage of the process, pulling together a wide range of stakeholders to ensure that alternative finance platforms are able to make the most of this opportunity.

At the same time as increasing Government support of efforts to improve access to alternative finance, representing the platforms, GLI has been successful at garnering and coordinating voices across the alternative finance sector to provide a challenge to a hugely well established and connected competitor in the form of mainstream banking sector. We also continue to lead the way in representing the voice of SME lenders across a broad spectrum of issues SMEs themselves are affected by (from late payments to retail banking competition). Such efforts extend from working closely with relevant civil servants to meeting Members of Parliament influential in the space.

We are also engaged with regard to significant developments in Europe and the US that may impact the environment within which our platforms operate. In the EU, the Capital Markets Union is a strong signal of the extent to which Brussels wants to see alternative finance play a bigger role in SME finance, and in the US, the Department of the Treasury has issued a request for information on expanding access to credit through online marketplace lending.

Executive Team and Company Headcount

The Executive Team remained unchanged in the period with Geoff Miller (Chief Executive Officer), Emma Stubbs (Chief Financial Officer), Marc Krombach (Managing Director), Louise Beaumont (Head of Public Affairs and Marketing) and Andrew Whelan (Director of Lending).

The Company headcount, including its Executive Team, has increased from six employees at 31 December 2014 to nine at 30 June 2015. This increase and further additions since June 2015 are due to more resources being brought in-house, in particular within Finance, Compliance and Risk as well as due to the expansion of the asset management business. This is not only to meet the regulatory requirements of the many regulators with whom we now work globally, but also to put our platforms in a market-leading position in terms of risk assessment, mitigation and management.

Corporate Strategy

Since the Company was founded in 2005, the objective has always been to provide a 10-15% return from the provision of SME finance and that remains the case. To achieve this, the corporate strategy has evolved over time, from an externally managed investment into third party originated loans and then to an internally managed finance company with the appointment of Geoff Miller as an Executive Director in April 2011. GLI is now a leading player in the alternative finance sector, managing a unique range of financing solutions for SMEs globally.

Sancus

In December 2014, we acquired 100% of Sancus Group Limited and I am pleased to report it has continued to see strong growth in its loan origination, having completed in excess of GBP135m of loans since inception. All loans are fully secured and the future pipeline is strong with the business on target to meet its budget for 2015. Sancus (Guernsey) Limited has received its Non-regulated Financial Services Business licence from the GFSC and we expect this business to start to contribute to Group and hopefully follow the Jersey operation's success to date. Sancus (Gibraltar) Limited became operational in June 2015 and has already completed three loans and a solid pipeline is developing; we expect this business to be profitable within its first year of trading. Sancus is also exploring the option of expanding into the Isle of Man, which could potentially be followed by the establishment of additional operations in other offshore jurisdictions such as Cayman and Malta.

Outlook

Whilst the majority of platforms are yet to reach profitability, we are confident as to the trajectory each is following and would expect most to be profitable this time next year. The next twelve months and beyond will be a period in which we begin the process of building each of these businesses to operate on a significantly larger scale. As the businesses grow, so there will be further opportunities to develop revenue streams to capture more of the value chain, such as the potential for GLI to manage third party funds to invest through our family of platforms. There will be further examples of potential areas we can exploit over time, but we will only do so where there is a manifest, relatively short term and measurable benefit to our own shareholders. Strategic expansion for its own sake could have proved a temptation in a fast growing market such as the alternative finance sector. However, recognising the danger of this, the Board linked the management remuneration policy to long-term returns for shareholders. We now think much of the hard work of assembling a coherent group of businesses with effective management teams is behind us. The future looks promising and, although there are bound to be challenges along the way, the potential for GLI Finance is considerable.

I would like to thank shareholders for their continued support and enthusiasm for the changes we have made over the past few years. We endeavour to run our Company in a manner which embraces shareholders of all sizes, and I am always grateful for any feedback that anyone wishes to provide.

Patrick Firth
Non-Executive Chairman

Date: 25 September 2015

CHIEF EXECUTIVE OFFICER'S REVIEW

As we expected, 2015 has so far been a transformative and breakthrough year in many respects for our business and we continue to push ahead on many fronts to achieve our goal of being a leading player in SME finance globally. The business is much more than an entrepreneurially-driven company with ambitions of transformation into an SME finance company, we are now a well-resourced finance business lending to SMEs across three continents.

At the heart of the business is our partnership with the nineteen finance platforms in which we have equity stakes. In aggregate these platforms are beginning to originate substantial deal flow. Not all have developed at the same pace, of course, but we made the range of investments that we have in order that the resulting returns are at least as good as the industry, and we would hope better, for reasons that I will cover in my review.

As the origination increases within our platforms, one of the key objectives for the business is to ensure that we can still support our platforms through the provision of lending capacity. Until recently this has been through lending from our own balance sheet. However, with our asset management business receiving regulatory approval in the period, and subsequent to the period end our first closed end fund being launched, we can now provide lending capacity to the platforms through the funds managed by GLI Asset Management.

We have sought to target the institutional market rather than the retail market, since we believe that this money will be committed to SME finance as an asset class, rather than a shorter term yield play. For institutions wishing to access a broadly based SME finance portfolio, or indeed wishing to invest in particular areas of SME finance, our unique positioning in the market offers an ability to access finance platforms globally in a way that would be uneconomic to replicate within an institution. We are excited about the potential for the asset management business and, as the personnel within the asset management business begin to bring together the demand for SME finance asset exposure and our unique IP in the sector, the potential is substantial.

The period saw us increase our exposure to the "neutral platform" sector through the acquisition of a stake in Funding Options. The neutral platforms aggregate potential supply of lending from across banks and alternative finance providers and give SMEs and their advisers the ability to assess all available options across the market easily and quickly. Both Funding Options and Finpoint, our other neutral platform, will find out by the end of the year whether or not they have been designated by HM Treasury to receive the rejected applications for SME finance from the banks. This would be excellent news for either if achieved but, if not, both have robust business models as standalone businesses in any case.

During the period we completed our exit from exposure to CLOs through the sale of our holding in Fair Oaks Income Fund. Also in the period the final payment in respect of the termination of our contract with the managers of our original CLO holding, T2 CLO 1 Ltd, crystallised when Fair Oaks Income Fund called the structure. Whilst fund management fees have been a drag on performance until now, in the second half of 2015 we will see the first fund management fees accreting return to the business, as we build the asset management capability.

Our family of platforms has been built to be both complementary to one another, rather than directly competing, and each of the businesses operate in areas that are complementary to, rather than competing with, the existing financial ecosystem.

In the UK we can provide a wide variety of working capital and term lending solutions through our nine platforms. The increasing acceptance by SMEs of the use of non-bank lending has seen volumes begin to accelerate this year and there is very significant potential. In the offshore market, Sancus is also seeing very significant opportunities to accelerate its growth even further from the exceptional start it has made in its first eighteen months.

In the US, our five platforms focus mainly in asset backed lending, and are finding huge opportunities. Many of the businesses being financed were previously using Merchant Cash Advance (MCA) loans to fund their businesses. These loans can carry interest rates in excess of 50%, reflecting the lack of credit available to SMEs within the US. The MCA business has grown enormously in recent years and the reason for the growth is that many smaller banks that were once the mainstay of SME lending in the US have pulled out completely. This leaves a void that our platforms are seeking to fill, at rates significantly lower than what an MCA business would charge.

Within Europe, our businesses have enormous opportunities to exploit. Each of the businesses have been building their infrastructure to ensure it is not capacity constrained and although all three are already seeing significant growth, we see early 2016 as the point at which the exponential growth of these businesses will become apparent.

Ovamba, our sub-Saharan African business, is planning to develop its business from its original country, Cameroon, into neighbouring Francophone countries before moving into Anglophone West Africa. The opportunity available to the business far outstrips its potential to fulfil it, and the secret for success will be to pick and choose the very best opportunities.

To manage our global business requires a significant staffing up, although much less expensive than the management fees previously charged by external managers. We now have a staff of 23 in Guernsey and Jersey, between GLI and Sancus. Over the first six months of 2015 we have, in particular, added resources in Finance, Compliance and Risk. This is not only to meet the regulatory requirements of the many regulators with whom we now work globally, but also to put our platforms in a market-leading position in terms of risk assessment, mitigation and management.

Risk is a critically important area for any finance business, and is one that I believe is often overlooked within the more technologically focused platforms that are emerging. We do not see risk as merely performing sound underwriting, providing transparency to investors and undertaking anti-money laundering checks, but a far more wide ranging topic that covers areas of the platform operations, as well as the borrower/lender interfaces. Whilst no business can eliminate risks completely, these can be mitigated, with any remaining risk monitored and managed. Some actions that we take, in cooperation with the platforms, include the following:

- **Ethical Hacking** – we have an ongoing programme of ethical hacking, with the permission of our platforms, to ensure that vulnerabilities are identified and addressed;
- **Internal Audit** – we monitor the compliance with each platforms' written underwriting policies and procedures, Anti-Money Laundering, Countering the Finance of Terrorism, Anti-Bribery policy;
- **Segregation of client money** – whilst our platforms ensure that client monies and corporate working capital is segregated and client monies ring-fenced, this is not universal in the industry; and
- **Treating customers equally** – it is a central tenet of our philosophy that all customers are equal, therefore we will not expect to have better access to loan assets than other investors seeking the same terms, we will not seek information that is not available to other investors to make a decision on a loan, we will not seek preferential treatment for one of our platforms on a neutral platform, and we will never seek as a corporate to buy assets ahead of a customer of our asset management business seeking the same asset.

The other area in which we have made significant progress this year is within the management of our balance sheet. We have stated that our intention would be to have a balance sheet that was 30% Zero Dividend Preference Shares (ZDPs) and 70% Ordinary Shares, and that this funds 30% equity holdings in platforms and 70% loans made through the platforms. Given the return received from the loans are expected to exceed the cost of our dividend, and the capital invested in zero yielding platform investments would be approximately equal to the capital raised from issuance of the ZDPs, our desired dividend cover should be achieved under the anticipated capital structure. We expect our first ZDP issue to be listed shortly and the Board is also considering a proposal to issue, subject to market conditions, an additional line of zero dividend preference shares, which would rank behind the existing zero dividend preference shares. If such an issue were to proceed, a further announcement would be made in due course. This will reduce the Company's cost of capital and will help underpin maintenance of the dividend.

In the longer term, there is the potential for the revenues from the asset management business to further supplement dividend cover. Given our desire for a sustainable dividend for the longer term, rather than the highest possible dividend in any one period, it is likely in that instance that dividend cover would be allowed to rise significantly before an increase in dividend is considered.

Outlook

The alternative finance market has comfortably grown by more than 100% in each of the last few years, but still represents a single digit percentage of the overall SME finance sector in the UK. Elsewhere in Europe and in the US, the opportunities are greater as the areas in which SMEs now struggle to obtain finance are larger. We expect continued rapid growth for the foreseeable future across all of our geographies.

The growth in the UK has been greatly assisted by the British Business Bank and, where it has led the way, other jurisdictions are now looking to follow. With the possible exception of the US, governments are seeking greater ways to facilitate SME lending, reflecting the fact that SMEs underpin economic prosperity in almost every country in the world.

As the industry begins to become a meaningful part of the overall financial ecosystem, so banks and other larger financial institutions are beginning to look at how they might participate in the sector. In certain areas it would make sense for the banks to outsource funding of loans to platforms. Our experience to date has been of many conversations and little actually happening, but this reflects the relatively slow pace of decision making within larger financial organisations.

We expect the impact of the designation of neutral platforms to receive rejected loan applications from the banks will be significant, both in terms of revolutionising the process of accessing credit but also it will begin to change the culture within banks themselves, that if rejected applications can be funded elsewhere they will need to consider the implications in terms of the opportunity cost of losing that customer.

Outside of our core jurisdictions there are still many areas in which SMEs struggle to get access to finance. We have ongoing dialogue with a number of jurisdictions on how they might work with GLI itself, with GLIAM or with our underlying platforms. As a result we would expect the geographical spread of our assets to diversify over time.

Globally, institutional interest in SME finance and in investing in platforms will grow but, in both cases, institutions struggle to find opportunities to invest a meaningful amount of capital. Given the wide range of businesses and loan assets to which we have access we believe GLI is ideally placed to build a successful asset management business.

Turning to the outlook for the industry over the next twelve months, I see five key themes:

1. **Origination becoming mainstream** – although the levels of origination have been growing rapidly, they are only just beginning to become large enough to be considered any more than a rounding error in SME finance. Over the next twelve months that will no longer be the case and every SME lender will need to regard their newer competitors as just that.
2. **Casualties likely to emerge** – there are platforms that have little in the way of future funding, there are platforms co-mingling client monies with their own, there are platforms with poor underwriting. As the industry grows, this will cause a degree of fall-out in terms of some of the early entrants into the sector.
3. **Mergers and Acquisitions** – partly as a result of the fact that there are some stresses within some businesses, but also as importantly, because platforms are now able to see who is doing relatively well or badly and can better assess relative value, it is likely that M & A activity starts to kick off in the sector in a meaningful way. We are likely to be an active participant in this consolidation, where we feel a deal can add significant value. We have twice grown our own business significantly through acquisition, and hence we are well placed to guide our family of platforms through such transactions.

4. **Profitable growth, not just growth** – as the sector matures we will expect much more focus on profitable growth for the platforms, as opposed to growth for its own sake. By the end of next year we will expect to be judged not by the growth potential of our platforms but by their profit potential. Finance businesses should be inherently cash generative, and our platforms are no exception.
5. **Major financial institutions will enter the space** – there is no doubt that all major finance institutions are looking at what they should be doing in this space and whether through partnerships, start-ups or acquisitions, it is likely that the bigger finance institutions will be part of the sector by the second half of 2016.

As explained above and elsewhere in my review, I believe that GLI is well-positioned to benefit from these key themes and take advantage of the opportunities presented as the industry continues to grow and reach maturity.

Conclusion

GLI Finance has continued its rapid transformation into a leading player within the SME finance sector globally. As a unique listed business we are the diversified play in a sector, which is beginning to attract a great deal of attention.

The focus for GLI for the remainder of 2015 is on completing the balance sheet transition, to better underpin and at least maintain the dividend, and on growing the existing platforms organically and potentially by acquisition.

We now have very significant origination potential, and this provides the wherewithal to potentially build a significant asset management business, that would be immediately accretive to shareholders.

In summary, we have spent the past three years positioning the business to take advantage of the alternative finance sector's growth dynamics and we should see real progress over the coming months, as we continue to capitalise on the growth opportunities in our markets.

Geoffrey Miller
Chief Executive Officer

Date: 25 September 2015

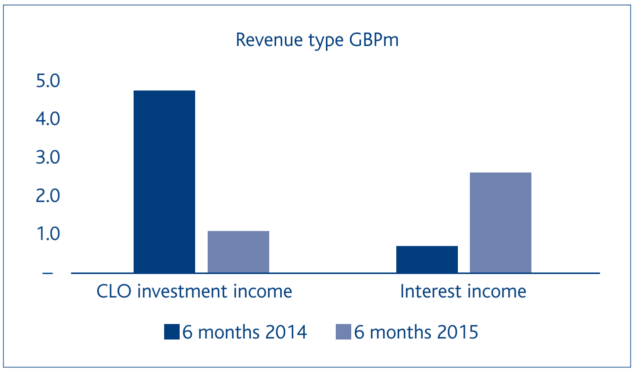
CHIEF FINANCIAL OFFICER'S REVIEW

The first half of 2015 saw exciting developments with a number of corporate transactions completed and a change in the Group's regulatory status from an Authorised Collective Investment Scheme to a Non-regulated Financial Services Business. We also established a 100% owned subsidiary, GLI Asset Management ("GLIAM") in the period which obtained its POI (Protection of Investors) licence on 30 June 2015, thereby paving the way for us to proceed as planned with our asset management business. As indicated in prior reports, our wish has been to fully exit our CLO holdings and this was completed in March 2015 following the sale of our holding in FOIF. This sale, generating GBP13.525m was put to work in acquiring four new complementary SME platforms resulting in a total of 19 platforms. A GBP20m placing, also in March 2015, provided further funding for our portfolio where we are seeing an increase in loan origination.

This takes us onto GLIAM, which will become an integral part of GLI's business model. This will enable us to support and grow our family of SME platforms by providing funding via managed funds as well as fund manager expertise in the alternative finance space. Already revenue generating, with the launch of our first closed end fund on 23 September, the asset management business provides GLI with a non-interest income stream to complement our interest income from our loan portfolio, and a third leg of return, in addition to the uplift in the valuation of our equity holdings in SME platforms.

With the introduction of GLIAM and the increasing number of platforms within our portfolio, we have increased the Company's headcount and as noted in the Chairman's Statement, the staff number for GLI excluding the subsidiaries has risen from six in December 2014 to nine in June 2015 and this currently stands at eleven at the date of this report.

Income



In the first six months of 2015, higher interest on lending activity in the period was offset by a reduction in CLO income compared to the same period in 2014. With the loan book currently seeing significant growth coupled with robust average interest rates charged on those loans, we expect interest income to quickly substitute and outstrip the levels of CLO income that came to an end following the disposal of the CLO portfolio.

Company Summarised Results

	6 months ended 30 June 2015 GBP	12 months ended 31 December 2014 GBP	6 months ended 30 June 2014 GBP
Operating income	3,854,683	6,953,091	5,579,490
Profit reanalysed	253,471	261,150	3,395,254
Reported profit	5,259,399	6,683,901	1,442,280
ROE (annualised)	16.30%	11.78%	4.29%
Earnings per share (pence)	2.68	4.71	1.03
Dividend per share (pence)	2.50	5.00	2.50

As noted in the Chairman's Statement, we look at Company results as opposed to Group results to get a good understanding of how GLI is performing. A full reanalysed comprehensive income statement is included on page 23 which strips out the effects of movements in foreign exchange and unrealised and realised gains and losses.

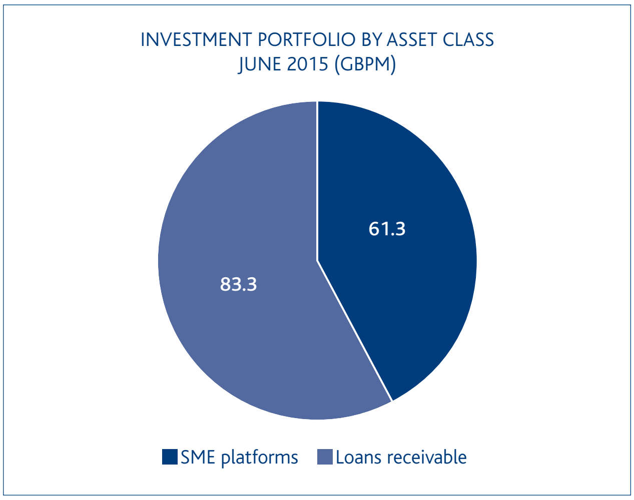
The Company operating income and reanalysed profit numbers of GBP3.9m and GBP0.3m respectively are shown above. In the first six months of 2015, in light of the lower income levels and higher financing costs, reanalysed profit in the period decreased – we refer to page 23 for detailed consideration of the development of this number. Reported profit however showed an increase, primarily due to the impact of revaluations on the realised/unrealised gains/losses account, further information on the platforms valuations is discussed later in this report.

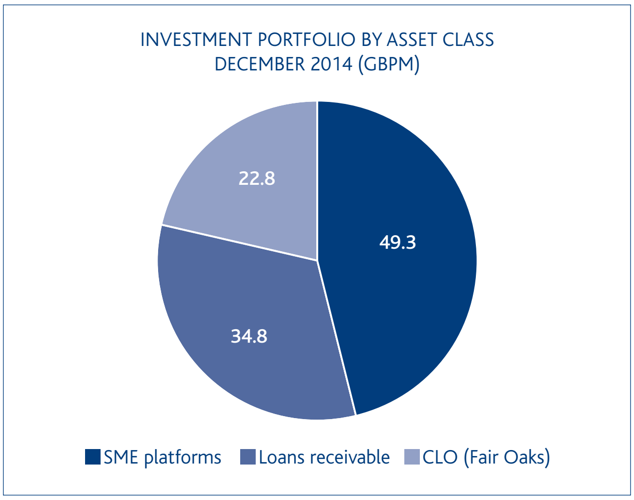
Portfolio update

At 30 June 2015, GLI's investment portfolio was valued at GBP144.6m, compared to GBP106.9m at 31 December 2014, representing a 35.3% increase. Below and on the following pages, the portfolio is analysed by investment type and geographical split.

Asset Class

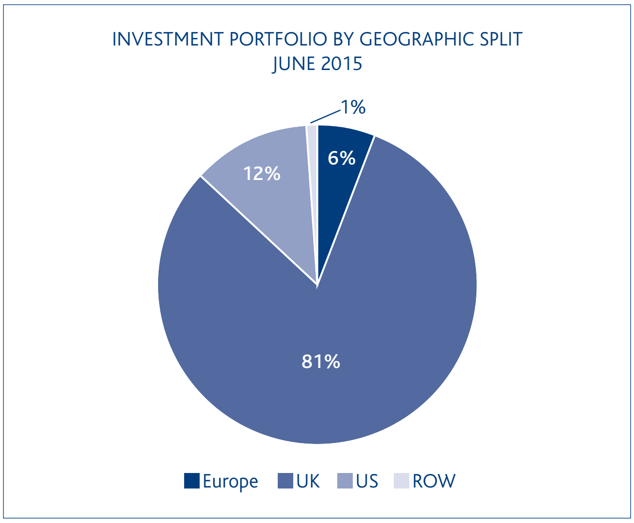
Following the FOIF disposal in March 2015, the Company no longer held any CLO assets at 30 June 2015. The investment portfolio consisted as at 30 June 2015, entirely of equity holdings of ordinary and preference shares in SME Platforms (GBP61.3m) and loans to SMEs (GBP83.3m). We refer to the following pages for detailed consideration of how platform loans and holdings have developed over the period.

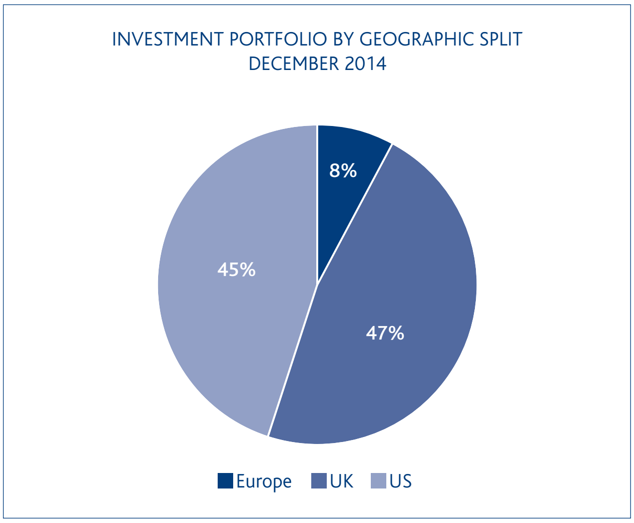




Geographical Split

From December 2014 to June 2015, a higher asset weighting towards UK assets can be observed. This is attributable to the disposal of the CLO assets (US based) over the past six months, however, we expect the US weighting to increase in the future due to anticipated strong growth by the US platforms.





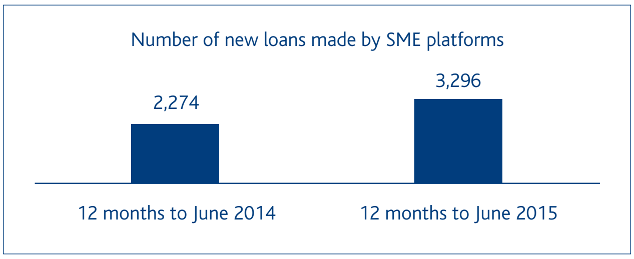
SME Platforms

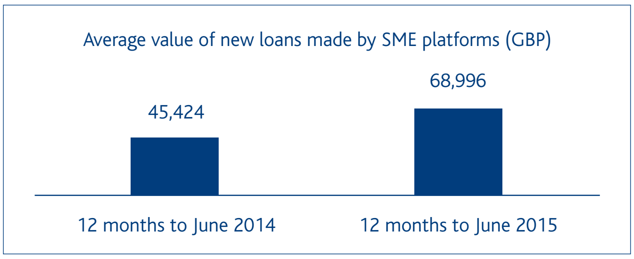
The total value held in SME Platforms has increased from GBP49.3m at 31 December 2014 to GBP61.3m at 30 June 2015. This upwards movement is due to the investment in four further platforms since the year-end, increasing our stakes in some of our existing platforms and the overall rise in the valuation of the platforms that were revalued in the period.

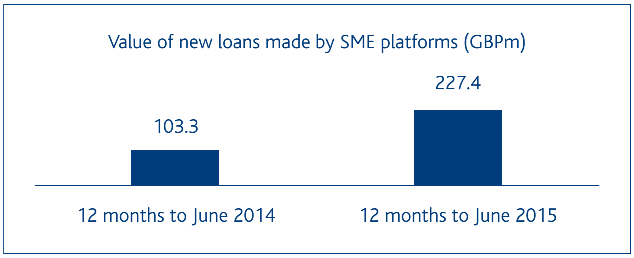
As has been the case in prior years, the Board, informed by valuations carried out on its behalf by independent accountants, has considered the fair value of selected platforms and where applicable has adjusted the valuation of the platforms.

Loan activity

As can be seen below, the loan activity in our family of platforms has increased significantly in the 12 months to 30 June 2015. The number of loans completed in the period increased by 44.9% from 2014 to 2015 while the average loan size increased by 51.9% over the same period.







The increases in loan volumes and average loan values resulted in a 120% increase in the value of new loans made by the platforms when comparing the twelve months to 30 June 2015 to the equivalent period ending 30 June 2014.

Below and on the following pages, in alphabetical order, we have included a short summary and performance overview for each of the 19 platforms within the GLI Family.

bmsfinance

The Company has a 66.7% equity stake in GBHL which at 30 June 2015 had an equity value of GBP1.8m (30 June 2014 GBP1.2m).

GBHL comprises a 100% interest in BMS Finance AB Ltd ("BMS") the UK operating business, a 100% interest in Noble Venture II Nominees Ltd ("NV2N") which is dormant, and a 95% interest in NVF Tech Ltd (previously named HiWave UK) ("NVF").

BMS Finance provides senior secured lending between GBP0.5m and GBP5m to predominantly UK SMEs at or approaching profitability.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	1.8	1.6	1.2
GLI Preference Shares	-	-	-
GLI Loan Book	23.7	20.0	17.1
GLI Economic Interest	25.5	21.6	18.3

The growth in the ordinary shares with BMS from GBP1.6m in December 2014 to GBP1.8m at 30 June 2015 reflects an increase in the NAV of BMS.

The funding for the BMS Finance loan portfolio is derived partly from the BMS Finance balance sheet, partly from GLI and partly through an institution, under a matched funding agreement. Towards the end of 2013, BMS agreed a GBP15m matched funding facility with this institution, this GBP15m was matched by GBP7.6m from BMS Finance and GBP7.5m from GLI of which, at the end of June 2015, GBP0.7m remains undrawn. In addition, GLI has a GBP18.1m loan note with GLI BMS Holdings that is repayable in November 2018 by GLI BMS Holdings.

The growth in the GLI loan book from December 2014 to June 2015 is a result of GBP3.7m of drawdowns on this facility in order to support BMS's growing loan book.

Loan activity

As at 30 June 2015, total BMS Finance lending was circa GBP66m to approximately 46 borrowers.

Outlook

The loan book for BMS continues to develop, primarily in the UK although the company does now have some exposure to Ireland, and this may increase over time. Having originally been a pure balance sheet lender, when GLI funded the management buyout in 2012, the company has built up third party capital through its matched funding arrangements. As the proportion of third party capital managed grows, the profitability of the core business will increase.

CROWDSHED

GLI acquired an initial 46.8% equity stake in CrowdShed (expected to reduce to 25% over time) for GBP0.6m in February 2014, giving GLI exposure to the fast growing financial crowd funding industry. This equity stake reduced in July 2014 to 32.51%. CrowdShed will also provide opportunities for GLI to participate in a variety of assets as different products and funding campaigns are launched on the platform.

CrowdShed is an online funding platform enabling UK entrepreneurs, social enterprises, creatives and good causes to raise funding for specific projects from donors, in return for rewards. CrowdShed has an orientation to SMEs with the rewards and donation platform providing a space for market validation. It is intended that CrowdShed develops both equity crowd funding and crowd lending products to facilitate growth.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	0.5	0.5	0.6
GLI Preference Shares	-	-	-
GLI Loan Book	0.2	-	-
GLI Economic Interest	0.7	0.5	0.6

Outlook

At present CrowdShed has mainly been operating in the rewards and donations space, but we are examining options for developing the business within our core loan business for the future.

Dansk Faktura Børs

European Receivables Exchange (Dansk Faktura Børs)

GLI has a 5% equity stake (as at 30 June 2015) in Dansk Faktura Bors (DFB). This stake was purchased in February 2014 in exchange for DKK4.5m (GBP0.5m). At 30 June 2015, the valuation remained at cost, but the adverse FX fluctuation resulted in the carrying value reducing to GBP0.4m.

DFB is an invoice discounting business, currently operating principally in Denmark but also with the potential to broaden its reach across Europe.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	0.4	0.5	0.5
GLI Preference Shares	-	-	-
GLI Loan Book	-	-	-
GLI Economic Interest	0.4	0.5	0.5

Loan activity

As at 30 June 2015, DFB had processed over 1,550 auctions, over 2,290 invoices, resulting in a total aggregate value over 155m DKK (circa 20.5m Euros).

Outlook

According to DFB management, traction is increasing as Denmark starts to embrace invoice finance and as a result June and July 2015 were the platform's best months to date. Looking at the pipeline, management considers it to be highly promising. Currently all of the investors on the platform are fully invested, as such, management are working hard to secure more money on the platform in order to take on this additional flow.

Dansk is expecting to reach break-even point in the coming months and are optimistic that profitability will then increase as higher volume come on to the exchange.

FINEXKAP

In July 2014 the Company acquired an initial 36.6% equity stake in Finexkap for EUR3.0m of ordinary shares. As planned, the equity stake was reduced to 26.4% through share dilution in November 2014.

Finexkap offers a short-term funding solution with no volume or timeframe conditions. The service focuses on easy-to-use features – in just a few clicks, French SMEs can sell their receivables and gain access to working capital financing with competitive advantages compared to traditional factoring services. Finexkap is based on an innovative financial securitisation structure. In practice, this issuance of securitized paper is carried out by Finexkap's subsidiary, Finexkap AM, which holds an alternative investment fund manager licence from the French Financial Markets Authority.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	5.6	2.3	-
GLI Preference Shares	-	-	-
GLI Loan Book	2.0	0.5	-
GLI Economic Interest	7.6	2.8	-

The Board increased the valuation of the 26.4% equity stake as at 30 June 2015 due to the significant progress in Finexkap's business as a result of accelerated origination growth.

Loan activity

Since Finexkap launched its activities in January 2015, the platform has received more than 3,000 applications from small to mid-sized companies leading to EUR6m worth of receivables purchased from eligible companies. With Q1-Q2 2015 compound growth of approx. 250% and 97% of clients returning and using the services on average every 18 days, Finexkap aims at becoming the leading alternative French Fintech platform for short-term financing. As at 30 June 2015, 582 receivables had been purchased amounting to circa 5.8 million Euros in total volume.

Outlook

Following a ramp-up phase, the management team expects a strong pipeline of strategic partnerships to be announced in the near future.

Finexkap is focusing on market penetration, risk management and technological integration with its partners in the coming months. Management are confident profitability will be reached upon achieving these mid-term objectives.

FINPOINT

GLI has a 75% equity stake in Finpoint UK (as at 30 June 2015). Finpoint UK is a venture between CRX (the German company that owns Finpoint) and GLI.

Finpoint connects SME business owners, finance directors and intermediaries with a network of 60+ banks and alternative lenders in the UK. Finpoint's free-to-use online lending platform lets SMEs and intermediaries post their business finance requirements anonymously, helping small companies to get finance offers from multiple lenders through a single application process.

Finpoint is currently responding to the British Business Bank's Request for proposals to become a designated Neutral Finance Platform, having successfully passed the Expression of Interest stage. Companies which become designated as Neutral Finance Platforms by HM Treasury, on the recommendation of the British Business Bank, will receive referrals from the ten banks designated to refer businesses that they decline for finance under the Small Business, Enterprise and Employment Act 2015. Current published guidance indicates that the British Business Bank expects, by December 2015, to submit advice to HM Treasury on which platforms should be designated.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	1.0	1.0	1.0
GLI Preference Shares	0.5	0.5	0.5
GLI Loan Book	0.3	0.1	-
GLI Economic Interest	1.8	1.6	1.5

Loan activity

As at 30 June 2015, Finpoint had processed loans with an aggregate volume of GBP14.5m.

Outlook

In association with PwC, the UK's largest accounting and advisory practice, Finpoint is offering a 'Readiness Assessment' at no cost to the borrower. This service, in cooperation with the Leeds City Local Enterprise Partnership, helps to streamline the loan application and contribute to a higher acceptance rate from lenders.

Additionally, together with the NACFB – The National Association of Commercial Finance Brokers, based in London, Finpoint will be offering a white label platform solution to the Association's 1,500 members (and customers) by the end of the year.

Finpoint's business plan indicates positive cashflow for the last quarter of 2016.

funding knight

GLI has a 24.81 per cent equity stake in FundingKnight (as at 30 June 2015). GLI initially invested GBP1.5 million in July 2013 for a 20 per cent stake. An additional 4.8 per cent was purchased in February 2015 for GBP0.74m, as a result of GLI's participation in a rights issue.

FundingKnight provides SME finance through crowd lending from a broad base of investors. As well as business loans, FundingKnight provides finance for property bridging and green energy projects.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	2.7	2.0	2.0
GLI Preference Shares	1.0	1.0	1.0
GLI Loan Book	12.3	4.6	3.1
GLI Economic Interest	16.0	7.6	6.1

The introduction of two new products, a bridging loan and the funding of small scale wind turbine projects, as well as an increase in the maximum loan size, has accelerated origination growth. As such, to support growth, GLI has significantly expanded its loan book over the past six months, increasing from GBP4.6m at 31 December 2014 to GBP12.3m at 30 June 2015.

Also, in light of FundingKnight's progress, the Board reviewed the fair value of the holding at 30 June 2015 and this led to a higher valuation of GBP3.7m.

Loan activity

In late 2014 FundingKnight decided to diversify its product range to introduce green energy projects and property bridging alongside business lending. This widened FundingKnight's appeal to investors, borrowers and introducers, and has strengthened origination growth. As such, to support growth, GLI has significantly expanded its loan book over the past six months, increasing from GBP4.6m at 31 December 2014 to GBP12.3m at 30 June 2015.

As at 30 June 2015, total FundingKnight lending was circa GBP18m across 170 loans.

Outlook

Throughout 2015, business volumes have been growing at nearly 300%, outstripping the P2B lending market which is growing at 125%. In the current financial year (ending 31 March 2016) net revenues to date are up by over 300%. With an exceptionally strong and diversified pipeline, management expect to maintain or increase the current rate of growth.

fundingoptions

In May 2015, GLI invested GBP1.25 million in return for a 28.9% equity stake in Funding Options Ltd. In addition, GBP0.7m of preference shares were purchased.

Funding Options uses proprietary online technology to scan the alternative finance market for the most suitable funding options available. Mixing sophisticated matchmaking tools, accessible expert support and practical education materials, Funding Options has helped UK SMEs to access the borrowers they seek.

As for Finpoint (see above), Funding Options is currently responding to the British Business Bank's Request for proposals to become a designated Neutral Finance Platform, having successfully passed the Expression of Interest stage.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	1.25	-	-
GLI Preference Shares	0.75	-	-
GLI Loan Book	-	-	-
GLI Economic Interest	2.00	-	-

Loan activity

As at 30 June 2015, Funding Options' total lending was circa GBP10.8m.

Outlook

Following investment from GLI Finance in April 2015, Funding Options has grown its lead generation significantly, which is now beginning to show in deal volumes; the management team intend to broadly maintain current activity levels through 2015.

Funding Options is, on the basis of its current business, on target to deliver breakeven on existing momentum by the end of 2016. Achieving Neutral Finance Platform designation would provide Funding Options with an opportunity to exceed this target by a significant margin.

LIFTFORWARD, INC
SMALL BUSINESS LOANS

GLI has a 20.9% equity stake in LiftForward as at 30 June 2015.

LiftForward operates marketplace loan platforms which provide loans to small businesses and high-yielding debt products to investors. It partners with suppliers, retailers and manufacturers in order to provide financing to their small business customers in the US. Its most important partnership currently is that with Microsoft Stores, although there is a strong pipeline of other large potential partners, and the model is very scaleable.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	4.0	1.5	-
GLI Preference Shares	-	-	-
GLI Loan Book	2.5	-	-
GLI Economic Interest	6.5	1.5	-

The Board increased the valuation of the 20.9% equity stake as at 30 June 2015 due to the significant progress in LiftForward as a result of accelerated origination growth.

Loan activity

As at 30 June 2015, LiftForward's total lending was circa USD8m across 339 loans.

Outlook

To the end of the third quarter, actuals plus pipeline stands at USD7-8m. Fourth quarter pipeline is trending to USD10-12m on current performance and LiftForward expects to achieve profitability by the end of November 2015. To reflect the scale of the potential size of the opportunity that the company has available, it has agreed USD250m of lending capacity with Varadero and GLI.

MytripleA®

On 31 March 2015, GLI held a convertible loan note with MytripleA for EUR0.7m. On 5 May 2015, this was converted to a 9.9% equity stake resulting in a EUR0.4m (GBP0.3m) equity holding.

MytripleA is a Spanish business finance platform meeting both the short-term and long-term financing needs of Spanish SMEs. MytripleA offers investors three products; 1) insurance-guaranteed loans for more conservative investors, 2) non-guaranteed loans offering investors higher risk and higher return, and 3) receivables finance.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	0.3	-	-
GLI Preference Shares	-	-	-
GLI Loan Book	0.5	-	-
GLI Economic Interest	0.8	-	-

Loan activity

MytripleA, has a GBP0.5m loan book, represented by a loan with the Company of GBP162k, and GBP354k of loans through the platform.

Outlook

MytripleA has seen a 132% increase in the number of financing applications from Spanish SMEs over the last 6 months. This increase has been driven by 24 origination partnership agreements and another 15 agreements currently being negotiated. MytripleA expects to continue to grow during 2015 and 2016 while keeping a robust underwriting process and reach profitability during 2017.

Open Energy Group

GLI has a 21.6% equity stake (as at 30 June 2015) in The Open Energy Group following its investment of USD1.25m in March 2015.

The Open Energy Group is a financing platform for US commercial and small utility-scale solar projects. It provides financing solutions to support the growth of commercial and utility-scale solar infrastructure, using a market place to direct investment from institutional and accredited investors to borrowers based on a foundation of technology-driven underwriting processes.
Loans are typically USD0.5m - USD5m and the terms range from 7 to 15 years.

The investors earn attractive yields on a risk-return basis from OEG Green Notes that are backed by cashflows from high quality solar power generation assets with strong long term power contracts. Accredited and Institutional investors choose their investments from a marketplace, and investments start from USD5k.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	0.8	-	-
GLI Preference Shares	-	-	-
GLI Loan Book	0.3	-	-
GLI Economic Interest	1.1	-	-

OEG has a revolving loan facility with the company of USD5.0m with USD0.5m drawn as at 30 June 2015.

Loan activity
As at 30 June 2015, OEG's total lending was circa USD1.9m across four loans.

Outlook
OEG is on target to fund USD10m of loans in the next couple of months and has a 2015 year-end aggregate funding target of USD15m. The pipeline currently stands at USD50m. OEG's target for profitability is in Q1/Q2 2016.

OVAMBA
AFRICA'S DEBT MARKETPLACE

GLI has a 20.48% equity stake (as at 30 June 2015) in Ovamba.

Ovamba matches investors who want to provide fully secured short term operational and purchase order finance to qualified African SMEs.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	0.8	0.8	-
GLI Preference Shares	-	-	-
GLI Loan Book	0.9	-	-
GLI Economic Interest	1.7	0.8	-

At 30 June 2015, of the EUR3.0m revolving loan facility available to Ovamba, EUR0.9m has been drawn down.

Loan activity
Ovamba began writing modest amounts of business in 2014. After gaining greater comfort with its systems and processes, the business has deployed GBP0.6m of capital throughout the half year period with the majority of that occurring in the latter months.

Outlook
Following a significant step up in growth since the period end, Ovamba's October pipeline shows sustained demand of approximately EUR10m per month - which spikes to EUR20m during key shopping / trade seasons. Ovamba was profitable on a local country operations basis in July 2015 and enterprise-wide profitability is expected to be reached within the next 12-18 months.

Platform Black

GLI has a 31.9% equity stake in Platform Black (at 30 June 2015) following its initial GBP2.0m investment in September 2013 for a 20% equity stake and following a share swap arrangement in March 2015, a further 11.9% of equity was added.

Platform Black is an innovative online trading platform that matches owners of invoices for which they need immediate payment to holders of funds looking to invest. It enables UK businesses to auction their invoices to the best funder – the owner of the invoice sets the maximum cost of finance, and funders bid the price down to give the business the lowest cost of finance, meaning access to funds at really competitive costs. In addition to Invoice Trading and Instant Funding, Platform Black also offers Supply Chain Finance – which allows suppliers to finance customer-validated invoices on attractive terms.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	1.6	1.0	2.0
GLI Preference Shares	1.0	1.0	1.0
GLI Loan Book	2.3	1.6	1.1
GLI Economic Interest	4.9	3.6	4.1

The Company's decision to increase GLI's stake in Platform Black, along with other changes to its share register, reflects the significant recent operational and personnel changes made by the company's management. We believe that Platform Black today is a much stronger business than it was a year or so ago, with the resilient processes and procedures that give it the potential to accelerate profitable growth, through its supply chain finance and partnerships businesses. The fact that we are happy to increase our stake in Platform Black, in exchange for new shares in GLI, reflects the confidence we have in the business.

More recent growth has come from supply chain finance, and we would expect this, and strategic partnerships with organisations that could provide multiple invoices for auction as being key to the acceleration of growth in 2015. A number of such relationships are being discussed.

At 30 June 2015, the Board increased the valuation of the Ordinary Shares to GBP1.6m from GBP1.0m at 31 December 2014 after consideration of the independent report and reflecting the growth within the business.

The amount of loans held by GLI at 30 June 2015 totalled GBP2.3m, representing GBP1.2m of Platform Loans and a further GBP1.1m of convertible loan notes.

Loan activity

As at 30 June 2015, total Platform Black invoice value was GBP91.8m with GBP81.9m advance amount across 198 auctions.

Outlook

Platform Black has a strong pipeline of strategic partnerships and supply chain finance relationships, which should both drive volumes significantly higher and take the business into profitability in 2016.

PROPLEND
SECURED P2P LENDING

GLI has a 22.5% equity stake (as at 30 June 2015) in Proplend which was acquired in March 2014 for GBP0.5m ordinary shares and with the option of acquiring up to GBP0.5m of preference shares.

Proplend is a Peer-to-Peer lending platform that connects investors directly to borrowers with loans secured against UK income producing Commercial Property. Proplend specialises in meeting the loan requirements of the underbanked sub GBP5m loan market. All loans are supported by a 1st legal charge. Lenders are given the ability to select multiple loans based on the property, the LTV, the loan term and their risk and return appetite.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	0.5	0.5	0.5
GLI Preference Shares	-	-	-
GLI Loan Book	2.6	1.0	-
GLI Economic Interest	3.1	1.5	0.5

Loan activity

As at 30 June 2015, Proplend's total lending was circa GBP2.9m across six loans.

Outlook

Proplend is currently working through a very strong deal pipeline of over GBP10m originated from its team.

Based on current performance, Proplend management projects that the business will achieve profitability in the next 12-18 months.

Raiseworks

GLI has a 62.5% equity stake (as at 30 June 2015) in Raiseworks following its initial USD1.5m investment in December 2013 in exchange for 50% and a top-up investment in October 2014 for a further 12.5%.

Raiseworks provides loans to small businesses in the US. The Platform aims to improve small business access to capital and leverages technology to lower the cost of loan application processing. The typical size of a loan/financial package is between USD25k and USD75k, but can be from USD10k up to USD250k.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	2.5	8.0	2.2
GLI Preference Shares	-	-	-
GLI Loan Book	1.4	1.4	1.2
GLI Economic Interest	3.9	9.4	3.4

In December 2014, the equity valuation was increased to reflect the valuation implied by the equity investment in the company. As progress subsequently has not been as fast as we would have hoped, the Board has since reviewed the valuation and considered it prudent to reduce it to cost value of USD4m.

Loan activity

As at 30 June 2015, total lending was circa USD0.6m across five loans.

Outlook

GLI is currently reviewing strategic options for Raiseworks, in order to ensure that the business returns to the growth trajectory expected a year ago. The US remains a key market for GLI and Raiseworks is an ideal platform from which to exploit the opportunity.

Sancus has been a wholly-owned subsidiary of GLI since December 2014.

Sancus provides secured lending to asset rich, cash constrained borrowers. It also provides co-lending opportunities to high value clients. The average loan is GBP2.1m. Activities are focused on offshore jurisdictions.

Sancus - SGL	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares (SGL)	20.6	17.5	-
GLI Preference Shares (SGL)	-	20.0	-
GLI Loan Book (SGL)	25.8	1.0	-
GLI Economic Interest	46.8	38.5	-

The valuation of the 100% equity stake was increased from GBP17.75m at 31 December 2014 to GBP20.6m at 30 June 2015 following the Director's revaluation in the period. This was based on the growth in the loan book since acquisition and the progress made in establishing operations at the Gibraltar subsidiary.

GLI's loan book with SGL, consists of a GBP22.8m inter-company loan and GBP3.0m of loans through the platform.

Loan activity

As at 30 June 2015, total SGL lending was circa GBP115m across 45 transactions.

Outlook

Sancus is confident of reaching and potentially exceeding its profitability target for the full year period.

GLI invested USD1.5 million in The Credit Junction ("TCJ") in September 2014 for a 23.1% equity stake (which remained unchanged as at 30 June 2015). The higher current equity valuation of GBP2.2m (USD3.5m) from December 2014 onwards reflects an additional equity transaction agreed with a third party.

TCJ is a technology-enabled, online lending platform focused on providing working capital and supply chain financing solutions to small and mid-size US businesses. The company employs an asset-based lending credit evaluation model, and by doing so, can now offer businesses up to USD2m in capital availability.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	2.2	2.2	-
GLI Preference Shares	-	-	-
GLI Loan Book	0.5	-	-
GLI Economic Interest	2.7	2.2	-

TCJ completed its first transactions in the first quarter of 2015 and GLI entered into a Promissory Note Agreement to the value of USD0.75m (GBP0.5m), repayable by February 2017.

Outlook

TCJ launched its platform in April 2015 and began making its first loans during the second quarter of 2015. The company continues to see tremendous demand for its product and is highly encouraged by the growth trajectory of its loan pipeline. As TCJ looks to 2016, the company believes it is well positioned to capitalize on the changing financial services landscape and execute on its growth and business objectives.

GLI has a stake of 46.4% (as at 30 June 2015) in the equity of TradeRiver and it has also provided TradeRiver with debt finance.

TradeRiver is a non-bank online funding platform which finances trade, both cross-border and in the UK. It provides businesses with finance to purchase goods and services through an online platform. Borrowers are typically SMEs with turnover between GBP5 - 200m, with the majority funding imports to the UK.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	5.3	0.8	0.8
GLI Preference Shares	0.7	-	-
GLI Loan Book	0.2	0.1	0.1
GLI Economic Interest	6.2	0.9	0.9

During the first half of 2015, GLI increased its equity stake holding in TradeRiver Finance from the initial 9% up to 46.4% in a share swap agreement, and an issuance of GBP0.7m of preference shares.

Loan activity

As at 30 June 2015, TradeRiver had processed over 800 transactions with an aggregate volume of over GBP59m.

Outlook

With GBP7.5m of visible pipeline business expected to convert to tradeable facilities in the last quarter (as at 1 September 2015), the engagement of new business development managers, and recent partnerships with two FX brokers are bearing fruit and book growth is accelerating. September has already seen, amongst others, two new large buyers enrolled and, together with the expansion of an existing buyer's facility, GBP2.75m of additional tradeable facilities by mid-month.

GLI has a 30.25% equity stake (as at 30 June 2015) in TradeRiver USA Inc. following investment in January 2015. Total investment of USD2m included USD1.5m for a 30.25% equity stake and USD0.5m for preference shares with an 8% dividend per annum.

TradeRiver USA is a non-bank online funding solution which finances trade, both cross-border and in the US. It utilises the same software solution as TradeRiver Finance Limited.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	1.0	-	-
GLI Preference Shares	0.3	-	-
GLI Loan Book	-	-	-
GLI Economic Interest	1.3	-	-

Loan activity

As at 30 June 2015, TradeRiver USA had processed approximately 44 transactions for a total turnover amount of over USD1.5 million. Looking beyond June, credit limits have since doubled to USD2.9m and the loan book for the end of September is anticipated to be USD1.8m.

Outlook

TradeRiver USA's pipeline has been growing steadily, and now stands at USD8m of qualified leads, with a weighted closing amount for September of USD1.7m. With the onboarding of three new strong partners, TradeRiver USA believe qualified lead generation will double within the next 60 days, reaching USD16m by the end of October.

The TradeRiver USA's management anticipate break even for the business by the end of June 2016.

ukbondnetwork
Bringing together the world of finance

GLI has a 15.84% equity stake (as at 30 June 2015) in UK Bond Network. In October 2014 GLI invested GBP1.0m for a 13.99% equity stake in UK Bond Network. Then in June 2015, the Company purchased further Ordinary Shares and warrants, increasing the equity stake to 15.8%.

UK Bond Network is a peer to business platform that functions as a marketplace for private SMEs and small public companies seeking between GBP0.5m and GBP4m of debt finance. Bonds are made accessible to a variety of different types of investors via an online auction.

	30 June 2015 (GBPm)	31 December 2014 (GBPm)	30 June 2014 (GBPm)
GLI Ordinary Shares	2.4	1.0	-
GLI Preference Shares	-	-	-
GLI Loan Book	0.5	-	-
GLI Economic Interest	2.9	1.0	-

Due to the recent additional ordinary share purchase in the first half of 2015, the valuation has increased to GBP2.0m at 30 June from a cost of GBP1.0m at 31 December 2014.

Loan activity

As at 30 June 2015, UK Bond Network's total lending was circa GBP4.5m, having completed seven auctions.

Outlook

The pipeline is continuing to evolve, both in terms of numbers, but also in terms of the maturity of the issuers and the size of deals. Management has visibility over up to GBP10m in bonds potentially being issued between now and the end of the year.

Longer term, UK Bond Network remains confident that it is well positioned to capitalise on the growing number of UK SMEs seeking finance. Furthermore, the recent increased volatility in equity markets, particularly for smaller cap public companies, has resulted in a rise in the number of enquiries from this source due to either a lack of liquidity and/or lower valuations, making the UK Bond Network offering an appealing alternative in some cases.

Given the company's strong capitalisation and encouraging growth over the past 18 months, UK Bond Network expects to achieve cash flow positive results within the next 12 months.

Company Statement of Comprehensive Income – Reanalysed

The below table reanalyses the Company's Statement of Comprehensive Income to show a like for like comparison of income earned by separating out; realised gains/losses, unrealised gains/losses and gains/losses on currency transactions.

	6 months ended 30 June 2015 GBP	Year ended 31 December 2014 GBP	6 months ended 30 June 2014 GBP
CLO investment income/dividends	1,105,216	4,693,694	4,693,695
Interest income	2,571,616	1,835,871	694,591
Preference Share Income	132,584	376,393	181,646
Other income	45,267	47,133	9,558
Total income	**3,854,683**	**6,953,091**	**5,579,490**
Expenses	(1,661,632)	(5,869,634)	(2,178,247)
Finance costs	(1,939,580)	(822,307)	(5,989)
Profit for the period/year (reanalysed)	**253,471**	**261,150**	**3,395,254**
Reconciliation to Company Statement of Comprehensive Income:			
Realised gain/(loss) on financial asset	615,519	(9,881,535)	(8,346,678)
Unrealised gain on financial asset	4,056,539	16,410,565	6,656,199
Gain/(loss) on foreign currency transactions	333,870	(106,279)	(262,495)
Profit for the period/year	**5,259,399**	**6,683,901**	**1,442,280**
Dividends paid in the period/year	4,441,525	7,036,588	3,512,312

Reanalysed profit for the six months ended June 2015 was significantly lower at GBP0.3m than the equivalent 2014 period. One key driver for the decrease in reanalysed profit in the period was the continuation in the phasing out of CLO income in line with the Company's strategy to exit this area. The GBP1.1m dividend received in the period relates entirely to FOIF and following the disposal of this position in March 2015, this income will not recur in future periods. This movement was partially offset by an expansion in the loan book for both BMS and platform loans which drove higher interest income levels for the first six months of 2015. This effect was further supplemented by a slight increase in the average interest rate achieved on the loan book in the period.

Expenses in the first six months of 2015 were approximately GBP0.5m lower than the equivalent period in 2014. We note the following developments with the primary expense categories:

- Legal and professional fees at GBP0.7m rose significantly in the six months to June 2015 following a busy start to the year in terms of platform acquisitions and investments. Approximately GBP0.4m of the fees can be attributed to acquisitions with the bulk of the corresponding services relating to due diligence work and drafting purchase contracts.
- Marketing and PR expenses at approximately GBP0.4m were higher in the first six months of 2015 than in the equivalent period in 2014 (approximately GBP0.1m). These are considered to be ongoing costs and GLI expects this expense to remain at the new higher levels due to increased activity at trade fairs and greater involvement of two PR firms.
- CLO management fees amounted to approximately GBP0.9m in the first six months of 2014 and in the same period of 2015, the amount was negative GBP0.5m. This credit position is a one-off item and was the outcome of final negotiations with our former CLO partners.
- Staff and Director costs remained stable in the period. We anticipate an increase in staff costs in the remainder of 2015 in line with the strengthening of several GLI functions with new team members.

Finance costs at GBP1.9m in the first six months of 2015 comprise:

- Loan interest and facility fees due to Sancus of approximately GBP1.2m; and
- Zero dividend preference share payments amounting to approximately GBP0.7m.

Company Statement of Comprehensive Income – Reanalysed CONTINUED

Change in Net Asset Value
During the period, the Company NAV has increased from GBP88.2m as at 31 December 2014 to GBP112.5m as at 30 June 2015, representing a 27.6% increase. This comprises net proceeds from the issue of new shares of GBP23.5m, profits of GBP5.3m and dividends paid of GBP4.4m.

During the period the number of shares in issue increased by 23.98% from 172,960,021 Shares (31 December 2014) to 214,431,843 Shares (30 June 2015). The Company NAV per share went from 51.00p at the end of December 2014, to 52.48p at the end of June 2015 being an increase 2.9% for the period.

	GBP
Balance at 31 December 2014	**88,215,686**
Net proceeds from Ordinary Shares issued	23,494,482
Profit for the year	5,259,399
Dividends paid	(4,441,525)
Balance at 30 June 2015	**112,528,042**
Number of Shares in issue at 30 June 2014	140,918,264
Number of Shares in issue at 31 December 2014	172,960,021
Number of Shares in issue at 30 June 2015	**214,431,843**
NAV per Share at 30 June 2014	48.53p
NAV per Share at 31 December 2014	51.00p
NAV per Share at 30 June 2015	**52.48p**

Net Asset Value Summary

	30 June 2015 GBPm	31 December 2014 GBPm	30 June 2014 GBPm
Investment portfolio	144.6	106.9	62.4
Loan payable	(16.5)	(23.3)	0.0
ZDP payable	(21.5)	(20.1)	0.0
Other net assets	5.9	24.7	6.0
Net asset value	**112.5**	**88.2**	**68.4**

Investment Portfolio
The investment portfolio of GBP144.6m is split between GBP83.3m of loans and GBP61.3m of equity positions in platforms.

The loans include loans to both platforms in which GLI holds an investment and third party platforms. Based on the June platform loans balance, the weighted average return on loans is 9.4%, which is slightly higher than the equivalent figure for December 2014 (9.1%) and partly reflects the expansion of the FundingKnight loan book (typically yields in excess of 11%) and an increase in the US loan book which on average, contributes a higher interest rate.

As discussed earlier, the increase in equity positions mainly reflects the four acquisitions made in the period, which was supplemented by several top-up investments and upwards revaluations for the existing family of platforms.

Loan Payable
The loan facility of GBP30m with Sancus Limited remains in place and at the period end was GBP16.5m. This loan facility is due to expire on 15 March 2017 (see note 22 of the financial statements).

ZDP Payable
The balance of GBP21.5m includes:
- 20,000,000 GBP1 zero dividend preference (ZDP) shares issued in December 2014 for the Sancus acquisition;
- 791,418 GBP1 ZDPs issued in March 2015 for the investment in Trade River Finance;
- GBP0.7m of entitlement accrued to date on the ZDPs.

Please refer to note 14 of the financial statements for details.

Other Net Assets

The other net assets balance of GBP5.9m is largely in line with levels in prior periods and as at 30 June 2015 comprises:

- GBP4.2m of trade and other receivables chiefly relate to interest receivable on platform loans, other loans and platform shares. The remainder relates to GBP1.25m held in an escrow account which was returned to the Company shortly after the period end and GBP0.3m of prepayments.
- GBP2.6m of cash at bank
- GBP(0.8m) of trade payables which include amounts owed for legal and professional fees, valuation fees, audit fees, administration fees and other expenses.

FX Rates

The Company has transactions in a number of currencies. The table below lists out the rates used for the years/periods ended 30 June 2015, 31 December 2014 and 30 June 2014:

Rate of exchange vs. GBP1:00

Currency	30 June 2015	31 December 2014	30 June 2014
USD	1.5712	1.5577	1.7106
EUR	1.4103	1.2876	1.2493
DKK	10.5146	9.5908	9.3142

Principal Risks and Uncertainties

There are a number of risks and uncertainties that can impact the performance of the Company. Some of these are beyond the control of the Company and its Board. However the Board and Executive Team do closely monitor market trends and risks on an on-going basis and a review of risks forms part of the quarterly board meetings. The main risks identified by the Board that could affect the Company's performance are as follows:

Business risk:

The Company faces risks from a rapidly changing industry landscape and increased competition. The Executive Team monitor current trends and forecasts on a regular basis.

Interest rate risk

A shift in interest rates is a risk during the current environment of changing economic conditions and volatility in global financial markets. The portfolio is diversified in fixed and floating rate assets to reduce risk and the Board and Executive team also monitor data from advisors on a regular basis in order to ensure a balance between funding and returns.

Portfolio Management risk:

There is a risk of underperformance of the underlying investments.

There is Company representation on the portfolio company boards with the Chief Executive Officer being involved with portfolio companies' management. The Company closely monitors developments within portfolio companies.

The Company also has a currency risk in that it has transactions in non-GBP currencies. The financial statements are prepared in GBP. The Board monitors the foreign exchange fluctuations and considers using a hedging programme to mitigate loss against foreign exchange. After consideration it was deemed that a hedging programme was not necessary.

Operational risk:

The Company performs ongoing internal monitoring of operational processes and controls and receives regular reports from the administrators of the Company on operational breaches and errors, adherence to policies and procedures and compliance reporting to reduce risk of fraud and bribery. The Board is aware of the UK Bribery Act 2010 and has adopted an anti-bribery policy relevant to the nature of the Company and its business activities. The Board has also adopted a succession plan to mitigate the risk of disruption from the loss of key individuals.

Default Risk:

The Company is exposed to default risk from the loans made on the underlying platforms. The Executive Team closely monitors the loans made and is confident in the management skills in assessing risk, origination and recovery. The CEO is on the board of these platforms and is kept informed of procedures around risk and is also alerted to any possible defaults early on.

Principal Risks and Uncertainties CONTINUED

Compliance/Regulatory risk:
As a Guernsey Investment Company traded on the AIM market, the Company is required to comply with the AIM Rules. In conjunction with the Nomad, the Company Secretary monitors statutory requirements to ensure compliance with AIM Rules. As a Guernsey incorporated company under the AIM Rules for Companies, the Company is not required to comply with the UK Corporate Governance Code issued by the Financial Reporting Council (formerly the Combined Code on Corporate Governance) and applicable for accounting periods beginning on or after 1 October 2012 (the "UK Code"). However, the Directors place a high importance on ensuring that high standards of corporate governance are maintained and have considered the principles and recommendations of the UK Code. The compliance monitoring policies and procedures operated by the administrator and adopted by the Company provide compliance oversight and regular reporting of the Company's adherence with the Law, applicable legislation issued by the GFSC and provide the Company with reporting channels under anti-money laundering legislation.

During last year, the Company and the relevant financial entities within the Group completed registration with the IRS in order to receive their Global Intermediary Identification Numbers. By 30 June 2015, management confirmed that GLI Finance was fully compliant with the requirements of FATCA. The Foreign Account Tax Compliance Act (FATCA) is a United States federal law that requires United States persons, including individuals who live outside the United States, to report their financial accounts held outside of the United States, and requires foreign financial institutions to report to the Internal Revenue Service about their U.S. clients. Inter-Governmental Agreements are in place with various Governments around the world, including all of the jurisdictions in which our platforms are incorporated, which allows Foreign Financial Institutions (as defined by FATCA) to report to their local tax authorities, who then report the data to the Internal Revenue Service in the US.

GLI Finance Ltd - FATCA compliance
In order that GLI Finance is fully compliant with the requirements of FATCA, the Company and its relevant subsidiary companies, as well as the platforms in which GLI Finance has a stake, are all registered and are in possession of their Global Intermediary Identification Number (GIIN), which is an essential part in proceeding towards reporting status.

Conflicts risk:
The Company now invests in a number of platforms and whilst no platform is in direct competition with any other, this is a consideration when looking at potential new platforms and one which the Company looks to avoid. The Chief Executive Officer is a board member on all the platforms in which the Company invests. There are service agreements in place to confirm that any information acquired as a result of being a Director of each platform remains confidential to that platform. No information is shared without the knowledge and consent of the relevant platform.

Emma Stubbs
Chief Financial Officer

Date: 25 September 2015

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GLI FINANCE LIMITED

We have audited the condensed consolidated and Company financial statements (the "financial statements") of GLI Finance Limited (the "Company") for the six months ended 30 June 2015 which comprise the Condensed Consolidated and Condensed Company Statements of Comprehensive Income, Condensed Consolidated and Condensed Company Statements of Financial Position, Condensed Consolidated and Condensed Company Statements of Changes in Equity, Condensed Consolidated and Condensed Company Statements of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standard ("IAS") 34, "Interim Financial Reporting" as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Section 262 of The Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' 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 and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

The Directors are responsible for the preparation of the financial statements which give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Interim Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's and Group's affairs as at 30 June 2015 and of the Company's profit and Group's profit for the period then ended;
- have been properly prepared in accordance with IAS 34 as adopted by the European Union; and
- comply with The Companies (Guernsey) Law, 2008.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under The Companies (Guernsey) Law, 2008 we are required to report to you, if in our opinion:

- proper accounting records have not been kept by the Company; or
- the financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.

Grant Thornton Limited
Chartered Accountants
St Peter Port, Guernsey, Channel Islands

Date: 25 September 2015

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	NOTES	Period to 30 June 2015 GBP	Year to 31 December 2014 GBP	Period to 30 June 2014 GBP
Revenue				
Interest income		**3,516,094**	5,572,385	4,500,107
Dividend revenue		**1,105,216**	627,857	627,857
		4,621,310	6,200,242	5,127,964
Investment income				
Net (losses)/gains on financial assets and liabilities:				
– Realised losses	8	**(80,620)**	(6,422,956)	(4,776,853)
– Net movement in unrealised gains	8	**1,858,087**	7,001,715	5,033,284
– Loss on disposal of subsidiary	8	**–**	(10,056,443)	(10,056,443)
		1,777,467	(9,477,684)	(9,800,012)
Other income	5	**2,180,872**	3,903,393	1,243,812
Gain/(loss) on foreign currency transactions		**332,820**	(41,583)	(231,913)
Total income/(loss)		**8,912,469**	584,368	(3,660,149)
Expenses				
Management fees	6	**(502,235)**	2,640,470	851,992
Administration and secretarial fees		**221,004**	317,580	144,688
Custodian fees		**–**	77,224	21,660
Legal and professional fees		**939,073**	1,385,598	531,223
Directors' remuneration		**63,967**	113,340	72,490
Directors' and officers' insurance		**33,819**	49,271	11,015
Audit fees		**49,916**	100,900	39,649
Executive Team remuneration		**266,820**	639,135	150,500
Independent valuation fees		**106,250**	212,155	338,748
Other expenses	6	**3,324,170**	5,769,583	2,247,226
Operating expenses before finance costs		**4,502,784**	11,305,256	4,409,191
Net profit/(loss) from operations before finance costs		**4,409,685**	(10,720,888)	(8,069,340)
– Finance costs	12	**(2,100,281)**	(1,307,999)	(428,704)
Profit/(loss) for the period/year after finance costs		**2,309,404**	(12,028,887)	(8,498,044)
Net losses on Associates	8	**(2,317,884)**	(620,670)	(949,992)
Reclassification of foreign exchange reserve on sale of subsidiary		**–**	(1,892,799)	(1,892,799)
Loss for the period/year		**(8,480)**	(14,542,356)	(11,340,835)
Other comprehensive income				
Reclassification of foreign exchange reserve on sale of subsidiary		**–**	1,892,799	1,892,799
Items that may subsequently be reclassified to profit or loss:				
Foreign exchange on consolidation		**23,890**	(326,773)	(848)
Total comprehensive income/(loss) for the period/year		**15,410**	(12,976,330)	(9,448,884)
Profit/(loss) attributable to:				
Equity holders of the Company		**393,454**	(13,626,441)	(10,766,716)
Non-controlling interest		**(401,934)**	(915,915)	(574,119)
		(8,480)	(14,542,356)	(11,340,835)
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company		**417,344**	(12,060,415)	(8,874,765)
Non-controlling interest		**(401,934)**	(915,915)	(574,119)
		15,410	(12,976,330)	(9,448,884)
Basic & diluted earnings/(loss) per Ordinary Share	7	**0.20p**	(9.59p)	(7.66p)

The accompanying notes on pages 36 to 57 form an integral part of these financial statements.

CONDENSED COMPANY STATEMENT OF COMPREHENSIVE INCOME

	NOTES	Period to 30 June 2015 GBP	Year to 31 December 2014 GBP	Period to 30 June 2014 GBP
Revenue				
Interest income		**2,704,200**	6,210,810	4,874,785
Dividend revenue		**1,105,216**	627,857	627,857
		3,809,416	6,838,667	5,502,642
Investment Income				
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss				
– Realised gains/(losses)	*8*	**615,519**	(9,881,535)	(8,346,678)
– Net movement in unrealised gains	*8*	**4,517,430**	16,410,565	6,656,199
		5,132,949	6,529,030	(1,690,479)
Other (losses)/income	*5*	**(415,624)**	114,424	76,848
Gain/(loss) on foreign currency transactions		**333,870**	(106,279)	(262,495)
Total income		**8,860,611**	13,375,842	3,626,516
Expenses				
Management fees	*6*	**(502,235)**	2,640,470	851,992
Administration and secretarial fees		**186,610**	217,084	99,027
Custodian fees		**–**	15,000	7,500
Legal and professional fees		**705,591**	926,672	309,880
Directors' remuneration		**63,967**	113,340	52,490
Directors' and officers' insurance		**33,721**	39,271	11,015
Audit fees		**30,497**	75,742	58,919
Executive Team remuneration		**266,820**	639,135	338,748
Independent valuation fees		**106,250**	212,155	150,500
Other expenses	*6*	**770,411**	990,765	298,176
Operating expenses before finance costs		**1,661,632**	5,869,634	2,178,247
Net profit from operations before finance costs		**7,198,979**	7,506,208	1,448,269
– Finance costs		**(1,939,580)**	(822,307)	(5,989)
Profit for the period/year after finance costs		**5,259,399**	6,683,901	1,442,280
Total comprehensive income for the period/year		**5,259,399**	6,683,901	1,442,280
Basic & diluted earnings per Ordinary Share	*7*	**2.68p**	4.71p	1.03p

All of the profit for the current and prior periods/year is attributable to the equity holders of the parent.

The accompanying notes on pages 36 to 57 form an integral part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTES	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
ASSETS				
Non-current assets				
Property and equipment		**80,335**	97,760	20,404
Intangible intellectual property		**5,511,310**	5,530,598	3,828,270
Goodwill		**14,500,007**	14,500,007	275,885
Other receivables		**53,297**	27,104	–
Financial assets available for sale	8	**809,454**	816,469	791,126
Financial assets at fair value through profit or loss	8	**69,573,766**	60,682,236	34,161,598
Associates held at equity method accounting	8	**18,745,803**	29,648,508	23,838,071
		109,273,972	111,302,682	62,915,354
Current assets				
Financial assets held at fair value through profit or loss	8	**25,738,849**	20,566,299	3,205,702
Trade and other receivables	10	**24,908,113**	8,880,215	6,377,042
Cash and cash equivalents	11	**11,686,390**	13,734,130	12,638,772
		62,333,352	43,180,644	22,221,516
Total assets		**171,607,324**	154,483,326	85,136,870
EQUITY				
Share premium	13	**81,601,279**	58,106,797	39,997,773
Distributable reserve	13	**34,802,740**	34,802,740	34,802,740
Foreign exchange reserve		**(302,883)**	(326,773)	(848)
Retained losses		**(23,203,479)**	(19,155,408)	(12,771,407)
Capital and reserves attributable to equity holders of the Company		**92,897,657**	73,427,356	62,028,258
Non-controlling interest		**712,378**	1,114,312	1,000,810
Total equity		**93,610,035**	74,541,668	63,029,068
LIABILITIES				
Non-current liabilities				
Loans payable	12	**11,097,939**	5,790,631	–
ZDP shares payable	12 & 14	**21,518,010**	20,054,090	–
Trade and other payables	12	**25,758,773**	26,357,439	18,414,799
		58,374,722	52,202,160	18,414,799
Current liabilities				
Loan payable	12	**13,600,000**	20,330,000	–
Trade and other payables	12	**6,022,567**	7,409,498	3,693,003
		19,622,567	27,739,498	3,693,003
Total liabilities		**77,997,289**	79,941,658	22,107,802
Total equity and liabilities		**171,607,324**	154,483,326	85,136,870
Net Asset Value per Ordinary Share	15	**43.32p**	42.45p	44.02p

The financial statements were approved by the Board of Directors on 25 September 2015 and were signed on its behalf by:

Director: Patrick Firth　　　　Director: Emma Stubbs

The accompanying notes on pages 36 to 57 form an integral part of these financial statements.

CONDENSED COMPANY STATEMENT OF FINANCIAL POSITION

	NOTES	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
ASSETS				
Non-current assets				
Other financial assets held at fair value through profit or loss	8	**64,185,291**	31,400,766	24,918,686
Subsidiaries held at fair value through profit or loss	8	**26,099,603**	25,521,827	4,399,221
Associates held at fair value through profit or loss	8	**30,056,044**	35,647,052	26,938,010
		120,340,938	92,569,645	56,255,917
Current assets				
Financial assets held at fair value through profit or loss	8	**4,136,276**	5,329,307	1,919,180
Trade and other receivables	10	**24,305,793**	30,370,236	5,051,296
Cash and cash equivalents	11	**2,549,239**	5,479,656	5,886,452
		30,991,308	41,179,199	12,856,928
Total assets		**151,332,246**	133,748,844	69,112,845
EQUITY				
Share premium	13	**81,601,279**	58,106,797	39,997,773
Distributable reserve	13	**34,802,740**	34,802,740	34,802,740
Retained losses		**(3,875,977)**	(4,693,851)	(6,411,196)
Total equity		**112,528,042**	88,215,686	68,389,317
LIABILITIES				
Non-current liabilities				
ZDP shares payable	12 & 14	**21,518,010**	20,054,090	–
Current liabilities				
Loan payable	12	**16,500,000**	23,330,000	–
Trade and other payables	12	**786,194**	2,149,068	723,528
		17,286,194	25,479,068	723,528
Total liabilities		**38,804,204**	45,533,158	723,528
Total equity and liabilities		**151,332,246**	133,748,844	69,112,845
Net Asset Value per Ordinary Share	15	**52.48p**	51.00p	48.53p

The financial statements were approved by the Board of Directors on 25 September 2015 and were signed on its behalf by:

Director: Patrick Firth　　　　Director: Emma Stubbs

The accompanying notes on pages 36 to 57 form an integral part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share Capital GBP	Share Premium GBP	Distributable Reserve GBP	Foreign Exchange Reserve GBP	Retained Earnings/ (Losses) GBP	Capital and reserves attributable to equity holders of the Company GBP	Non-controlling Interest GBP	**Total Equity GBP**
Balance at 31 December 2013	–	39,651,059	34,802,740	(1,892,799)	1,507,621	74,068,621	992,344	**75,060,965**
Acquisition of non-controlling interest	–	–	–	–	–	–	808,797	**808,797**
Disposal of non-controlling interest	–	–	–	–	–	–	(226,212)	**(226,212)**
Net proceeds from Ordinary Shares issued (note 13)	–	346,714	–	–	–	346,714	–	**346,714**
Dividends paid*	–	–	–	–	(3,512,312)	(3,512,312)	–	**(3,512,312)**
Transactions with owners	–	346,714	–	–	(3,512,312)	(3,165,598)	582,585	**(2,583,013)**
Loss for the period	–	–	–	–	(10,766,716)	(10,766,716)	(574,119)	**(11,340,835)**
Other comprehensive income:								
Foreign exchange transfer on disposal of subsidiary	–	–	–	1,892,799	–	1,892,799	–	**1,892,799**
Foreign exchange on consolidation	–	–	–	(848)	–	(848)	–	**(848)**
Total comprehensive income for the period	–	–	–	1,891,951	(10,766,716)	(8,874,765)	(574,119)	**(9,448,884)**
Balance at 30 June 2014	–	39,997,773	34,802,740	(848)	(12,771,407)	62,028,258	1,000,810	**63,029,068**
Acquisition of non-controlling interest	–	–	–	–	–	–	455,298	**455,298**
Net proceeds from Ordinary Shares issued (note 13)	–	18,109,024	–	–	–	18,109,024	–	**18,109,024**
Dividends paid**	–	–	–	–	(3,524,276)	(3,524,276)	–	**(3,524,276)**
Transactions with owners	–	18,109,024	–	–	(3,524,276)	14,584,748	455,298	**15,040,046**
Loss for the period	–	–	–	–	(2,859,725)	(2,859,725)	(341,796)	**(3,201,521)**
Other comprehensive income:								
Foreign exchange on consolidation	–	–	–	(325,925)	–	(325,925)	–	**(325,925)**
Total comprehensive loss for the period	–	–	–	(325,925)	(2,859,725)	(3,185,650)	(341,796)	**(3,527,446)**
Balance at 31 December 2014	–	58,106,797	34,802,740	(326,773)	(19,155,408)	73,427,356	1,114,312	**74,541,668**
Net proceeds from Ordinary Shares issued (note 13)	–	23,494,482	–	–	–	23,494,482	–	**23,494,482**
Dividends paid***	–	–	–	–	(4,441,525)	(4,441,525)	–	**(4,441,525)**
Transactions with owners	–	23,494,482	–	–	(4,441,525)	19,052,957	–	**19,052,957**
Loss for the period	–	–	–	–	393,454	393,454	(401,934)	**(8,480)**
Other comprehensive income:								
Foreign exchange on consolidation	–	–	–	23,890	–	23,890	–	**23,890**
Total comprehensive income/(loss) for the year	–	–	–	23,890	393,454	417,344	(401,934)	**15,410**
Balance at 30 June 2015	–	81,601,279	34,802,740	(302,883)	(23,203,479)	92,897,657	712,378	**93,610,035**

*During the period ended 30 June 2014, the Company made two dividend payments, totalling 2.5 pence per Ordinary Share.
**During the year ended 31 December 2014, the Company made four dividend payments, totalling 5.0 pence per Ordinary Share.
***During the period ended 30 June 2015, the Company made two dividend payments, totalling 2.5 pence per Ordinary Share.

The accompanying notes on pages 36 to 57 form an integral part of these financial statements.

CONDENSED COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share Capital GBP	Share Premium GBP	Distributable Reserve GBP	Retained Losses GBP	**Total Equity GBP**
Balance at 31 December 2013	–	39,651,059	34,802,740	(4,341,164)	**70,112,635**
Net proceeds from Ordinary Shares issued (note 13)	–	346,714	–	–	**346,714**
Dividends paid*	–	–	–	(3,512,312)	**(3,512,312)**
Transactions with owners	–	346,714	–	(3,512,312)	**(3,165,598)**
Profit for the period	–	–	–	1,442,280	**1,442,280**
Total comprehensive income for the period	–	–	–	1,442,280	**1,442,280**
Balance at 30 June 2014	–	39,997,773	34,802,740	(6,411,196)	**68,389,317**
Net proceeds from Ordinary Shares issued (note 13)	–	18,109,024	–	–	**18,109,024**
Dividends paid**	–	–	–	(3,524,276)	**(3,524,276)**
Transactions with owners	–	18,109,024	–	(3,524,276)	**14,584,748**
Profit for the period	–	–	–	5,241,621	**5,241,621**
Total comprehensive income for the period	–	–	–	5,241,621	**5,241,621**
Balance at 31 December 2014	–	58,106,797	34,802,740	(4,693,851)	**88,215,686**
Net proceeds from Ordinary Shares issued (note 13)	–	23,494,482	–	–	**23,494,482**
Dividends paid***	–	–	–	(4,441,525)	**(4,441,525)**
Transactions with owners	–	23,494,482	–	(4,441,525)	**19,052,957**
Profit for the period	–	–	–	5,259,399	**5,259,399**
Total comprehensive income for the period	–	–	–	5,259,399	**5,259,399**
Balance at 30 June 2015	–	81,601,279	34,802,740	(3,875,977)	**112,528,042**

*During the period ended 30 June 2014, the Company made two dividend payments, totalling 2.5 pence per Ordinary Share.
**During the year ended 31 December 2014, the Company made four dividend payments, totalling 5.0 pence per Ordinary Share.
***During the period ended 30 June 2015, the Company made two dividend payments, totalling 2.5 pence per Ordinary Share.

The accompanying notes on pages 36 to 57 form an integral part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	NOTES	Period to 30 June 2015 GBP	Year to 31 December 2014 GBP	Period to 30 June 2014 GBP
Cash flows (used in)/from operating activities				
Cash (used in)/generated from operations	*16*	**(16,048,411)**	14,198,819	9,043,174
Purchase of investments		**(38,062,066)**	(61,399,746)	(17,618,526)
Sale of investments		**24,923,351**	16,116,779	14,663,990
Principal received		**13,556,228**	56,070,787	45,911,093
Net cash (outflow)/inflow from operating activities		**(15,630,898)**	24,986,639	51,999,731
Cash flows from/(used in) investing activities				
Business combination (acquisition of subsidiary)		**–**	3,924,229	(171,576)
Business combination (disposal of subsidiary)		**–**	(25,187,441)	(25,187,441)
Property and equipment acquired		**–**	(97,384)	(20,027)
Intangible assets acquired		**–**	(3,165,592)	(1,853,677)
Net cash outflow used in investing activities		**–**	(24,526,188)	(27,232,721)
Cash flows (used in)/from financing activities				
Cash paid on repurchase of loan notes		**–**	(26,841,752)	(26,841,752)
Cash received on loan payables		**8,507,308**	29,120,631	–
Cash repaid on loan payables		**(4,280,000)**	–	–
Ordinary Shares issued proceeds received		**13,613,082**	–	–
Non-controlling interest acquired		**–**	(226,212)	(226,212)
Dividends paid	*13*	**(4,281,122)**	(6,558,386)	(3,165,597)
Net cash outflow used in financing activities		**13,559,268**	(4,505,719)	(30,233,561)
Net decrease in cash and cash equivalents		**(2,071,630)**	(4,045,268)	(5,466,551)
Cash and cash equivalents at beginning of period/year		**13,734,130**	18,106,171	18,106,171
Effect of foreign exchange rate changes during the period/year		**23,890**	(326,773)	(848)
Cash and cash equivalents at end of period/year	*11*	**11,686,390**	13,734,130	12,638,772

The accompanying notes on pages 36 to 57 form an integral part of these financial statements.

CONDENSED COMPANY STATEMENT OF CASH FLOWS

	NOTES	Period to 30 June 2015 GBP	Year to 31 December 2014 GBP	Period to 30 June 2014 GBP
Cash flows (used in)/from operating activities				
Cash generated (used in)/from operations	16	**(17,609,687)**	(4,144,540)	89,417
Purchase of investments		**(19,387,182)**	(28,234,009)	(12,289,600)
Sale of investments		**24,594,489**	11,043,680	10,342,358
Principal received		**1,523,416**	686,024	–
Net cash outflow used in operating activities		**(10,878,964)**	(20,648,845)	(1,857,825)
Cash flows (used in)/from investing activities				
Business combination (acquisition of subsidiary)		**(203,412)**	(2,329,576)	(776,588)
Business combination (disposal of subsidiary)		**–**	7,645,800	7,645,800
Net cash inflow from investing activities		**(203,412)**	5,316,224	6,869,212
Cash flows from/(used in) financing activities				
Ordinary Shares issued proceeds received		**13,613,081**	–	–
Loans received		**8,600,000**	23,330,000	–
Loans repaid		**(9,780,000)**	–	–
Dividends paid	13	**(4,281,122)**	(6,558,386)	(3,165,598)
Net cash inflow from financing activities		**8,151,959**	16,771,614	(3,165,598)
Net (decrease)/increase in cash and cash equivalents		**(2,930,417)**	1,438,993	1,845,789
Cash and cash equivalents at beginning of period/year		**5,479,656**	4,040,663	4,040,663
Cash and cash equivalents at end of period/year	11	**2,549,239**	5,479,656	5,886,452

The accompanying notes on pages 36 to 57 form an integral part of these financial statements.

1. GENERAL INFORMATION

GLI Finance Limited (the "Company") was incorporated and domiciled in Guernsey, Channel Islands, as a company limited by shares and with limited liability on 9 June 2005 in accordance with The Companies (Guernsey) Law, 1994 (since superseded by The Companies (Guernsey) Law, 2008). Until 25 March 2015, the Company was Authorised as a Closed-ended Investment Scheme and was subject to the Authorised Closed-ended Investment Scheme Rules 2008 issued by the Guernsey Financial Services Commission ("GFSC"). On 25 March 2015, the Company was registered with the GFSC as a Non-Regulated Financial Services Business, at which point the Company's authorised fund status was revoked. The Company was admitted to the AIM market of the London Stock Exchange on 5 August 2005. The Company does not have a fixed life and the Articles do not contain any trigger events for a voluntary liquidation of the Company.

The Company is an investing company for the purpose of the AIM rules. The Executive Team is responsible for the management of the Company.

As at 30 June 2015, the Group comprises the Company and its subsidiaries (please refer to note 17 for full details of the Company's subsidiaries).

2. ACCOUNTING POLICIES

(i) Basis of preparation

Statement of Compliance

These condensed interim financial statements ("financial statements") are for the six months period ended 30 June 2015 and are presented in GBP, which is the functional currency of the Company. They have been prepared in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting', as adopted by the European Union. They do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the Company's annual audited financial statements for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the European Union.

The same accounting policies and methods of computation are followed in these financial statements as in the last annual financial statements for the year ended 31 December 2014.

The Company does not operate in an industry where significant or cyclical variations, as a result of seasonal activity, are experienced during the financial period.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's and Group's financial position and performance since the last financial statements as at and for the year ended 31 December 2014.

These financial statements were authorised for issue by the Company's Directors on 25 September 2015.

New, revised and amended standards applicable to future reporting periods

There are no new accounting standards, interpretations and amendments that have been adopted in the current period which have had a material impact in these financial statements.

Whilst the Board are still assessing standards and interpretations that were in issue at the date of these financial statements but not yet effective, initial expectations are that these will not have a material impact on future financial statements of the Company.

The Directors believe that the financial statements contains all of the information required to enable Shareholders and potential investors to make an informed appraisal of the investment activities and profits and losses of the Group and Company for the period to which it relates and does not omit any matter or development of significance.

(ii) Foreign currency translation

Translation differences on monetary items are reported as part of the fair value gain or loss reported in the Consolidated Statement of Comprehensive Income. The rates of exchange at the period/year end are as follows:

30 June 2015	31 December 2014	30 June 2014
GBP1: USD1.5712	GBP1: USD1.5577	GBP1: USD1.7106
GBP1: EUR1.4103	GBP1: EUR1.2876	GBP1: EUR1.2493
GBP1: DKK10.5146	GBP1: DKK9.5908	GBP1: SEK11.4320
-	-	GBP1: CHF1.5170

Differences arising are dealt with in the Condensed Consolidated and Condensed Company Statements of Comprehensive Income.

2. ACCOUNTING POLICIES CONTINUED

(iii) Critical accounting estimates and judgements in applying accounting policies

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

Fair values of Unlisted Debt Securities and Unlisted Equity Securities designated as financial assets and liabilities at fair value

The Group invests in financial instruments which are not quoted in active markets and may receive such financial instruments as distributions on certain investments. Fair values are determined by using valuation techniques. Where valuation techniques, such as the Market Capitalisation Approach, are used to determine fair values they are carried out by an independent valuation firm specifically engaged by the Group to carry out the valuations. Changes in assumptions could affect the reported fair value of financial instruments. See Note 8 for details of the carrying amounts at the period end.

Because the Group's portfolio of investments are generally not traded in active markets, fair value determinations are based upon additional information, including internal analysis and projections as well as independent valuation work performed by outside firms. These other analyses rely upon observable data including comparable transactions, interest rates and credit spreads.

Investment Entity

The Company does not meet the definition of an Investment Entity in accordance with IFRS10. Therefore under IFRS10 the Company, as a parent company, is required to present consolidated financial statements of the Group.

Going Concern

The Board has assessed the Company's financial position as at 30 June 2015 and the factors that may impact its performance in the forthcoming year and are of the opinion that it is appropriate to prepare these financial statements on a going concern basis.

3. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group is exposed to a variety of financial risks: market risk (including price risk, fair value interest rate risk, cash flow interest rate risk and currency risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures to minimise operational and legal risks. The risk management policies employed by the Group to manage these risks are the same as those in place during the prior year and were disclosed in the last annual audited financial statements for the year ended 31 December 2014.

4. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value estimation

When available, the Group measures the fair value of an instrument using quoted price in an active market for that instrument. A market is regarded as "active" if transactions of the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis. The Group measures financial instruments quoted in an active market at a mid price.

If there is no quoted price in an active market, the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Group recognises transfers between levels of the fair value hierarchy (see below) as at the end of the reporting period during which the change has occurred.

Unquoted equity security investments, at fair value through profit or loss, are appraised in accordance with the International Private Equity and Venture Capital valuation guidelines or any other valuation model and techniques which can provide a reasonable estimate of fair value of the investment involved. These valuations are consistent with the requirements of IFRS.

Factors considered in these valuation analyses include discounted cash flows, comparable company and comparable transaction analysis, and credit spread analysis based upon the independent valuation firms' view of the implied credit rating of the investment and the corresponding required spread in the marketplace. The Board considers all the information presented to it, including indicative bids, internal analysis, and independent valuations, in order to reach, in good faith, their fair value determination.

If in the case of any investment the Directors at any time consider that the above basis of valuation is inappropriate or that the value determined in accordance with the foregoing principles is unfair, they are entitled to substitute what in their opinion, is a fair value.

Where this is the case or where no value is provided by the independent valuers of the underlying investment, then the fair value is estimated with care and in good faith by the Directors in consultation with the Executive Team with a view to establishing the probable realisation value for such shares as at close of business on the relevant valuation day.

The fair values of the Group's short-term trade receivables and payables approximate their carrying amounts at the period end date.

4. FAIR VALUE OF FINANCIAL INSTRUMENTS CONTINUED

Fair value hierarchy

The fair value of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or broker price quotations. For all other financial instruments, the Group determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1 - Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3 - Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect difference between the instruments.

The financial assets and liabilities measured at fair value in the Consolidated Statement of Financial Position are grouped into the fair value hierarchy as follows:

Group	*NOTE*	**30 June 2015 Level 3 & Total GBP**	31 December 2014 Level 3 & Total GBP	30 June 2014 Level 3 & Total GBP
Assets				
Loans	*a*	**63,977,142**	53,107,364	28,305,924
Equity securities	*b*	**5,596,624**	7,574,872	5,855,674
Warrant security	*c*	**-**	-	-
Current asset loans	*a*	**25,738,849**	20,566,299	3,205,702
Net Fair Value		**95,312,615**	81,248,535	37,367,300

Company	*NOTE*	**30 June 2015 Level 3 & Total GBP**	31 December 2014 Level 3 & Total GBP	30 June 2014 Level 3 & Total GBP
Assets				
Loans	*a*	**59,588,668**	23,825,894	19,063,012
Equity securities	*b*	**4,596,623**	7,574,872	5,855,674
Warrant securities	*c*	**-**	-	-
Current asset loans	*a*	**4,136,276**	5,329,307	1,919,180
Subsidiaries held at fair value through profit or loss	*b*	**26,099,603**	35,647,052	4,399,221
Associates held at fair value through profit or loss	*b*	**30,056,044**	25,521,827	26,938,010
Net Fair Value		**124,477,214**	97,898,952	58,175,097

Measurement of fair value

The methods and valuation techniques used for the purposes of measuring fair value are unchanged compared to the previous reporting year.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

(a) Loans – non current and current asset loans

The loans held by the Group are bilateral agreements and thus there are no external valuation metrics available. The fair value is established by considering the financial data provided by the underlying businesses to the Group. If the loan remains within its covenants, continues to meet all of its obligations and management expect this to continue to be the case, the loans are valued at par. If the borrowers fail to meet their obligations, or management are of the view that it is likely in the future that the borrower may not meet its obligations in the future, an allowance is made against the loan.

4. FAIR VALUE OF FINANCIAL INSTRUMENTS CONTINUED

Measurement of fair value continued

(b) Equity securities

The Group has a number of equity investments, which fall into three categories:

1. Investments in finance platforms
2. Investments in equity positions received from loan restructurings
3. Other equity investments

The equity securities have significant unobservable inputs, as they trade infrequently and are unlisted. There is a discrete valuation approach to each category of equity investments.

Investments in finance platforms (including Subsidiaries and Associates)

At the period end, the Group held investments in nineteen finance platforms: BMS Finance, Raiseworks LLC, Finpoint Limited, FundingKnight Holdings Limited, Platform Black Limited, CrowdShed Limited, Proplend Limited, TradeRiver Finance Limited, TradeRiver USA Inc, Sancus Group Limited, European Receivables Exchange A/S, Finexkap, UK Bond Network Group Limited, LiftForward Inc, Ovamba Solutions Inc, Open Energy Group Inc, Funding Options Limited, MytripleA and The Credit Junction Holdings Inc.

At Company Level, the investments in the platforms were initially recognised at fair value, being the acquisition cost of each investment. Subsequently to that, the Board assesses fair value based on independent third-party valuations, the latest available financial information and consideration of any material alterations to the prospects of these investments during the time since the assets were acquired. Any changes in carrying fair value are reflected in the Company Statement of Comprehensive Income.

In the case of BMS Finance, Raiseworks LLC, Finpoint Limited and Sancus Limited, all of which are subsidiaries of the Company, at Group level the fair value is ascertained by reference to the underlying assets and liabilities of these subsidiaries, as these companies are consolidated into the Group consolidated financial statements.

The Group uses the equity method to account for any investment in a platform which is classified as an investment in an Associate. As at 30 June 2015, FundingKnight Holdings Limited, Platform Black Limited, CrowdShed Limited, Finexkap, Proplend Limited, TradeRiver Finance Limited, TradeRiver USA Inc, Liftforward Inc, Ovamba Solutions Inc, Open Energy Group Inc, Funding options Limited and The Credit Junction Holdings Inc. are classified as Associates.

The remaining investments in platforms, being European Receivables Exchange A/S, MytripleA and UK Bond Network Group Limited, are valued at Group level on the same basis as at Company level described above.

Investments in equity positions received from loan restructurings

As observable prices are not available for these equity securities, the Board uses an independent third-party valuer to provide a valuation analysis of the equities in its determining of the fair value. The valuation expert used the Income Approach – Discounted Cash Flow Method and the Market Approach – Guideline Comparable Method and Comparable Transaction Method to estimate the indicated Total Enterprise Value of each company. The Total Enterprise Value is used to ascertain the fair value of the equity securities. Assumptions used by the expert include discount rates, growth rates, EBITDA margins and tax rates. These assumptions are made by the independent valuation firm and the Group has no input to the process.

Other equity investments

At the prior year end, the Group had one other equity investment and that was the holding of IFDC, denominated in Euro. GLIF was the only external investor in this company and thus the Board did not believe that a fair value using comparable more broadly held companies would be appropriate. Instead the Board valued the investment in IFDC with reference to the net asset value of the business, as the Board believed that this was the basis against which any realisation of the Group's position will be valued in the future.

(c) Warrant security

There is one warrant security held within GLIF BMS Holdings Limited. By nature of the warrant security being issued by a company that is relatively small and relatively early stage and unlisted, it has unobservable inputs and thus there is a high degree of uncertainty as to the equity value of the business and thus whether any value will ever attach to the warrant. For these reasons the warrant held by the Group is valued at zero, unless and until cash has been received by the Group in exchange for the warrant.

4. FAIR VALUE OF FINANCIAL INSTRUMENTS CONTINUED

Level 3 fair value measurements

The Group's financial assets and liabilities classified in Level 3 use valuation techniques based on significant inputs that are not based on observable market data. The financial assets within this level can be reconciled from beginning to ending balances as follows:

30 June 2015	**Loans* – Other GBP**	**Equity GBP**	**Warrants GBP**	**Total GBP**
Group				
Opening fair value	**73,673,663**	**7,574,872**	**-**	**81,248,535**
Purchases/loans advanced	**30,863,777**	**1,580,648**	**-**	**32,444,425**
Classification transfer in/(out) (see note 8)	**(1,000,000)**	**(808,188)**	**-**	**(1,808,188)**
Sales	**-**	**(3,613,250)**	**(328,952)**	**(3,942,202)**
Capital repayments	**(13,556,228)**	**-**	**-**	**(13,556,228)**
Gains and losses recognised in profit and loss:				
– realised	**6,190**	**(111,750)**	**328,952**	**223,392**
– unrealised	**(271,411)**	**974,292**	**-**	**702,881**
Closing fair value	**89,715,991**	**5,596,624**	**-**	**95,312,615**

31 December 2014	Loans - Broadly Syndicated GBP	Loans* – Other GBP	Equity GBP	CLO Equity GBP	Warrants GBP	Total GBP
Group						
Opening fair value	162,460,743	20,187,404	5,733,763	10,352,640	-	198,734,550
Purchases/loans advanced	-	48,278,999	3,303,386	-	-	51,582,385
Classification transfer in/(out)	(795,743)	795,743	-	-	-	-
Sales	(4,721,642)	(353,139)	(1,034,207)	(9,703,304)	(306,916)	(16,119,208)
In-specie transfer in on acquisition of Sancus	-	16,437,775	-	-	-	16,437,775
Capital repayments	(44,499,597)	(11,571,190)	-	-	-	(56,070,787)
In-specie transfer out on sale of T2 CLO	(115,224,866)	-	(129,979)	-	-	(115,354,845)
Gains and losses recognised in profit and loss:						
– realised	(4,609,707)	(120,708)	(1,076,005)	(923,452)	306,916	(6,422,956)
– unrealised	5,889,298	18,779	777,914	274,116	-	6,960,107
– net gain on transfer out of assets on sale of T2 CLO	1,501,514	-	-	-	-	1,501,514
Closing fair value	-	73,673,663	7,574,872	-	-	81,248,535

*As at 30 June 2015, GBP25,738,849 (31 December 2014: GBP20,566,299) of the total loans balance of the Group is due within 12 months and has been classified as current assets on the Condensed Consolidated Statement of Financial position.

Period ended 30 June 2014	Loans - Broadly Syndicated GBP	Loans** GBP	Equity GBP	CLO Equity GBP	Warrants GBP	Total GBP
Group						
Opening fair value	162,460,743	20,187,404	5,733,763	10,352,640	-	198,734,550
Purchases/loans advanced	-	11,978,875	1,303,406	-	-	13,282,281
Classification transfer in/(out)	(724,617)	724,617	-	-	-	-
Sales	(5,115,053)	-	-	(9,703,304)	(306,916)	(15,125,273)
Transfers out on sale of T2 CLO	(115,224,866)	-	(129,979)	-	-	(115,354,845)
Capital repayments	(44,565,039)	(1,346,054)	-	-	-	(45,911,093)
Gains and losses recognised in profit and loss:						
– realised	(4,150,854)	(9,463)	-	(923,452)	306,916	(4,776,853)
– unrealised	5,818,172	(23,753)	126,970	274,116	-	6,195,505
– net gain on transfer out of assets on sale of T2 CLO	1,501,514	-	(1,178,486)	-	-	323,028
Closing fair value	-	31,511,626	5,855,674	-	-	37,367,300

**As at 30 June 2014, GBP3,205,702 of the total loans balance of the Group is due within 12 months and has been classified as current assets on the Condensed Consolidated Statement of Financial position.

4. FAIR VALUE OF FINANCIAL INSTRUMENTS CONTINUED

Level 3 fair value measurements continued

Changing inputs to the Level 3 valuations to reasonably possible alternative assumptions would not change significantly amounts recognised in profit or loss, total assets or total liabilities or total equity.

There have been no transfers into or out of Level 3 in the reporting periods under review.

As at 30 June 2015, the Group had no financial liabilities being carried at fair value. In prior periods/years, the Group's financial liabilities, at fair value, classified in Level 3 used valuation techniques based on significant inputs that are not based on observable market data. The financial liabilities within this level can be reconciled balances as follows:

CLO Loan Notes	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
Opening fair value	-	(137,767,085)	(137,767,085)
Transferred out on disposal of T2 CLO	-	113,975,940	113,975,940
Repurchases	-	26,841,752	26,841,752
Gains/(losses) recognised in profit and loss (see note 8):			
– realised on transferred out on disposal of T2 CLO	-	4,882,527	4,882,527
– unrealised	-	(7,933,134)	(7,933,134)
Closing fair value	-	-	-

Changing inputs to the Level 3 valuations to reasonably possible alternative assumptions would not change significantly amounts recognised in profit or loss, total assets or total liabilities or total equity.

There have been no transfers into or out of Level 3 in the reporting periods under review.

5. OTHER INCOME/(LOSSES)

The table below details other income/(losses) during the period/year:

GROUP	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
Other income:			
Other income on sale of business combination	-	67,290	67,290
Assignment arrangement fees	**678,846**	965,688	180,716
Bank interest	**18,248**	15,553	4,527
IP licence fees	**1,345,808**	2,273,018	765,321
Earn out/(exit) fees	**98,718**	381,677	15,081
Commission income	**287,492**	-	-
Sundry (losses)/income	**(248,240)**	200,167	210,877
	2,180,872	3,903,393	1,243,812

COMPANY	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
Other (losses)/income:			
Other income on sale of business combination	-	67,290	67,290
Arrangement fees	-	8,000	6,750
Bank interest	**15,177**	11,379	2,808
Sundry (losses)/income	**(430,801)**	27,755	-
	(415,624)	114,424	76,848

6. EXPENSES

Management fees

Total management fees written back during the period ended 30 June 2015 amounted to a credit of GBP502,235 (31 December 2014: expense of GBP2,640,740 and 30 June 2014: expense of GBP851,992). The write back is as a result of over accrued management expenses as at 31 December 2014.

Other expenses

The table below details other charges during the period/year of the Group:

GROUP	**30 June 2015 GBP**	31 December 2014 GBP	30 June 2014 GBP
Other expenses:			
Directors' expenses	**335**	6,140	73,477
Other staff costs	**1,218,183**	1,913,414	579,410
Other office and administration costs	**595,009**	791,549	255,623
Other investment management expenses	**-**	232,473	27,693
NOMAD fees	**37,806**	75,581	38,057
Listing fees	**14,661**	15,897	8,927
Broker fees	**-**	115,000	-
CFO fees	**-**	10,417	10,417
Marketing expenses	**602,892**	409,596	181,707
Registrar fees	**34,422**	38,313	9,918
Investments expenses	**244,495**	357,056	142,539
Amortisation	**58,601**	613,944	95,895
Sundry	**517,766**	1,190,203	823,563
	3,324,170	5,769,583	2,247,226

The table below details other charges during the period/year of the Company:

COMPANY	**30 June 2015 GBP**	31 December 2014 GBP	30 June 2014 GBP
Other expenses:			
Directors' expenses	**335**	6,140	73,477
Other staff costs	**60,624**	51,926	-
Other office and administration costs	**59,856**	89,674	19,310
Other investment management expenses	**-**	224,004	27,693
NOMAD fees	**37,806**	75,581	38,057
Listing fees	**14,661**	15,897	8,927
Broker fees	**-**	115,000	-
CFO fees	**-**	10,417	10,417
Marketing expenses	**451,288**	236,068	67,619
Registrar fees	**34,422**	38,313	9,918
Investments expenses	**51,100**	-	-
Sundry	**60,319**	127,745	42,758
	770,411	990,765	298,176

Non-executive Directors' fees & Executive Team's remuneration

Please refer to note 20 for details of the non-executive Directors' and Executive Team's remuneration.

7. BASIC & DILUTED EARNINGS/(LOSS) PER ORDINARY SHARE

Consolidated earnings/(loss) per Ordinary Share has been calculated by dividing the consolidated profit/(loss) attributable to Ordinary Shareholders of GBP393,454 (31 December 2014: GBP(13,626,441) and 30 June 2014: GBP(10,766,716)) by the weighted average number of Ordinary Shares outstanding during the period/year of 196,291,439 (31 December 2014: 142,072,917 and 30 June 2014: 140,532,211). There was no dilutive effect for potential Ordinary Shares during the current or prior periods/years, therefore fully diluted consolidated earnings/(loss) per Ordinary Share is calculated in the same way as the undiluted consolidated earnings/(loss) per Ordinary Share described above.

Company earnings per Ordinary Share has been calculated by dividing the Company profit attributable to Ordinary Shareholders of GBP5,259,399 (31 December 2014: GBP6,683,901 and 30 June 2014: GBP1,442,280) by the weighted average number of Ordinary Shares outstanding during the period/year of 196,291,439 (31 December 2014: 142,072,917 and 30 June 2014: 140,532,211). There was no dilutive effect for potential Ordinary Shares during the current or prior periods/years, therefore fully diluted Company earnings per Ordinary Share is calculated in the same way as the Company's undiluted earnings per Ordinary Share described above.

Basic & Diluted earnings/(loss) per Ordinary Share

GROUP & COMPANY

Date	No. of shares	No. of days	Weighted average no. of shares
01/01/2015	172,960,021	76	72,624,097
17/03/2015	207,460,021	3	3,438,564
20/03/2015	207,590,523	10	11,469,090
30/03/2015	213,777,917	60	70,865,608
29/05/2015	214,289,446	21	24,862,311
19/06/2015	214,431,843	11	13,031,769
30/06/2015	214,431,843	181	196,291,439
01/01/2014	140,266,411	79	30,359,032
20/03/2014	140,718,491	92	35,468,770
20/06/2014	140,918,264	90	34,746,969
18/09/2014	141,023,864	85	32,841,174
12/12/2014	141,413,802	4	1,549,740
16/12/2014	172,829,732	2	947,012
18/12/2014	172,960,021	13	6,160,220
31/12/2014		365	142,072,917
01/01/2014	140,266,411	79	61,221,251
20/03/2014	140,718,491	92	71,525,421
20/06/2014	140,918,264	10	7,785,539
30/06/2014		181	140,532,211

There was no dilutive effect for potential Ordinary Shares during the current or prior periods/years.

8. FINANCIAL ASSETS AND LIABILITIES

GROUP	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
Debt securities of unlisted companies*	**89,715,991**	73,673,663	31,511,626
Unlisted equity securities	**5,596,624**	7,574,872	5,855,674
Available for sale unlisted equity securities**	**809,454**	816,469	791,126
Unlisted CLO equity securities	**-**	-	-
Unlisted warrant securities	**-**	-	-
Unlisted investments in Associate at equity method accounting	**18,745,803**	29,648,508	23,838,071
	114,867,872	111,713,512	61,996,497
Realised gain recognised on financial assets and liabilities at fair value through profit or loss:			
Realised gain on investments at fair value through profit or loss	**223,392**	22,668,199	24,314,301
Realised gains on financial liabilities at fair value through profit or loss	**-**	4,882,527	4,882,527
	223,392	27,550,726	29,196,828
Unrealised gain/(loss) recognised on financial assets and liabilities at fair value through profit or loss:			
Unrealised gain/(loss) on financial assets investments at fair value through profit or loss	**695,866**	(20,604,190)	(22,572,621)
Unrealised loss on financial liabilities at fair value through profit or loss	**-**	(7,933,134)	(7,933,134)
	695,866	(28,537,324)	(30,505,755)
Net losses on associates:			
Unrealised gain/(loss) adjustment – due to loss of significant influence	**1,162,221**	(1,162,221)	(1,162,221)
Realised loss adjustment – due to loss of significant influence	**(304,012)**	-	-
Share in net losses on associates	**(2,317,884)**	(620,670)	(949,992)
	(1,459,675)	(1,782,891)	(2,112,213)

*As at 30 June 2015: GBP25,738,849 (31 December 2014: GBP20,566,299 and 30 June 2014: GBP3,205,702) of the total loans balance of the Group is due within 12 months and has been classified as current assets on the Consolidated Statement of Financial Position.

**During a prior period, the Group acquired an investment in a private company whose shares are not actively traded on a recognised exchange or any other active market and fair value cannot be reliably measured. As such this investment has been designated as available for sale and, as at 30 June 2015, the carrying value was equal to the acquisition cost of the investment plus directly attributable financial cost relating to its acquisition. The Directors have no reason to believe the investments carrying amounts should be impaired as at the period end.

GROUP	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
Opening cost of investments	**80,617,698**	177,480,148	177,480,148
Purchases	**32,444,425**	51,582,385	13,282,281
Transfer in on acquisition of Sancus	**-**	16,437,775	-
Transfers out on sale of T2 CLO	**-**	(115,360,813)	(115,360,813)
Sales	**(3,942,201)**	(16,119,208)	(15,125,273)
Transfer out - classification change to Associate and receivables**	**(1,808,188)**	-	-
Realised gain/(loss) on sale investments	**223,392**	(6,422,956)	(4,776,853)
Gain on transfer out of assets on sale of T2 CLO	**-**	29,091,154	29,091,154
Capital repayments/redemption of loans	**(13,556,229)**	(56,070,787)	(45,911,093)
Closing cost of investments	**93,978,897**	80,617,698	38,679,551
Closing unrealised gain/(loss)	**2,143,172**	1,447,306	(521,125)
Closing fair value of investments	**96,122,069**	82,065,004	38,158,426

8. FINANCIAL ASSETS AND LIABILITIES CONTINUED

Associates: **GROUP**	**30 June 2015** **GBP**	31 December 2014 GBP	30 June 2014 GBP
Opening cost of Associates at equity method accounting	**31,550,115**	5,119,877	5,119,877
Purchases	**10,730,020**	27,352,520	21,871,405
Transfer out on business combination-classification change to Subsidiary*	**-**	(922,282)	(922,282)
Transfer in - classification change from equity investment**	**808,188**	-	-
Sale	**(20,981,238)**	-	-
Realised gain	**(304,012)**	-	-
Closing cost of Associates at equity method accounting	**21,803,073**	31,550,115	26,069,000
Unrealised loss adjustment – due to loss of significant influence	**-**	(1,162,221)	(1,162,221)
Cumulative share in losses of associates	**(3,057,270)**	(739,386)	(1,068,708)
Closing value of Associates at equity method accounting	**18,745,803**	29,648,508	23,838,071

*During the prior year/period, the Company gained control of one of its Associates resulting in a transfer in classification to a Subsidiary within the Group.

**GBP 808,188 relates to an investment's book cost brought forward that was reclassified from investment to an Associate during the period when the Company gained significant influence over this underlying investment.

COMPANY	**30 June 2015** **GBP**	31 December 2014 GBP	30 June 2014 GBP
Debt securities of unlisted companies*	**63,724,944**	29,155,201	20,982,192
Unlisted equity securities	**4,596,623**	7,574,872	5,855,674
Unlisted warrant securities	**-**	-	-
Other financial assets held at fair value through profit or loss	**68,321,567**	36,730,073	26,837,866
Subsidiaries held at fair value through profit or loss	**26,099,603**	25,521,827	4,399,221
Associates held at fair value through profit or loss	**30,056,044**	35,647,052	26,938,010
	124,477,214	97,898,952	58,175,097
Realised loss on other financial assets at fair value through profit or loss	**(105,560)**	(7,859,267)	(6,324,409)
Realised loss on Subsidiaries at fair value through profit or loss	**-**	(2,022,268)	(2,022,269)
Realised gain on Associate at fair value through profit or loss	**721,079**	-	-
	615,519	(9,881,535)	(8,346,678)
Unrealised gain on other financial assets at fair value through profit or loss	**695,322**	8,119,814	6,219,259
Unrealised gain/(loss) on Subsidiaries at fair value through profit or loss	**374,724**	2,968,653	(1,657,230)
Unrealised gain on Associates at fair value through profit or loss	**3,447,384**	5,322,098	2,094,170
	4,517,430	16,410,565	6,656,199

*As at 30 June 2015: GBP4,136,276 (31 December 2014, GBP5,329,307 and 30 June 2014: GBP1,919,180) of the total loans balance of the Company is due within 12 months and has been classified as current assets on the Condensed Company Statement of Financial Position.

8. FINANCIAL ASSETS AND LIABILITIES CONTINUED

Other financial assets held at fair value through profit or loss: **COMPANY**	**30 June 2015 GBP**	31 December 2014 GBP	30 June 2014 GBP
Opening cost of other financial assets at fair value through profit or loss	**35,195,310**	35,361,787	35,361,787
Transfer out – classification change (1)	**(1,808,188)**	-	-
Purchases	**15,129,960**	19,424,921	8,969,921
Sales	**(3,613,250)**	(10,737,511)	(9,703,304)
Realised gain on sales	**(105,560)**	(7,859,267)	(6,324,409)
Capital repayments	**(1,523,416)**	(994,620)	(1,100,336)
Conversion of preference shares	**20,000,000**	-	-
Conversion of receivable	**2,816,625**	-	-
Cost of investments	**66,091,481**	35,195,310	27,203,659
Unrealised gain/(loss)	**2,230,086**	1,534,763	(365,793)
Closing fair value of other financial assets at fair value through profit or loss	**68,321,567**	36,730,073	26,837,866

(1) GBP1,000,000 relates to a loan now classified as "balances held by Platforms on behalf of the Group" (see note 10). GBP808,188 relates to an investment which during the period the Company gained significant influence over, resulting in a transfer in classification between Investments and Associates within the Group.

Subsidiaries: **COMPANY**	**30 June 2015 GBP**	31 December 2014 GBP	30 June 2014 GBP
Opening cost of investment in Subsidiaries	**18,862,260**	30,594,895	30,594,895
Purchases	**203,052**	17,273,311	776,588
Sales	**-**	(27,905,960)	(27,905,960)
Transfer in on business combination classification change to Subsidiary**	**-**	922,282	922,282
Realised loss on sales	**-**	(2,022,268)	(2,022,269)
Closing cost of investment in Subsidiaries	**19,065,312**	18,862,260	2,365,536
Unrealised gain	**7,034,291**	6,659,567	2,033,685
Closing fair value of investment in Subsidiaries at fair value through profit or loss	**26,099,603**	25,521,827	4,399,221

Associates: **COMPANY**	**30 June 2015 GBP**	31 December 2014 GBP	30 June 2014 GBP
Opening cost of investment in Associates	**30,341,276**	4,422,269	4,422,269
Purchases	**10,413,579**	26,841,289	21,360,174
Transfer in - classification change from equity investment*	**808,188**	-	-
Sale	**(20,981,238)**	-	-
Transfer out on business combination classification change to Subsidiary**	**-**	(922,282)	(922,282)
Realised gain on sale	**721,079**	-	-
Closing cost of investment in Associates	**21,302,884**	30,341,276	24,860,161
Unrealised gain	**8,753,160**	5,305,776	2,077,849
Closing fair value of investment in Associates at fair value through profit or loss	**30,056,044**	35,647,052	26,938,010

*During the period, the Company gained significant influence over one of its minority stake equity investments resulting in a transfer between Investments and Associates within the Group.

**During the prior year, the Company gained control of one of its Associates resulting in a transfer in classification to a Subsidiary of the Company.

9. SUBSIDIARIES HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

The following business combinations were acquired/controlled gained during the period:

Subsidiary	Acquisition/ Control Established Date	Consideration Transferred GBP	Fair Value of Net Assets on recognition of business combination GBP	Non-Controlling Interest at recognition of business combination GBP	Post Acquisition Losses Recognised During the Current Period GBP
GLI Asset Management Limited ("GLIAM")*	22 May 2015	200,000	200,000	-	(77,179)
GLI Alternative Finance Guernsey Limited*	20 April 2015	Nil	Nil	-	-

*acquisition made upon subsidiaries' incorporation, net assets acquired was due to capitalisation only.

10. TRADE AND OTHER RECEIVABLES

GROUP	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
Balances held by Platforms on behalf of the Group*	**20,069,054**	6,187,058	4,175,904
Accrued bank interest	**933**	2,603	2,703
Loan interest receivable	**1,444,189**	707,528	466,270
Preference share dividends receivable	**452,602**	252,497	-
Security sales receivable	**-**	-	461,283
Other trade receivables and prepaid expenses	**2,941,335**	1,730,529	1,270,882
	24,908,113	8,880,215	6,377,042

COMPANY	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
Balances held by Platforms on behalf of the Company*	**20,069,054**	6,187,058	4,175,904
Accrued bank interest	**906**	2,603	2,703
Platform loan gain receivable	**2,520**	2,431	-
Loan interest receivable	**2,201,780**	891,559	360,800
Preference shares awaiting conversion – Sancus	**-**	20,000,000	-
Other receivables re Sancus acquisition	**-**	2,816,265	-
Preference share dividends receivable	**517,081**	309,817	-
Security sales receivable	**-**	-	461,283
Trade receivable re EcoFinance	**1,250,000**	-	-
Other trade receivables and prepaid expenses	**264,452**	160,503	50,606
	24,305,793	30,370,236	5,051,296

*Other short term loans held through Platforms.

11. CASH AND CASH EQUIVALENTS

GROUP	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
Call account	**11,686,390**	13,734,130	12,638,772
COMPANY			
Call account	**2,549,239**	5,479,656	5,886,452

For the purposes of the Consolidated and Company Cash Flow Statements, the above items represent the period/year end cash and cash equivalents balances.

12. TRADE AND OTHER PAYABLES

GROUP	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
Current liabilities			
Loan payable (1)	**13,600,000**	20,330,000	-
Management fees	**75,000**	1,545,109	20,604
Administrator's fees	**90,157**	76,882	52,816
Custodian's fees	**-**	7,500	-
Audit fees	**69,841**	90,750	66,488
Valuation fees	**96,000**	54,100	150,500
Directors' fees	**-**	-	20,000
Executive Team's remuneration payable	**-**	45,906	203,230
Finance costs	**416,501**	119,929	-
Deferred income*	**3,396,436**	3,289,645	1,826,823
Unsettled security investment purchases payable	**249,965**	-	-
Other payables	**1,628,667**	2,179,677	1,352,542
	6,022,567	7,409,498	3,693,003

GROUP	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
Non current liabilities			
Loan payable (2)	**11,097,939**	5,790,631	-
ZDP shares payable (see note 14)	**21,518,010**	20,054,090	-
Deferred income*	**25,758,773**	26,357,439	18,414,799
	58,374,722	52,202,160	18,414,799

*The deferred income represents the non-refundable advance royalty payment received from the licensees. This is amortised on a straight-line basis over 10 years.

Total finance costs for the period were GBP2,100,281 (31 December 2014: GBP1,307,999 and 30 June 2014: GBP428,704). These finance costs are for interest due to the loan holders, loan facility fees and uplift in ZDP shares. The fair value of long-term notes and loans outstanding at 30 June 2015 was GBP11,097,939 (31 December 2014: GBP5,790,631 and 30 June 2014: GBPnil).

COMPANY	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
Current liabilities			
Loan payable (1)	**16,500,000**	23,330,000	-
Due to Subsidiary	**58,819**	118,675	-
Management fees	**75,000**	1,545,109	20,604
Administrator's fees	**89,567**	73,291	51,062
Custodian's fees	**-**	7,500	-
Directors and officers insurance	**-**	25,150	-
Valuation fees	**96,000**	54,100	150,500
Listing fees	**-**	5,927	-
Audit fees	**30,497**	19,250	51,269
Brokers fees	**-**	100,000	-
Executive Team's remuneration payable (see note 20)	**-**	45,906	203,230
Unsettled security investment purchases payable	**249,965**	-	-
Other payables	**186,346**	154,160	246,863
	786,194	2,149,068	723,528

12. TRADE AND OTHER PAYABLES CONTINUED

COMPANY	30 June 2015 GBP	31 December 2014 GBP	30 June 2014 GBP
Non current liabilities			
ZDP shares payable (see note 14)	**21,518,010**	20,054,090	-
	21,518,010	20,054,090	-

(1) Sancus Loan Facility with the Company

During the period, and prior year, the Company had a loan facility to borrow up to GBP30 million ("the Loan Facility") through Sancus Limited ("Sancus"), a subsidiary of the Company as at the period end. Interest on the Loan Facility, which is secured over the Company's assets, is charged at 11% per annum.

As at 30 June 2015, the total loan payable under the Loan Facility was GBP16,500,000 (31 December 2014: GBP23,330,000 and 30 June 2014: GBPnil). GBP2,900,000 (31 December 2014: GBP3,000,000 and 30 June2014: GBPnil) of this balance was funded directly by Sancus, a subsidiary of the Company, and this element is eliminated on consolidation in the Group's Consolidated Statement of Financial Position. The outstanding accrued interest payable on the loan at the period end is GBP58,819 (31 December 2014: GBP118,675 and 30 June 2014: GBPnil) in the Company's financial statements and GBP10,337 in the Group's consolidated financial statements.

As at 30 June 2015, the Loan Facility falls due for repayment on 16 March 2016, with no automatic right to extend and as such the liability is classified as a current liability in these financial statements. Subsequent to the period end, on 13 August 2015, this Loan Facility was amended with the final repayment dated being extended to 15 March 2017. All other terms and conditions of the Loan Facility remain unchanged.

(2) Loan Facility with BMS Finance Sarl (the "Subsidiary")

During the period, and prior year, BMS Finance Sarl issued Asset-Linked Notes, each having a par value of GBP1, to a provider of matched funding. The Notes have a term of ten (10) years from the initial closing date of 7 August 2014, subject to two (2) consecutive extensions of one (1) year each. Amounts payable relating to Asset-Linked Notes are subordinated to all other commercial debts of BMS Finance Sarl. As at 30 June 2015, GBP11,097,939 (31 December 2014, GBP5,790,631 and 30 June 2014: GBPnil) has been subscribed.

The interest accrued on the Asset-Linked Notes has a fixed interest amount equal to 1% per annum of the Asset-Linked Notes par value, plus, a variable interest amount equal to the adjusted net profits of BMS Finance Sarl, less a margin of 11.94% per annum of the operating costs borne by BMS Finance Sarl in relation to the specified assets. It is understood that the variable interest amount cannot be less than zero.

During the period ended 30 June 2015 GBP390,443 (31 December 2014: GBP15,720 and 30 June 2014: GBPnil) interest had been expensed in relation to the Asset-Linked Notes, with GBP406,163 (30 December 2014: GBP15,720 and 30 June 2014: GBPnil) remaining outstanding as at the period end.

13. SHARE CAPITAL, SHARE PREMIUM & DISTRIBUTABLE RESERVE

The Company has the power to issue an unlimited number of Ordinary Shares of no par value.

During the current period and prior year the Company issued the following additional Ordinary Shares:

On 19 June 2015, 142,397 new Ordinary Shares were issued relating to shareholders who elected to take shares in lieu of cash from the Company's 2014 fourth quarter dividend.

On 4 June 2015, the Company issued 511,529 new Ordinary Shares to Louise Beaumont in payment for the Company's increased stake in Platform Black Limited.

On 2 April 2015, the Company issued 6,187,394 new Ordinary Shares in part payment for the Company's increased stake in TradeRiver Finance Limited.

On 20 March 2015, 130,502 new Ordinary Shares were issued relating to shareholders who elected to take shares in lieu of cash from the Company's 2014 fourth quarter dividend.

On 17 March 2015, a total of 34,500,000 new ordinary shares in the Company (the "Placing Shares") were placed at a price of 58 pence per Placing Share (the "Placing Price") (in aggregate approximately GBP20.0 million).

On 18 December 2014, 130,289 new Ordinary Shares were issued for an aggregate value of GBP74,200 relating to shareholders who elected to take shares in lieu of cash from the Company's 2014 second interim dividend.

13. SHARE CAPITAL, SHARE PREMIUM & DISTRIBUTABLE RESERVE CONTINUED

On 16 December 2014, 31,415,930 new Ordinary Shares of no par value were issued for an aggregate value of GBP17,750,000 to Sancus Holdings Limited as part consideration for the entire issued share capital of Sancus Limited and Sancus (Guernsey) Limited.

On 12 December 2014, 389,938 new Ordinary Shares were issued for an aggregate value of GBP227,537 to certain of the Company's Executives in accordance with the Company's Executive Bonus Scheme.

On 18 September 2014, 105,600 new Ordinary Shares were issued for an aggregate value of GBP57,288 relating to shareholders who elected to take shares in lieu of cash from the Company's 2014 second interim dividend.

On 20 June 2014, 199,773 new Ordinary Shares were issued for an aggregate value of GBP117,826 relating to shareholders who elected to take shares in lieu of cash from the Company's 2014 first interim dividend.

On 20 March 2014, 452,080 new Ordinary Shares were issued for an aggregate value of GBP228,888 relating to shareholders who elected to take shares in lieu of cash from the Company's 2013 final dividend.

Share Capital **Ordinary Shares – nil par value**	**30 June 2015** **Shares in issue**	31 December 2014 Shares in issue	30 June 2014 Shares in issue
Balance at start of the period/year	**172,960,021**	140,266,411	140,266,411
Issued during the period/year*	**41,471,822**	32,693,610	651,853
Balance at end of the period/year	**214,431,843**	172,960,021	140,918,264

Share Premium	**30 June 2015** **GBP**	31 December 2014 GBP	30 June 2014 GBP
Balance at start of the period/year	**58,106,797**	39,651,059	39,651,059
Issued during the year*	**23,494,482**	18,455,738	346,714
Balance at end of the period/year	**81,601,279**	58,106,797	39,997,773

*During the period, a total of 272,899 (31 December 2014: 1,172,080) new Ordinary Shares were issued for an aggregate value of GBP160,403 (31 December 2014: GBP478,202) relating to shareholders who elected to take shares in lieu of cash from the Company's dividends paid during 2015.

Distributable Reserve

On 15 June 2007, Court approval was received to reduce the issued share premium of the Company by an amount of GBP0.95 per Ordinary Share. The reduction was credited as a Distributable Reserve.

As at 30 June 2015, 31 December 2014 and 30 June 2014, the Distributable Reserve stood at GBP34,802,740.

14. ZDP SHARES PAYABLE

At the Extraordinary General Meeting on 12 December 2014, a special resolution to approve the adoption of the New Articles in connection with the creation of a new class of redeemable zero dividend preference shares in the Company (the "ZDP Shares") and attached rights was duly passed by shareholders.

On 27 March 2015, the Company issued 791,418 ZDPs in part payment for the Company's increased stake in TradeRiver Finance Limited.

On 16 December 2014, the Company issued 20,000,000 ZDP Shares of GBP1 each to Sancus Holdings Limited as part consideration for the entire issued share capital of Sancus Limited and Sancus (Guernsey) Limited. The ZDP Shares have a maturity date of 5 December 2019 with a final capital entitlement of GBP1.30696 per ZDP Share.

Please refer to the last annual financial statements for full detail of the rights attached to the ZDP Shares.

15. NET ASSET VALUE PER ORDINARY SHARE

GROUP

The Group net asset value per Ordinary Share is calculated by dividing the total consolidated net assets attributable to Ordinary Share holders at the period/year end of GBP92,897,657 (31 December 2014: GBP73,427,356 and 30 June 2014: GBP62,028,258) by the Ordinary Shares in issue at the end of the period/year being 214,431,843 (31 December 2014: 172,960,021 and 30 June 2014: 140,918,264).

COMPANY

The Company net asset value per Ordinary Share is calculated by dividing the total Company net assets attributable to Ordinary Share holders at the year end of GBP112,528,042 (31 December 2014: GBP88,215,686 and 30 June 2014: GBP68,389,317) by the Ordinary Shares in issue at the end of the period/year being 214,431,843 (31 December 2014: 172,960,021 and 30 June 2014: 140,918,264).

16. CASH GENERATED FROM OPERATIONS

Group:	**30 June 2015 GBP**	31 December 2014 GBP	30 June 2014 GBP
Loss for the period/year	**(8,480)**	(14,542,356)	(11,340,835)
Adjustments for:			
Net (losses)/gains on financial assets and liabilities at fair value through profit or loss	**(1,777,467)**	9,477,684	9,800,012
Net losses on Associates	**2,317,884**	620,670	949,992
Non-cash expenses	**-**	227,537	-
Amortisation/depreciation of fixed assets	**36,711**	207,170	95,895
Reclassification of foreign exchange reserve on sale of business combination	**-**	1,892,799	1,892,799
Changes in working capital:			
Trade and other receivables	**(15,845,419)**	(5,609,210)	(2,620,080)
Trade and other payables	**(771,640)**	21,924,525	10,265,391
Cash (outflow)/inflow from operations	**(16,048,411)**	14,198,819	9,043,174

Company:	**30 June 2015 GBP**	31 December 2014 GBP	30 June 2014 GBP
Profit for the period/year	**5,259,399**	6,683,901	1,442,280
Adjustments for:			
Net (gains)/losses on financial assets and liabilities at fair value through profit or loss	**(5,132,949)**	(6,529,030)	1,690,479
Non-cash Executive Team Bonus	**-**	227,537	-
Non-cash interest income	**(698,843)**	(507,039)	(572,920)
Non-cash inter-company write back	**-**	(67,589)	-
Changes in working capital:			
Trade and other receivables	**(16,888,375)**	(5,886,997)	(2,925,470)
Trade and other payables	**(148,919)**	1,934,677	455,048
Cash (outflow)/inflow from operations	**(17,609,687)**	(4,144,540)	89,417

17. CONSOLIDATED SUBSIDIARY UNDERTAKINGS

The Directors consider the following entities as wholly and partly owned subsidiaries of the Company and their results and financial positions are included within the consolidated results of the Group.

Subsidiary entity	Date of incorporation	Country of incorporation	Nature of holding	Percentage holding
Sancus Group Limited (formerly Secured Loan Investments Limited ("SGL"))	27 December 2013	Guernsey	Directly held - Equity Shares	100%
GLIF BMS Holdings Limited ("GBHL")(1)	5 November 2012	United Kingdom	Directly held - Equity Shares	66.67%
BMS Finance AB Limited ("BMS Finance AB")	24 November 2006	United Kingdom	Indirectly held - Equity Shares	100%*
NVF I Limited	10 September 2002	United Kingdom	Indirectly held - Equity Shares	100%*
NVF I LP	12 January 2003	Jersey	Indirectly held - Equity Shares	100%*
BMS Equity Limited (formerly NVF Equity Limited)	30 May 2007	Jersey	Indirectly held - Equity Shares	100%*
NVF Patents Limited	8 March 2013	Incorporated in Jersey, re-domiciled to Guernsey	Indirectly held - Equity Shares	100%*
NVF Tech Limited ("NVF Tech")	7 December 1995	United Kingdom	Indirectly held - Equity Shares	95%*
Finpoint Limited ("Finpoint")	15 January 2014	United Kingdom	Directly held - Equity Shares	75%
Raiseworks LLC ("Raiseworks")	5 December 2013	United States	Directly held - Equity Shares	62.5%
Sageworks Capital Inc (Sageworks")	4 May 2011	United States	Indirectly held - Equity Shares	100%**
GLI Investments Holdings Sarl	13 May 2014	Luxembourg	Directly held - Equity Shares	100%
BMS Finance Sarl	29 July 2014	Luxembourg	Directly & Indirectly held - Equity Shares	50.92%***
GLI Finance (UK) Limited	21 October 2014	United Kingdom	Directly held - Equity Shares	100%
Sancus Limited ("Sancus")	1 July 2013	Jersey	Directly held - Equity Shares	100%
Sancus (Guernsey) Limited	18 June 2014	Guernsey	Directly held - Equity Shares	100%
Subsidiaries acquired during the period				
GLI Asset Management Limited ("GLIAM")	22 May 2015	Guernsey	Directly held - Equity Shares	100%
GLI Alternative Finance Guernsey Limited	20 April 2015	Guernsey	Directly held - Equity Shares	100%

(1) GBHL

- The non-controlling interest and voting rights percentage in GBHL is 33.33%;
- During the current period the profit allocated to the non-controlling interest amounted to GBP129,947 (31 December 2014: GBP26,354);
- As at 30 June 2015, the accumulated non-controlling interests in GBHL was GBP903,418 (31 December 2014: GBP773,471); and
- During the period ended 30 June 2015 and year ended 31 December 2014, there were no dividends paid to the non-controlling interest.

	30 June 2015 GBP	31 December 2014 GBP
Dividends received from GBHL during the period/year	**-**	-
Current assets	**3,880,446**	5,190,001
Non-currents assets	**47,802,543**	45,189,884
Current liabilities	**(4,313,884)**	(4,985,295)
Non-current liabilities	**(43,900,492)**	(43,455,540)
Total revenue	**2,805,556**	4,943,460
Net profit from continuing operations	**1,536,595**	304,067
Other comprehensive income	**-**	-
Total comprehensive income	**1,536,595**	304,067

Subsidiaries disposed of/liquidated during the prior year

Subsidiary entity	Date of incorporation	Country of incorporation	Nature of holding	Percentage holding
Noble Venture II Nominees Limited ("NV2N")	30 May 2007	United Kingdom	Indirectly held - Equity Shares	100%*
T2 CLO	11 October 2006	Cayman Islands	Directly held - Income Notes	100% residual economic interest

* Subsidiaries within the GBHL Group, percentage holding represents GBHL Group's holding in the underlying subsidiaries.
** Subsidiary of Raiseworks, percentage holding represents Raiseworks' holding in the underlying subsidiary.
*** GLIF directly controls 24.92% of the issued share capital and indirectly controls 25.25% of the issued share capital through GBHL.

18. ASSOCIATED UNDERTAKINGS

The Directors consider the following entities as material associated undertakings of the Group and Company as at 30 June 2015.

Name of associate	Nature of holding	Country of incorporation	Percentage holding	Measurement – Group level	Measurement – Company level
FundingKnight Holdings Limited ("FundingKnight")*	Directly held - Equity and Preference Shares	United Kingdom	24.81%	Equity Method	Fair Value
Platform Black Limited ("Platform Black")	Directly held - Equity and Preference Shares	United Kingdom	31.90%	Equity Method	Fair Value
Proplend Limited	Directly held - Equity	United Kingdom	22.50%	Equity Method	Fair Value
CrowdShed Limited	Directly held - Equity	United Kingdom	32.51%	Equity Method	Fair Value
Peratech Limited	Indirectly held - Equity	United Kingdom	25.00%	Equity Method	N/A
LiftForward Inc.	Directly held - Equity	United States of America	20.9%	Equity Method	Fair Value
Finexkap	Directly held - Equity	France	26.44%	Equity Method	Fair Value
Ovamba Solutions Inc.	Directly held - Equity	United States of America	20.48%	Equity Method	Fair Value
The Credit Junction Holdings	Directly held - Equity	United States of America	23.1%	Equity Method	Fair Value
Funding Options Limited	Directly held - Equity and Preference Shares	United Kingdom	28.90%	Equity Method	Fair Value
TradeRiver Finance Limited (1)	Directly held - Equity and Preference Shares	Guernsey	46.4%	Equity Method	Fair Value
TradeRiver USA Inc	Directly held - Equity and Preference Shares	United States of America	30.25%	Equity Method	Fair Value
Open Energy Group Inc	Directly held - Equity	United States of America	21.57%	Equity Method	Fair Value

Associates disposed of during the period

Fair Oaks Income Fund Limited ("FOIF") (2)	Directly held - Equity	Guernsey	29.96%	Equity Method	Fair Value

(1) During the current period, the Company increased its stake in TradeRiver Finance Limited resulting in a change in classification of this entity from an investment to an Associate.

(2) During the current period, the Company sold its entire holding in FOIF resulting in FOIF being derecognised as an associated undertaking of the Company and Group in these annual financial statements.

*As at 30 June 2015, Mr Miller held 1,000 shares (31 December 2014: 1,000) (representing 0.1% of share capital) in FundingKnight Holdings Limited.

All the Associates held as at 30 June 2015, are considered individually immaterial. During 2014, FOIF was considered material.

No significant restrictions exist on the ability of these Associates to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

As at 30 June 2015, there was GBPnil (31 December 2014: GBP32,007) relating to the Group's share in an Associate's losses that remained unrecognised when applying the equity method.

Please refer to note 21 for unrecognised commitments from the Group at 30 June 2015 and 31 December 2014.

19. SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the reporting of the Executive Team to the Board. The Executive Team is responsible for allocating resources and assessing performance of the portfolio, as well as making strategic investment decisions, subject to the oversight of the Board of Directors. The Executive Team is responsible for the entire portfolio, including assets held at the Company level and the companies in the BMS Group subsidiaries, and considers the business to have a single operating segment. Although BMS Group are legally distinct entities, investment allocation decisions are based upon an integrated investment strategy and performance is evaluated on an overall basis and therefore the Group is considered to be a single operating segment.

The vast majority of the Group's investment income arises from investments in entities incorporated the UK and Europe. The Group has a diversified portfolio of investments and no single investment accounts for more than 10% of the Group's income.

There were no changes in reportable segments during the current period or prior year.

20. RELATED PARTY TRANSACTIONS

Non-executive Directors

As at 30 June 2015, the non-executive Directors' annualised fees, excluding all reasonable expenses incurred in the course of their duties which were reimbursed by the Company, were as detailed in the table below:

	30 June 2015 GBP	31 December 2014 GBP
Patrick Firth (Chairman)	**50,000**	50,000
Frederick Forni	**37,500**	37,500
James Carthew	**40,000**	40,000

The non-executive Directors base fee increased to GBP35,000 per annum with effect from 1 November 2014. In addition to the base fee, the Chairman receives an additional GBP15,000 per annum, the Audit and Risk Committee Chairman receives an additional GBP5,000 per annum and the Remuneration Committee Chairman receives an GBP2,500 per annum.

The following significant inter-group company transactions took place during the current period:

Entity	**Relationship**	**Nature of Transaction**	**Balance 30 June 2015 GBP**	**Amount for the year ended 30 June 2015 GBP**
Platform accounts & corresponding interest				
GLIF & FundingKnight	Associates	FundingKnight Account held on behalf of GLIF	**12,503,411**	**-**
GLIF & FundingKnight	Associates	Interest on FundingKnight Account due to GLIF	**510,817**	**289,738**
GLIF & Platform Black Limited	Associates	Platform Black Account held on behalf of GLIF	**1,391,703**	**-**
GLIF & Platform Black Limited	Associates	Interest on Platform Black Account due to GLIF	**74,620**	**19,013**
GLIF &Proplend	Associates	Proplend Account held on behalf of GLIF	**2,645,000**	**-**
GLIF & Proplend	Associates	Interest on Proplend Account due to GLIF	**48,714**	**36,348**
GLIF & GBHL	Subsidiaries	Loan payable to GLIF from GBHL	**18,141,717**	**-**
GLIF & GBHL	Subsidiaries	Loan interest payable to GLIF from GBHL	**-**	**698,843**
GBHL & BMS Finance AB	Subsidiaries	Loan receivable by GBHL from BMS Finance AB	**11,177,822**	**-**
GBHL & BMS Finance AB	Subsidiaries	Loan interest receivable by GBHL from BMS Finance AB	**55,123**	**563,916**
GLIF & BMS Finance Sarl	Subsidiaries	Loan receivable by GLIF from BMS Finance Sarl	**5,548,970**	**-**
GLIF & BMS Finance Sarl	Subsidiaries	Loan interest receivable by GLIF from BMS Finance Sarl	**203,081**	**195,221**
GBHL & BMS Finance Sarl	Subsidiaries	Loan receivable by GBHL from BMS Finance Sarl	**5,622,959**	**-**
GBHL & BMS Finance Sarl	Subsidiaries	Loan interest receivable by GBHL from BMS Finance Sarl	**205,789**	**197,824**
GLIF & Finexkap	Associates	Loan payable to GLIF from Finexkap	**1,985,393**	**-**
GLIF & Finexkap	Associates	Loan interest payable to GLIF from Finexkap	**12,058**	**61,350**
GLIF & LiftForward	Associates	Loan payable to GLIF from LiftForward	**2,545,824**	**-**
GLIF & LiftForward	Associates	Loan interest payable to GLIF from LiftForward	**12,758**	**17,164**
GLIF & Open Energy Group	Associates	Loan payable to GLIF from Open Energy Group	**318,228**	**-**
GLIF & Open Energy Group	Associates	Loan interest payable to GLIF from Open Energy Group	**2,681**	**2,706**
GLIF & Ovamba Solutions	Associates	Loan payable to GLIF from Ovamba Solutions	**850,883**	**-**
GLIF & Ovamba Solutions	Associates	Loan interest payable to GLIF from Ovamba Solutions	**16,785**	**16,929**
GLIF & The Credit Junction	Associates	Loan payable to GLIF from The Credit Junction	**477,342**	**-**
GLIF & The Credit Junction	Associates	Loan interest payable to GLIF from The Credit Junction	**22,276**	**26,458**
GLIF & CrowdShed	Associates	Loan payable to GLIF from CrowdShed	**140,000**	**-**
GLIF & CrowdShed	Associates	Loan interest payable to GLIF from CrowdShed	**5,331**	**5,331**
GLIF & CrowdShed (Sandpit)	Associates	Loan payable to GLIF from CrowdShed (Sandpit)	**71,429**	**-**

20. RELATED PARTY TRANSACTIONS CONTINUED

Entity	Relationship	Nature of Transaction	Balance 30 June 2015 GBP	Amount for the year ended 30 June 2015 GBP
Platform accounts & corresponding interest				
GLIF & CrowdShed (Sandpit)	Associates	Loan interest payable to GLIF from CrowdShed (Sandpit)	1,716	6,716
GLIF & Finpoint	Subsidiaries	Loan payable to GLIF from Finpoint	300,000	-
GLIF & Finpoint	Subsidiaries	Loan interest payable to GLIF from Finpoint	13,019	13,019
GLIF & Raiseworks	Subsidiaries	Loan payable to GLIF by Raiseworks	1,272,912	-
GLIF & Raiseworks	Subsidiaries	Loan interest payable to GLIF by Raiseworks	184,572	79,792
GLIF & FundingKnight	Associates	Loan payable to GLIF by FundingKnight	-	250,000
GLIF & FundingKnight	Associates	Loan interest payable to GLIF by FundingKnight	-	14,219
GLIF & Platform Black Limited	Associates	Loan payable to GLIF by Platform Black	1,125,000	-
GLIF & Platform Black Limited	Associates	Loan interest payable to GLIF by Platform Black	54,369	54,369
GLIF & TradeRiver Finance Limited	Associates	Loan payable to GLIF by TradeRiver Finance Limited	225,000	-
GLIF & TradeRiver Finance Limited	Associates	Loan interest payable to GLIF by TradeRiver Finance Limited	20,178	21,718
GLIF & TradeRiver Finance Limited	Associates	Preference shares held by GLIF in TradeRiver Finance Limited	684,526	-
GLIF & TradeRiver Finance Limited	Associates	Preference shares interest due to GLIF by TradeRiver Finance Limited	88,080	13,317
GLIF & TradeRiver USA	Associates	Loan interest payable to GLIF by TradeRiver USA	-	4,792
GLIF & TradeRiver USA	Associates	Preference shares held by GLIF in TradeRiver USA	318,228	-
GLIF & TradeRiver USA	Associates	Preference shares interest due to GLIF by TradeRiver USA	11,299	11,382
GLIF & Finpoint	Subsidiaries	Preference shares held by GLIF in Finpoint	500,000	-
GLIF & Finpoint	Subsidiaries	Preference shares interest due to GLIF by Finpoint	64,479	22,315
GLIF & FundingKnight	Associates	Preference shares held by GLIF in FundingKnight	1,000,114	-
GLIF & FundingKnight	Associates	Preference share accrued coupon due to GLIF by FundingKnight	176,568	44,635
GLIF & Funding Options Limited	Associates	Preference shares held by GLIF in Funding Options Limited	749,882	-
GLIF & Funding Options Limited	Associates	Preference share interest due to GLIF by Funding Options Limited	11,464	11,464
GLIF & Platform Black	Associates	Preference shares held by GLIF in Platform Black	999,908	-
GLIF & Platform Black Limited	Associates	Preference share accrued coupon due to GLIF by Platform Black	165,190	44,626
Other transactions				
GBHL & NVF Tech	Subsidiaries	Loan receivable by GBHL from NVF Tech assigned via BMS Finance AB	863,867	-
GBHL & BMS Equity Ltd	Subsidiaries	Loan receivable by GBHL from BMS Equity	272,050	-
GBHL & BMS Equity Ltd	Subsidiaries	Distribution to GBHL from BMS Equity	-	272,050
GBHL & BMS Finance Sarl	Subsidiaries	Advisory fees payable to GBHL from BMS Finance AB	-	225,750
BMS Equity Limited (formerly NVF Equity Limited) & NVF Tech	Subsidiaries	Advanced royalty payments from BVMS Equity to NVF Tech	1,770,698	204,566
NV2N & NVF Tech	Subsidiaries	Amount receivable to NVF Tech from NV2N	250,000	-
GLIF & Finpoint	Subsidiaries	Director fee payable to GLIF by Finpoint	30,000	30,000
GLIF & Sancus	Subsidiaries	Loan payable to GLIF from Sancus	20,316,625	-
GLIF & Sancus	Subsidiaries	Loan interest payable to GLIF from Sancus	636,773	636,773
Sancus & GLIF	Subsidiaries	Loan payable by GLIF to Sancus	16,500,000	-
Sancus & GLIF	Subsidiaries	Loan interest payable by GLIF to Sancus	58,819	1,046,475

There is no ultimate controlling party of the Company.

20. RELATED PARTY TRANSACTIONS CONTINUED

Directors' shareholdings in the Company

As at 30 June 2015, the Directors had the following beneficial interests in the Ordinary Shares of the Company:

	30 June 2015		31 December 2014	
	No. of Ordinary Shares Held	**% of total issued Ordinary Shares**	No. of Ordinary Shares Held	% of total issued Ordinary Shares
Patrick Firth (Chairman)	**231,855**	**0.11**	227,261	0.13
Geoff Miller	**2,110,802**	**0.98**	2,029,747	1.17
Frederick Forni	**-**	**-**	-	-
James Carthew	**262,500**	**0.12**	250,000	0.14
Emma Stubbs	**59,782**	**0.03**	20,000	0.03
Andrew Whelan	**-**	**-**	-	-

During the period Mr Firth, Mr Miller, Mr Carthew and Mrs Stubbs received total amounts of GBP5,739, GBP51,757, GBP6,406 and GBP1,484 (year ended 31 December 2014: GBP10,794, GBP75,708, GBP12,125 and GBP750) respectively from the Company by way of dividends on their Ordinary Share holdings in the Company.

In addition to the Directors' interests above, Marc Krombach, a member of the Executive Team and a person discharging managerial responsibility ("PDMR"), held 176,262 Ordinary Shares in the Company (0.08%) as at 30 June 2015.

See Note 22 for details of the Directors and PDMR interests in the Ordinary Shares of the Company between the period end and the date of this report.

As at 30 June 2015, there were no unexercised share options for Ordinary Shares of the Company (31 December 2014 and 30 June 2014: nil Ordinary Shares).

Transaction with the Directors/Executive Team

Please refer to the Remuneration Report on pages 32-34 of the financial statements for the year ended 31 December 2014 for full details of other transactions between the Company and the Directors/Executive Team.

21. COMMITMENTS AND CONTINGENCIES

As at 30 June 2015, the Company and Group had the following aggregate commitments to loans denominated in Sterling, Euro and US Dollar, due to its Subsidiaries, Associates and other underlying investments:

Aggregate Loan Currency Commitment	**30 June 2015 GBP**	31 December 2014 GBP	30 June 2014 GBP
Sterling	**5,814,282**	12,534,693	2,875,000
Euro	**1,559,952**	3,056,063	-
US Dollar	**3,182,281**	2,481,638	1,196,461
	10,556,515	18,072,394	4,071,461

22. POST PERIOD END EVENTS

Post period end platform purchases

On 18 August 2015, the Company completed the increase of its stake in Platform Black Limited, an associate of the Company, to 43.9%, through the acquisition of shares from existing Platform Black Limited shareholders.

Directors and PDMR Interests

As at the date of these financial statements, the Directors beneficial interests in the Ordinary Shares of the Company were:

	No. of Ordinary Shares Held	**% of total issued Ordinary Shares with voting rights**
Patrick Firth (Chairman)	242,189	0.11
Geoff Miller	2,743,024	1.29
Frederick Forni	-	-
James Carthew	262,500	0.12
Emma Stubbs	61,083	0.03
Andrew Whelan	3,686,461	1.74

22. POST PERIOD END EVENTS CONTINUED

Directors and PDMR Interests continued

On 20 July 2015, the liquidator to Sancus Holdings Limited ("SHL") made a distribution ("Distribution") of Ordinary Shares of nil par value in the Company ("Ordinary Shares") to certain of SHL's shareholders, including Andrew Whelan, the Company's Chief Executive Officer and Director of Lending. The number of additional Ordinary Shares in the Company received by Mr Whelan for GBPnil consideration pursuant to the Distribution was 859,029. These additional shares are reflected in the figures per the table above.

On 30 July 2015, the liquidator to Sancus Holdings Limited ("SHL") made a distribution ("Distribution") of Ordinary Shares of nil par value in the Company ("Ordinary Shares") to certain of SHL's shareholders, including Geoffrey Miller and Andrew Whelan, the Company's Chief Executive Officer and Director of Lending respectively as participants in the SHL Employee Benefit Trust. The number of additional Ordinary Shares in the Company received by Mr Miller and Mr Whelan for GBPnil consideration pursuant to the Distribution was 628,319 and 2,827,432 respectively. These additional shares are reflected in the figures per the table above.

In addition to the Directors interests above, Marc Krombach, a member of the Executive Team and a person discharging managerial responsibility ("PDMR"), held 180,098 Ordinary Shares in the Company (0.09%) as at the date of these financial statements.

Dividend

On 21 July 2015, the Directors of the Company declared a dividend of 1.25p per Ordinary Share for the second quarter of 2015. The dividend was payable to shareholders on the register on the record date of 31 July 2015.

Amendment to Sancus Loan Facility

On 13 August 2015, the Loan Facility with Sancus was amended with the final repayment dated being extended to 15 March 2017. All other terms and conditions of the Loan Facility remain unchanged.

Scrip Dividend Shares – Additional Listing

On 18 September 2015, 128,022 new Ordinary Shares were issued relating to shareholders who elected to take shares in lieu of cash from the Company's 2015 second quarter dividend.

New Fund

On 22 September 2015, the Company announced that it has successfully launched GLI Alternative Finance plc ("GLIAF"), a closed end fund focusing on a loan portfolio diversified by geography, asset class, duration and security. GLIAF intends to achieve its investment objective by investing in a range of loans originated principally through the investee platforms in which GLI holds strategic equity investments. GLIAF may also make investments through other third party alternative lending platforms that present suitable investment opportunities. GLIAF raised aggregate gross proceeds of GBP52.7m pursuant to the issue, as described in the prospectus published by GLIAF on 1 September 2015, under which a portfolio of loans has been transferred by GLI to GLIAF in consideration for the issue to GLIF of 40,270,763 shares in GLIAF. Admission of the GLIAF ordinary shares to trading on the Specialist Fund Market of the London Stock Exchange took place on 23 September 2015.

There were no other significant post period end events that require disclosure in these financial statements.

INVESTMENT OBJECTIVE AND INVESTING POLICY

INVESTMENT OBJECTIVE

The Company's objective is to produce a stable and predictable dividend yield, with long term preservation of net asset value, and the investment policy is to invest primarily in senior secured loans.

INVESTING POLICY

The Company seeks to achieve its investing objective primarily through providing finance to SMEs across the world, but with particular focus on the United States and the United Kingdom.

Investment will be either direct or indirect. Indirect investment will be effected by investment in entities that will themselves provide finance to SMEs. This may be through investment in finance companies or in structured vehicles such as CLOs that are themselves invested in substantial part in SMEs.

Whilst there are no limits to the portfolio make up in terms of industry sector, market capitalisation, credit rating or proportion in listed or unlisted securities, it is intended that the portfolio, when viewed on the basis of the underlying businesses to which the investments provide exposure, is spread across a broad range of geographic, industry and business sectors.

Subject to prior Board approval, where it is deemed appropriate and beneficial to do so, the Company may also invest in other investment funds.

Any investment in the equity or debt instrument (other than CLOs, finance companies and other business platforms) of a single issuer will be subject to a maximum of 15 per cent of gross assets at the time of investment. Investment in closed-ended investment funds shall be subject to a maximum of 10 per cent of gross assets at the time of investment.

The Company's maximum exposure to United States and United Kingdom issuers is 100 per cent of gross assets. Investments outside of the United States and the United Kingdom are limited to a maximum 50 per cent of gross assets in aggregate at the time of investment.

The maximum allowable gearing is 500 per cent. of the Net Asset Value of the Company and its subsidiaries on a consolidated basis. Where investment is made into CLOs that are not considered subsidiaries of the Company, the borrowings of such CLOs will not be accounted for in the Company's consolidated balance sheet and such gearing shall not be taken into account in calculating the maximum allowable gearing of the Company. To manage the risk of such additional gearing the Company may only invest a maximum of 50 per cent of the Company's consolidated Net Asset Value at the time of investment in CLOs that are not considered subsidiaries of the Company for accounting purposes.

It is expected that the portfolio will be at least 90 per cent invested in most market conditions, although the Company may maintain larger cash weightings from time to time, to protect capital returns or pending identification of appropriate investment opportunities.

The Company may enter into derivative transactions for the purpose of efficient portfolio management (for example, hedging interest rate, currency, or market exposure).

Any material change to the investing policy requires Shareholder approval in accordance with the AIM Rules. In the event of any breach of the investment restrictions applicable to the Company, Shareholders will be informed of the remedial actions to be taken by the Board by an announcement issued through a regulatory information service.

GLIF is currently an "investing company" for AIM rule purposes and therefore has an "investing policy" per above, although the Company intends to run itself as a finance company in the future.

GLI Finance Limited

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