APQ global limited

Half Year Report for the six months ended 30 June 2018

APQ global limited

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FINANCIAL HIGHLIGHTS
For the six months ended 30 June 2018

Book Value at 30 June 2018 was $84.4m, a decrease from $100.0m since the start of the period. The term "book value" herein includes the assets of APQ Global Limited and its subsidiaries net of any liabilities. The results include the net assets of the Company and its subsidiaries, presented in US dollars.

Book Value per share in the period decreased from 128.11 to 108.13 cents.

Earnings loss per share for the period were $0.19132 (for the six months ended 30 June 2017 – profit per share of $0.07487).

Dividends paid in GBP totalled 3.00 pence (4.21 cent) per share and were declared and paid during the period as follows:

- 1.50 pence (2.08 cent) per share Ex Dividend 1 February 2018 Paid 2 March 2018
- 1.50 pence (2.13 cent) per share Ex Dividend 26 April 2018 Paid 25 May 2018

After the period end, a further dividend of 1.50 pence (1.95 cent) per share was declared on 19 July 2018 in relation to the quarter ended 30 June 2018.

In the period covered by these financial statements, the share price of the Company has consistently traded at a premium over the actual Book Value of the Company.

There have been further AIM market trades since 30 June 2018, details of these can be found on the London Stock Exchange website by following the link below. Monthly book values and quarterly reports are also made available as they fall due.

http://www.londonstockexchange.com/exchange/prices-and-markets/stocks/summary/company-summary/GG00BZ6VP173GGGBXASQ1.html

APQ global limited

DIRECTORY

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Directors:
Bart Turtelboom
Wayne Bulpitt
Richard Bray
Philip Soulsby

Company Secretary and Corporate Services Provider
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www.apqglobal.com

CHAIRMAN'S STATEMENT
For the six months ended 30 June 2018

The first six months of 2018 were very challenging in emerging markets. The rise in interest rates in the United States, increased prospects of a trade war between China and the United States and domestic turmoil in Argentina and Turkey have all weighed heavily on the asset class.

For the first time in over a decade, deposits in US dollar will yield a meaningful return again and are now a bona fide asset class. This is particularly important in light of the asset price inflation that we have seen in G7 fixed income, credit and equity markets over the past ten years. This development has sharpened investors' minds as to where to allocate their money.

Since President Trump has been elected, US policy towards a multilateral system of free trade and free movement of capital has seen a sharp reversal. The US government's willingness to use trade policy as a tool to obtain national security objectives poses significant challenges for the rest of the world and it would be unwise to claim that we understand the full implications of this change in plans. In particular, it puts Chinese policy makers in a difficult position.

Finally, domestic developments in key emerging markets continue to weigh on the asset class. The sudden implosion of financial markets in Argentina have led to IMF to extend its largest program in history. The sovereign credit worthiness of Argentina remains unquestioned but the impact of the sharp depreciation of the currency has pushed the central bank to raise rates further exacerbating the economic downturn. Similarly, Turkish markets have experienced significant stress. Uncertainty surrounding the relationship between the US and Turkey, high inflation and twin fiscal and current account deficits have all led to a visceral selloff in Turkish equity and fixed income markets.

As stated in note 2 to the condensed financial statements, the directors are satisfied that the Company has sufficient resources to continue in operation for the foreseeable future, a period of not less than twelve months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed financial statements.

Sincerely,

Wayne Bulpitt
Chairman, APQ Global Limited

28 September 2018

SIX MONTHS ENDED 30 JUNE 2018 REVIEW

Introduction

The first six months of 2018 proved to be a challenging period for the Company. Including movements in the GBP/USD exchange rate and the dividend paid, the Company returned -12.81% to its shareholders in the first six months of 2018, measured in USD. The Company paid dividends of 4.21 cents (3.00p) during the period and its book value was $1.08 at 30 June 2018.

During the period we significantly decreased our exposure, mainly in equities and local markets. At the end of June 2018, the Company's funds remained fully deployed, albeit in more defensive instruments, except for cash retained for collateral and working capital purposes.

The Company is comfortably on track to meet its target annual dividend yield of 6% and the dividend is well covered by economic income in the portfolio. The income derives from coupons on the bonds in the portfolio, dividends on equities and equity indices and income from currency and option positions.

Liquid Markets Portfolio

At 30 June 2018, the Company closed out most of its EM equity portfolio and kept a small EM equity index position and its two strategic positions in City of London Investment Group and Anglo Pacific Group.

The Company believes that the global economic growth outlook will continue to be supportive for emerging markets equities but that near-term the impact of an escalation in trade wars, political uncertainty in Europe and ongoing tensions with Russia will likely dampen market sentiment. From a sector perspective, the bulk of the Company's EM exposure is in Financials, followed by Information Technology and Basic Materials taking into account the sector composition of the global EM index exposure.

Geographically, the credit portfolio is also well diversified with the largest positions concentrated in Brazil (13.3%), Turkey (12.3%) and Russia (11.1%).

From a sector perspective, the credit exposure is concentrated in government entities, banks and corporations in the energy sector.

The portfolio stress tests indicate that the Company would lose 7.40% of book value for a 10% sell-off in the S&P equity index, drop 2.78% in value if credit spreads were to widen 10% and gain 3.89% in value if interest rates in the US were to increase by 1%.

The Company has maintained its investment in City of London Investment Group ('CLIG') representing 4.8% of its overall book value. APQ Global believes that the positive outlook for the EM equity asset class, the prudent management and an attractive dividend yield bode well for the CLIG stock price.

The Company has maintained a small stake in Anglo Pacific Group of 1.3%, a London Main Market listed mining royalty company, through participation in a rights issue earlier in the year to fund a new royalty agreement with a Canadian mining company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We confirm that to the best of our knowledge:

• the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and gives a true and fair view of the assets, liabilities, financial position and profit of the group as required by DTR 4.2.4R;

• the half yearly report includes a fair review of the information required by:

(a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period.

For and on behalf of the Board

Wayne Bulpitt
Chairman, APQ Global Limited

28 September 2018

APQ global limited

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
For the six months ended 30 June 2018

	Note	For the six months ended 30 June 2018 $	For the six months ended 30 June 2017 $
Turnover	4	4,885	2,267,092
Net (loss)/gain on financial assets at fair value through profit and loss	11	(13,492,036)	4,380,561
Administrative expenses	5	(991,473)	(803,509)
Operating (loss)/profit for the period before tax		**(14,478,624)**	**5,844,144**
Interest receivable	6	693,170	30
Interest payable	7	(1,148,292)	-
(Loss)/profit on ordinary activities before taxation		**(14,933,746)**	**5,844,174**
Tax on (loss)/profit on ordinary activities		-	-
(Loss)/profit for the financial period		**(14,933,746)**	**5,844,174**
Other comprehensive income			
Foreign currency translation difference – foreign operations	2.3	-	1,896
Total comprehensive income for the period		**(14,933,746)**	**5,846,070**
Basic and diluted earnings per share	8	**(0.19132)**	**0.07487**

The notes on pages 11 to 19 form an integral part of the Financial Statements.

APQ global limited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As at 30 June 2018

	Note	30 June 2018 $	31 December 2017 $
Assets			
Non-current assets			
Property, plant and equipment	10	31,352	18,046
Investments	11	78,431,064	91,923,100
Total non-current assets		**78,462,416**	**91,941,146**
Current assets			
Trade and other receivables	12	35,795,852	26,597,221
Cash and cash equivalents		2,865,012	4,005,434
Total current assets		**38,660,864**	**30,602,655**
Total assets		**117,123,280**	**122,543,801**
Current liabilities			
Trade and other payables	13	(184,649)	(414,908)
Total current liabilities		**(184,649)**	**(414,908)**
Long term liabilities			
3.5% Convertible Unsecured Loan Stock	14	(32,535,849)	(22,135,311)
Total long term liabilities		**(32,535,849)**	**(22,135,311)**
Net assets		**84,402,782**	**99,993,582**
Equity			
Share capital	15	99,494,707	99,494,707
Equity component of 3.5% Convertible Unsecured Loan Stock	14	6,919,355	4,285,225
Retained earnings		(17,083,767)	1,141,163
Exchange reserve		(4,927,513)	(4,927,513)
Total equity		**84,402,782**	**99,993,582**
Net asset value per ordinary share		**108.13c**	**128.11c**

The Financial Statements were approved by the Board of Directors of APQ Global Limited and signed on 28 September 2018 on its behalf by:

Bart Turtelboom
Chief Executive Officer
Date: 28 September 2018

Richard Bray
Director

The notes on pages 11 to 19 form an integral part of the Financial Statements.

APQ global limited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the six months ended 30 June 2018

	Share capital	CULS equity component	Retained earnings	Exchange reserve	Total
	$	$	$	$	$
At 1 January 2017	99,777,784	-	779,858	(4,927,513)	95,630,129
Transaction costs of raising equity	(283,077)	-	-	-	(283,077)
Profit for the period	-	-	5,844,174	-	5,844,174
Foreign currency translation difference – foreign operations	-	-	1,896	-	1,896
Dividends	-	-	(2,005,760)	-	(2,005,760)
At 30 June 2017	**99,494,707**	**-**	**4,620,168**	**(4,927,513)**	**99,187,362**
At 1 January 2018	99,494,707	4,285,225	1,141,163	(4,927,513)	99,993,582
CULS equity component	-	2,634,130	-	-	2,634,130
Loss for the period	-	-	(14,933,746)	-	(14,933,746)
Dividends	-	-	(3,291,184)	-	(3,291,184)
As at 30 June 2018	**99,494,707**	**6,919,355**	**(17,083,767)**	**(4,927,513)**	**84,402,782**

The notes on pages 11 to 19 form an integral part of the Financial Statements.

APQ global limited

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)
For the six months ended 30 June 2018

	Note	For the six months ended 30 June 2018 $	For the six months ended 30 June 2017 $
Cash flow from operating activities			
(Loss)/profit for the financial period		(14,933,746)	5,844,174
Adjustments for non-cash income and expenses			
Interest receivable	6	(693,170)	(30)
Interest payable	7	1,148,292	-
Depreciation	10	5,713	5,024
Net loss/(gain) on financial assets at fair value through profit and loss	11	13,492,036	(4,380,561)
Changes in operating assets and liabilities			
Increase in trade and other receivables	12	(21,016)	(113,286)
(Decrease)/increase in trade and other payables	13	(230,259)	192,133
Net cash (outflow)/inflow from operating activities		**(1,232,150)**	**1,547,454**
Cash flow from investing activities			
Payments to acquire property, plant and equipment	10	(19,019)	(12,874)
Loan to APQ Cayman Limited	12	(9,177,615)	-
Net cash outflow from investing activities		**(9,196,634)**	**(12,874)**
Cash flow from financing activities			
Transaction costs of raising equity		-	(283,077)
Equity component of CULS	14	2,634,130	-
Issue of CULS	14	9,936,752	-
Equity dividends paid	9	(3,291,184)	(2,005,760)
Interest received	6	693,170	30
Interest on CULS	14	(684,506)	-
Net cash inflow/(outflow) from financing activities		**9,288,362**	**(2,288,807)**
Net decrease in cash and cash equivalents		**(1,140,422)**	**(754,227)**
Cash and cash equivalents at beginning of period		4,005,434	1,128,771
Effect of exchange rate fluctuations		-	1,896
Cash and cash equivalents at end of period		**2,865,012**	**376,440**

The notes on pages 11 to 19 form an integral part of the Financial Statements.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the six months ended 30 June 2018

1. Corporate information

The interim consolidated financial statements of APQ Global Limited (the "Group") for the six months ended 30 June 2018 were authorised for issue in accordance with a resolution of the Board of Directors on 28 September 2018. The Company is incorporated as a limited company in Guernsey. The Company was incorporated on 10 May 2016 for an unlimited duration in accordance with the Companies (Guernsey) Law, 2008. The Company's registered office is at 1st Floor, Tudor House, Le Bordage, St Peter Port, Guernsey, GY1 1DB.

The objective of the Company is to steadily grow its earnings to seek to deliver attractive returns and capital growth through a combination of building growing businesses in emerging markets as well as earning revenue from income generating operating activities.

The Company and its subsidiaries have no investment restrictions and no maximum exposure limits will apply to any investments made by the Group, unless otherwise determined and set by the Board from time to time. No material change will be made to the Company's or subsidiaries objective or investing policy without the approval of Shareholders by ordinary resolution.

The Group's investment activities are managed by the Board.

The shares are quoted on The International Stock Exchange for informational purposes. The ordinary shares are admitted to trading on AIM.

2. Significant accounting policies

2.1 Basis of preparation

These interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2017 annual report.

Taking account of the financial resources available to the Company, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries the directors have a reasonable expectation that the Company has adequate resources for the foreseeable future, a period of not less than twelve months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed financial statements.

2.2 Basis of accounting

APQ Global Limited has applied the same accounting policies and methods of computation in its interim consolidated financial statements as in its 2017 annual financial statements, except for those that relate to new standards and interpretations effective for the first time for periods beginning on (or after) 1 January 2018 and will be adopted in the 2018 annual financial statements. The only new standard impacting the Group that will be adopted in the annual financial statements for the year ended 31 December 2018, and which have given rise to changes in the Group's accounting policies is IFRS 9 Financial Instruments.

IFRS 9 has replaced IAS 39 Financial Instruments: Recognition and Measurement and became effective for accounting periods beginning on or after 1 January 2018 and has been first adopted in these financial statements. The accounting treatment for the Group's financial assets and financial liabilities is consistent under both IAS 39 and IFRS 9, therefore the introduction of IFRS 9 has had no impact on the reported results and financial position of the Group.

2.3 Functional and presentational currency

As of 1 January 2017, the Company changed its presentational and functional currency from Pounds Sterling to US Dollars.

During the prior period, the Company also changed the currency in which it presents its financial statements from Pounds Sterling to US Dollars, to bring the presentational currency in line with its functional currency. A change in presentational currency is a change in accounting policy which is accounted for retrospectively. The interim results for the period ended 30 June 2017 were previously reported in Pounds Sterling and have been restated in US Dollars. The prior period Statement of Comprehensive Income was converted using an average rate for the period.

2. Significant accounting policies (continued)

2.4 Fair value measurement

The Company measures its investment in APQ Cayman Limited at fair value at each reporting date, which is considered to be the carrying value of the net assets of APQ Cayman Limited. APQ Cayman Limited measures its underlying investments at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

For assets and liabilities that are measured at fair value on a recurring basis, the Company identifies transfers between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole), and deems transfers to have occurred at the beginning of each reporting period.

3. Segment Information

For management purposes, the Group is organised into one main operating segment, which invests in equities and credit, government and local currency bonds. All of the Group's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

The following table analyses the Group's assets by geographical location. The basis for attributing the assets are the place of listing for the securities or for non-listed securities, country of domicile.

Group	**30 June 2018 $**	**31 December 2017 $**
Cayman	114,081,236	118,395,657
United Kingdom	363,901	457,254
Guernsey	2,678,143	3,690,890
	117,123,280	122,543,801

4. Analysis of turnover

	For the six months ended 30 June 2018 $	**For the six months ended 30 June 2017 $**
Dividends received from APQ Cayman Limited	-	2,261,746
Rental income	4,885	5,346
	4,885	2,267,092

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the six months ended 30 June 2018

5. Analysis of administrative expenses

	For the six months ended 30 June 2018 $	For the six months ended 30 June 2017 $
Personnel expenses	170,383	229,488
Operating lease expenses	49,743	44,546
Depreciation expenses	5,713	5,024
Audit fees	42,463	38,183
Audit related services from audit	6,931	-
Nominated advisor fees	48,755	52,168
Administration fees and expenses	35,068	58,729
Director's fees for Bart Turtelboom	62,158	25,979
Director's fees for Wayne Bulpitt	20,575	19,092
Director's fees for Richard Bray	20,575	19,092
Director's fees for Philip Soulsby	12,001	11,107
Other expenses	133,232	182,598
Professional fees	286,272	110,633
Insurance	5,824	6,525
Net exchange losses	91,780	345
	991,473	803,509

6. Interest receivable

	For the six months ended 30 June 2018 $	For the six months ended 30 June 2017 $
Loan interest receivable from APQ Cayman Limited (note 12)	693,132	-
Bank interest received	38	30
	693,170	30

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the six months ended 30 June 2018

7. Interest payable

	For the six months ended 30 June 2018 $	For the six months ended 30 June 2017 $
Interest on 3.5% Convertible Unsecured Loan Stock 2024	1,148,292	-

8. Earnings Per Share

The basic and diluted earnings per shares are calculated by dividing the profit or loss by the average number of ordinary shares outstanding during the period.

	For the six months ended 30 June 2018 $	For the six months ended 30 June 2017 $
Total comprehensive income for the period	(14,933,746)	5,844,174
Average number of shares in issue	78,055,000	78,055,000
Earnings per share	**(0.19132)**	**0.07487**

For the current and prior period there was no dilution per ordinary share.

9. Dividends

Dividends were declared in the period ended 30 June 2018 as follows:

	Ex-dividend date	Payment date	Dividend (£)	Dividend ($)	Dividend per share (£)	Dividend per share ($)
First dividend	1 February 2018	2 March 2018	1,170,825	1,625,920	0.015	0.021
Second dividend	26 April 2018	25 May 2018	1,170,825	1,665,264	0.015	0.021
			2,341,650	**3,291,184**	**0.030**	**0.042**

The stated dividend policy of the Company is to target an annualised dividend yield of 6% based on the Placing Issue Price. The past two dividend payments of £0.015 are on target with the stated policy. In addition, the Company declared a further dividend of 1.5 pence (1.95 cent) per share on 19 July 2018 in respect of the quarter ended 30 June 2018.

There is no guarantee that any dividends will be paid in respect of any financial period. The ability to pay dividends is dependent on a number of factors including the level of income returns from the Group's investments. There can be no guarantee that the Group will achieve the target rates of return referred to in this document or that it will not sustain any capital losses through its activities.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the six months ended 30 June 2018

10. Property, plant and equipment

	Office equipment $	Furniture and fixtures $	Leasehold improvements $	Total $
Cost				
At 1 January 2018	43,042	14,519	34,588	92,149
Additions during the period	14,186	4,833	-	19,019
At 30 June 2018	57,228	19,352	34,588	111,168
Accumulated depreciation				
At 1 January 2018	26,778	12,737	34,588	74,103
Charge for the period	5,345	368	-	5,713
At 30 June 2018	32,123	13,105	34,588	79,816
Net book value				
At 30 June 2018	25,105	6,247	-	31,352
At 31 December 2017	16,264	1,782	-	18,046

11. Investments

	APQ Cayman Limited $
At 1 January 2018	91,923,100
Fair value movement	(13,492,036)
	78,431,064

APQ Cayman Limited was acquired during 2016. APQ Global Limited wholly owns APQ Cayman Limited whose registered office of the Company is at the offices of Mourant Ozannes Corporate Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands. The Company meets the definition of an investment entity. Therefore, it does not consolidate APQ Cayman Limited and recognises it as an investment at fair value through profit or loss.

APQ Global Limited is the managing partner of APQ Partners LLP whose registered office is at 22-23 Old Burlington Street, London, W1S 2JJ. This subsidiary is consolidated into the group financial statements.

Valuation techniques
APQ Cayman Limited has a portfolio of tradable assets and liabilities which it values at fair value using the same policies as the Company. The Company is able to redeem its holding of APQ Cayman Limited at its net asset value. Fair value of the investment in APQ Cayman Limited is therefore measured at its Net Asset Value.

11. Investments (continued)

Unlisted managed funds
The Company classifies its investments into the three levels of the fair value hierarchy based on:

Level 1: Quoted prices in active markets for identical assets or liabilities;
Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
Level3: Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has classified its investment in APQ Cayman Limited as level 3 because its net asset value is deemed to be an unobservable input. The most significant unobservable input used in the fair value of the investment in APQ Cayman is the NAV. The movement in the investments in the period are shown above.

The movement of investments classified under level 3 is the same as the table above.

Sensitivity
The most significant unobservable input used in the fair value is the NAV of APQ Cayman Limited. A reasonable change of 5% in the NAV will have an impact of $3,921,553 (31 December 2017 - $4,596,155) on the fair value of the investment.

12. Trade and other receivables

	30 June 2018 $	31 December 2017 $
Trade debtors	2,458	8,667
Loan to APQ Cayman Limited	35,650,172	26,472,557
Prepayments and accrued income	83,007	74,730
Other debtors	60,215	41,267
	35,795,852	26,597,221

During the period, the Company provided an additional loan of $9,177,615 (year ended 31 December 2017: $26,472,557) to APQ Cayman Limited from the proceeds of the CULS issue. The loan is repayable on demand and the entire balance is outstanding at 30 June 2018 and is included within trade and other receivables. In addition, the Company charged interest of $693,132 (six months ended 30 June 2017: $nil) to APQ Cayman Limited for the six months ended 30 June 2018. This was fully received during the period and no balance was outstanding at the period end. Interest is accrued on the outstanding balance of the loan at such rate as is required to enable the Company to meet its obligations to holders of its convertible unsecured loan stock 2024 in relation to the payment of interest thereon.

13. Trade and other payables

	30 June 2018 $	31 December 2017 $
Trade creditors	51,420	102,944
Other creditors	35,465	157,421
Accruals	97,764	154,543
	184,649	414,908

14. 3.5% Convertible Unsecured Loan Stock 2024

	Nominal number of CULS $	Liability component $	Equity component $
As at 1 January 2018	26,953,749	22,135,311	4,285,225
Issue of 3.5% Convertible Unsecured Loan Stock 2024	14,492,418	11,755,346	2,737,072
Expenses of issue	-	(442,099)	(102,942)
Amortisation of discount on issue and issue expenses	-	1,114,230	-
Interest paid during the period	-	(684,506)	-
Exchange differences	-	(1,342,433)	-
	41,446,167	32,535,849	6,919,355

At an Extraordinary General Meeting held on 4 September 2017, Resolutions were passed approving the issue of 4,018 3.5 per cent. convertible unsecured loan stock 2024 ("CULS") to raise £20,090,000 before expenses. The CULS were admitted to trading on the International Securities Market, the London Stock Exchange's market for fixed income securities and dealings commenced at 8.00 a.m. on 5 September 2017.

Following Admission there were 4,018 CULS in issue. Holders of the CULS are entitled to convert their CULS into Ordinary Shares on a quarterly basis throughout the life of the CULS, commencing 30 June 2018, and all outstanding CULS will be repayable at par (plus any accrued interest) on 30 September 2024. The initial conversion price is 105.358 pence, being a 10 per cent. premium to the unaudited Book Value per Ordinary Share on 31 July 2017. Following conversion of 80 per cent. or more of the nominal amount of the CULS originally issued, the Company will be entitled to require remaining CULS Holders to convert their outstanding CULS into Ordinary Shares after they have been given an opportunity to have their CULS redeemed.

On 22 January 2018, the Company raised a further £10,207,300 ($14,492,418) before expenses through the issue of 1,982 units of 3.5 per cent. convertible unsecured loan stock 2024 in denominations of £5,000 ($7,099) nominal each, at an issue price of £5,150 ($7,312) per unit.

15. Share Capital

The issued share capital of the Company is 78,055,000 ordinary shares of no par value listed on the Channel Islands Securities Exchange and AIM.

Quantitative information about the Company's capital is provided in the statement of changes in equity and in the tables below.

The shares are entitled to dividends when declared and to payment of a proportionate share of the Company's net asset value upon the winding up of the Company.

The Company's objectives for managing capital are:

- To invest the capital in investments meeting the description, risk exposure and expected return indicated in its listing documents.
- To maintain sufficient liquidity to meet the expenses of the Company and pay dividends.
- To maintain sufficient size to make the operation of the Company cost-efficient.
- The Board has authority to purchase up to 14.99 per cent. of the issued Ordinary Share capital of the Company. The Board intends to seek a renewal of this authority at each annual general meeting of the Company. No buy backs occurred during the period under review.

	Ordinary shares No	£	$
As at 1 January 2018 and 30 June 2018	78,055,000	76,621,621	99,494,707

16. Commitments

Operating lease commitments

At 30 June 2018, the Group had future minimum lease payments under non-cancellable operating leases in relation to rental of the Group's premises, which fall due as follows:

	30 June 2018 $	31 December 2017 $
Within 1 year	92,418	94,693
Within 2 to 5 years	138,500	188,607
	230,918	283,300

17. Capital Management

The Group can raise new capital which may be implemented through the issue of a convertible debt instrument or such other form of equity or debt as may be appropriate. It also has a buy-back authority subject to a maximum buy-back of 14.99 per cent of the issued Ordinary Shares.

The Group's objectives for managing capital are:

- To invest the capital into investments through its subsidiary, APQ Cayman Limited.
- To maintain sufficient liquidity to meet the expenses of the Group and pay dividends.
- To maintain sufficient size to make the operation of the Group cost-effective.

The Group may utilise borrowings in connection with its business activities. Although there is no prescribed limit in the Articles or elsewhere on the amount of borrowings that the Group may incur, the Directors will adopt a prudent borrowing policy and oversee the level and term of any borrowings of the Group and will review the position on a regular basis.

The Group's capital comprises:

	30 June 2018 $	31 December 2017 $
Share capital	99,494,707	99,494,707
Equity component of 3.5% Convertible Unsecured Loan Stock 2024	6,919,355	4,285,225
Retained earnings	(17,083,767)	1,141,163
Exchange reserve	(4,927,513)	(4,927,513)
Total shareholders' funds	**84,402,782**	**99,993,582**

18. Related party transactions

Richard Bray is also a director of the wholly owned subsidiary, APQ Cayman Limited, as well as being a director of Active Management Services Limited which is part of the Active Group as is Active Services (Guernsey) Limited.

Wayne Bulpitt founded the Active Group; he is also a shareholder of the Company.

Bart Turtelboom founded APQ Partners LLP and is also a director of APQ Cayman Limited as well as the largest shareholder of the Company.

The Directors are remunerated from the Company in the form of fees, payable monthly in arrears. Bart Turtelboom agreed to waive his entitlement to director's fees however with effect from 1 April 2017, Bart Turtelboom received an annual salary of £120,000 as Chief Executive Officer of the Company.

		For the six months ended 30 June 2018 $	For the six months ended 30 June 2017 $
Bart Turtelboom	Chief Executive Officer	62,158	25,979
Wayne Bulpitt	Non-Executive Chairman	20,575	19,092
Richard Bray	Executive Director	20,575	19,092
Philip Soulsby	Non-Executive Director	12,001	11,107
		115,309	75,270

APQ Global Limited has incurred $35,068 (six ended 30 June 2017 - $58,729) of fees and expenses to Active Services (Guernsey) Limited as administrator of the Company. As at 30 June 2018, APQ Global Limited owed $10,477 to Active Services (Guernsey) Limited (31 December 2017 - $26,387).

During the period, APQ Global Limited provided an additional loan of $9,177,615 to APQ Cayman Limited from the proceeds of the CULS issue. The total balance of $35,650,172 (31 December 2017 - $26,472,557) is outstanding at 30 June 2018 and is included within trade and other receivables. In addition, APQ Global Limited charged interest of $693,132 (six months ended 30 June 2017 - $nil) to APQ Cayman Limited for the period ended 30 June 2018. This was fully received during the period and no balance was outstanding at the period end.

APQ Global Limited has supported APQ Cayman Limited by paying directors fees of $833 (six months ended 30 June 2017 - $2,500) during the period to Richard Bray as he is a director of both entities.

As described in the Listing Document, and under the terms of the Services Agreement, APQ Partners LLP assist the Board and the Group's management based in Guernsey with the implementation of its business strategy, provide research on business opportunities in emerging markets and provide support for cash management and risk management purposes. APQ Partners LLP are entitled to the reimbursement of expenses properly incurred on behalf of APQ Global Limited in connection with the provision of its services pursuant to the agreement. APQ Partners LLP has recharged expenses of $311,579 (six months ended 30 June 2017 - $527,126) to APQ Global Limited during the period. As at 30 June 2018, APQ Global Limited was owed $200,497 from APQ Partners LLP (31 December 2017 - $134,463). In both the current and prior period amounts have been eliminated on consolidation.

19. Events after the reporting period

After the period end, a further dividend of 1.5 pence (1.95 cent) per share was declared on 19 July 2018 and was paid on 24 August 2018 in relation to the quarter ended 30 June 2018.