26 September 2017

GYG plc

("GYG", the "Company" or the "Group")

Interim Results

GYG plc, a market leading superyacht painting, supply and maintenance company, today announces its maiden unaudited interim results for the six months ended 30 June 2017.

Financial Highlights[(1)]

- Group Revenue increased 19.4% to €33.9m (HY16: €28.4m)
- Coatings (Refit & New Build) Revenue up 23.3% to €28.6m (HY16: €23.2m)
- Supply Revenue up 3.9% to €5.3m (HY16: €5.1m)
- Adjusted EBITDA[(2)] increased 26.9% to €3.3m (HY16: €2.6m)
- Operating Loss of €1m due to the €3.2m of exceptional items, mainly related to the IPO (HY16 loss of €0.6m)
- Net Cash of €4.7m as at 30 June 2017 (€6.2m at 31 December 2016)

Operational Highlights

- Completed acquisition of ACA Marine coating division in South of France in March 2017
- Record order book[(3)] of refit and new build as at 30 June 2017 of €41.8m of which €2.5m relates to FY18, and €56.7m as at 30 August 2017, including €10.5m for FY18
- Pipeline[(4)] of €385m as at 30 June 2017 (including ACA Marine pipeline of €90m)

Post-period Highlights

- Successful placing of £6.9m of new equity and admission to AIM in July 2017
- Balance sheet strengthened, with repayment of €4.3m of loan notes on IPO

(1) Refer to the Financial Performance section for an explanation of the basis of preparation of the 6 month period ended 30 June 2016 comparative financial information (referred to "HY16").

(2) Adjusted EBITDA is defined as operating profit before finance costs, taxation, depreciation, amortisation and exceptional items. This is an alternative performance measure and should not be considered an alternative to IFRS measures, such as revenue or operating profit.

(3) Order book is defined as contracted New Build and Refit projects across the Group, including New Build and Refit revenues recognised in the six months ended 30 June 2017, and 30 August 2017 respectively.

(4) Pipeline is defined as the projects the Group are looking to secure, covering the stages from sending a proposal to final negotiation.

Remy Millott, Chief Executive of GYG plc, commented:

"We are pleased to report this strong performance in our first set of interim results as a public Company where we have delivered double digit revenue growth. Our successful IPO was a major milestone for GYG as it provides us with enhanced credibility and profile, aiding our ability to secure the larger new orders while maintaining our title as the market leader in this industry. Despite this transition, the team have remained focused on organic revenue growth, expanding shipyard and client relationships for the Coating division and increasing our offering for the Supply division.

"We are integrating our ACA Marine acquisition which is expanding our operations in the South of France and have continued to develop our relationships in the new build market. The Board remains confident about the future as we enter our busy post-summer season."

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014.

Forward looking statements

All statements other than statements of historical fact included in this announcement, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations or statements relating to expectations in relation to shareholder returns, dividends or any statements preceded by, followed by or that include the words "targets", "estimates", "envisages", "believes", "expects", "aims", "intends", "plans", "will", "may", "anticipates", "would", "could" or similar expressions or the negative thereof, are forward looking statements.

Such forward looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group's control that could cause the actual results and performance to be materially different from future results and performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future.

These forward looking statements speak only as of the date of this announcement. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained herein to reflect any change in the Company's expectations with regard thereto, any new information or any change in events, conditions or circumstances on which any such statements are based, unless required to do so by law or any appropriate regulatory authority.

For further information, please contact:

GYG plc	**via FTI Consulting**
Remy Millott, Chief Executive Officer	Tel: +44 (0) 20 3727 1000
Gloria Fernandez, Chief Financial Officer	
Zeus Capital Limited (NOMAD & Broker)	**Tel: +44 (0) 20 3829 5000**
Giles Balleny, Dan Bate, Ben Burnett (Corporate Finance)	
John Goold, Mike Seabrook (Corporate Broking & Sales)	
FTI Consulting (Financial PR)	**Tel: +44 (0) 20 3727 1000**
Alex Beagley	
Fiona Walker	
George Robinson	

Notes to Editors:

GYG is a market leading superyacht painting, supply and maintenance company, offering services globally through operations in the Mediterranean, Northern Europe and the United States. The Company's brands include Pinmar, Rolling Stock, Pinmar Supply, Pinmar USA, Techno Craft and ACA Marine. GYG's operations can be divided into three key sales channels:

- Refit (included in the Coating segment): repainting and finishing of superyachts, normally as part of a refit programme. Revenues also include scaffolding and containment work;

- New Build (included in the Coating segment): fairing and painting of new vessels as part of the build process; and

- Supply: selling and delivery of maintenance materials, consumables, spare parts and equipment primarily to trade customers.

Superyachts require a major survey service every five years to comply with certain class, maritime laws and insurance requirements. Owners typically undertake an annual haul out and general maintenance to remain ahead of the service intervals and to keep the vessels in optimum condition. Owners often use the major servicing period as an opportunity for repainting the vessel, providing GYG with a source of repeat business.

Chief Executive's Statement

Overview

The Group has performed well in the first six months of 2017. The focus on improving the Group's performance while also integrating the ACA Marine coating acquisition in the South of France, has delivered strong results in the period. The team has remained focused on organic revenue growth through expanding shipyard and client relationships for the Coating division and an increasing offering for the Supply division.

During the period, the Company also prepared for an IPO of its shares on AIM which was successfully completed on 5 July 2017. The Company issued approximately 6.9m new shares at a placing price of 100p, raising gross proceeds of £6.9m. Our admission to AIM has been well received by our customers, contractors and staff as the Group continues to follow the strategy that made it such a successful independent business. The Board believes that the IPO has increased the Company's overall profile, broadened and strengthened GYG's shareholder base, and will help attract, retain and incentivise high calibre employees.

Financial performance**(5)**

Revenue for the six-month period to 30 June 2017 increased 19.4% to €33.9m (HY16: €28.4m). Both the Coatings and Supplies divisions contributed to this increase with good performance in the New Build Division and additional revenue coming from the recently acquired Coating division in the South of France.

Owners of superyachts typically undertake an annual haul out and general maintenance in the off season to keep the vessels in optimum condition and to ensure availability during the peak sailing months. This has historically introduced a level of seasonality and an H2 weighting to the key Refit revenues.

The Board considers the current Interim Results to be in line with the historical relative weightings and is comfortable with the current market guidance for the full year. Adjusted EBITDA (before exceptional items (mainly IPO costs, €3.2m), increased 26.9% to €3.3m in the period (HY16: €2.6m).

The €4.8m increase in operating costs (not including exceptional items, depreciation and amortisation), is an increase of 18.6% on HY16, predominantly reflecting higher direct manpower, materials and other operating expenses in line with the increased turnover.

Operating Loss of €1.0m due to the €3.2m of exceptional items, mainly related to the IPO (HY16 loss of €0.6m).

Financial expenses of €0.4m during the period (HY16: €0.3m) mainly related to interest on the syndicated loan and loan notes (both signed in March 2016).

Net profit, excluding exceptional items, for the half year was €1.1m (HY16: €1.0m). Adjusted earnings per share was 8.3 pence (HY16: 8.9 pence earnings per share). Being the net loss per share of 15 pence, including exceptionals, for the half year (HY16: loss of 9 pence per share).

Other Financial Highlights

Consolidated six months ended 30 June 2017 (unaudited)	*Coating*	*Supply*	*Total reportable segments*
	€000	*€000*	*€000*
Revenue	28,549	5,317	33,866
Adjusted EBITDA	2,362	940	3,302

Combined six months ended 30 June 2016 (unaudited)	Coating	Supply	Total reportable segments
	€000	€000	€000
Revenue	23,244	5,146	28,390
Adjusted EBITDA	1,869	759	2,628

Consolidated four months ended 30 June 2016 (unaudited)	Coating	Supply	Total reportable segments
	€000	€000	€000
Revenue	14,601	3,687	18,288
Adjusted EBITDA	727	590	1,318

Earnings (loss) per share-basics and diluted	Consolidated six months ended 30 June 2017 €000 (unaudited)	Combined six months ended 30 June 2016 €000 (unaudited)	Consolidated four months ended 30 June 2016 €000 (unaudited)
Consolidated profit (loss) attributable to the parent	(2,060)	(1,128)	(2,167)
Average number of shares outstanding	13,544	12,167	12,167
	(0.15)	(0.09)	(0.18)

The following table provides a breakdown of Exceptional items:

	Consolidated six months ended 30 June 2017 (unaudited) €000	Combined six months ended 30 June 2016 (unaudited) €000	Consolidated four months ended 30 June 2016 (unaudited) €000
Transaction Fees	(3,185)	(2,156)	(2,068)

Restructuring costs	-	(50)	(50)
	(3,185)	(2,206)	(2,118)

Financial position

Cash and cash equivalents totalled €4.7m at 30 June 2017, compared to €6.2m at 31 December 2016. The decrease period on period includes the cash investment and deal costs for the acquisition in France of €1.8m, which is reflected in the increase of the total assets on the balance sheet from €43.8m as at 31 December 2016 to €45.4m as at 30 June 2017.

Total liabilities were €37.0m at 30 June 2017 (31 December 2016: €32.5m) including a provision for IPO costs of €2.7m. External Net Debt totalled €6.8m at 30 June 2017, compared to €6.3m at 31 December 2016.

Additionally, the net current liabilities position of the Group as at 30 June 2017 is mainly due to the Loan Notes and the short term IPO costs provision; on 5 July 2017 the company floated on the AIM Market of the London Stock Exchange, receiving €7,891,695 which was used to repay these current liabilities.

Cash flow

Net cash generated from operating activities, excluding exceptional items, was €4.0m for the half year (HY16: €3.6m). Net cash used in investing activities was €1.3m at 30 June 2017 (HY16: €1.0M generated) and net cash used by financing activities was €1m (HY16: €0.2m generated).

Overall net cash inflow for the period, excluding €3.2m of exceptional items, was €1.7m (HY16: net cash inflow of €4.7m).

(5) The financial information for the 4 month period ended 30 June 2016 is the trading period for GYG plc (former Global Yachting Group Limited) since its incorporation date in February 2016, starting trading on 4 March 2016, to 30 June 2016. As consequence the financial information for the six-month period ended 30 June 2017 is not directly comparable with that of the four-month period ended 30 June 2016.
To aid comparison to the 6 month period ended 30 June 2017 (referred to "HY16"), we have set out below the comparative financial information for the 6 month period ended 30 June 2016, as well as the four month information. The comparative financial information for the six month period ended 30 June 2016 is the combination of:

- The consolidated financial information of Hemisphere Yachting Services, S.L.U. and its subsidiaries for the period from 1 January 2016 to 3 March 2016 (the period until the acquisition by Global Yachting Group Limited); and,
- The consolidated financial information of Global Yachting Group Limited for the period from 4 March 2016 to 30 June 2016.

Growth Strategy

Following the completion of the IPO in July 2017, the Group is raising its public profile, increasing its brand visibility and increasing its industry and reputation credibility which will continue to drive growth for the Group and reinforce GYG's position as the market leader for larger new orders and partnerships with the relevant players in the industry.

1) Leverage market leading position

The Group is a market leader in its industry, with c.17% market share of its core addressable market in 2016. Superyacht captains, owners and operators primarily base their recommendations of superyacht painting providers on their prior experience of working with the provider, thus maintaining quality standards remains a key focus for GYG. This is reflected in the Group's customer retention rate of 86%.

The Group continues to focus on developing and expanding relationships with key strategic shipyards and key decision makers in the industry, such as superyacht captains, brokers, owners and owners' representatives with the main goal of increasing its market share predominantly in the New Build and Supply division.

2) Enter into new agreements with shipyards

There are a number of shipyards globally with which GYG is looking to build an on-going relationship in order to expand its presence in the relevant territory and increase the operating capacity of the Group. Specifically, management believes that further access to the new build market in Germany, the Netherlands and Italy is achievable and represents a key strategic driver for the Group.

GYG has a track record of entering into such agreements, having signed an agreement with a shipyard on the East coast of the USA in 2016 and with a shipyard owner with operations in France, Italy and Malta on 4 May 2017. Management will continue to pursue further agreements in order to grow the Group's footprint in the key superyacht markets across the globe.

3) Operational efficiencies and synergies

The Group is in the process of implementing a number of quality, efficiency and cost saving initiatives with the aim of reducing variable and fixed costs, targeting labour work specifically. As a result of this programme, the Group expects an improvement in labour efficiencies for both employees and contractors, while also enhancing working practices across the Group. This will reduce unnecessary re-work hours and deliver enhanced margin per job.

4) Expanding the Supply offering

Pinmar Supply is the Group's distribution and retail sales brand. It has offices and retail outlets in Palma de Mallorca and Barcelona. Through the Pinmar Supply brand the Group is able to supply multiple segments of the marine market, including trade clients, shipyards and superyachts directly. The Group is continuing to leverage the Pinmar Supply brand to expand supply to the trade sector both inside and outside of Spain. Whilst this is being delivered organically, management also believes that there is a significant opportunity to expand supply to superyachts outside of the Group's current retail footprint by targeted acquisitions and/or opening in new locations.

5) Acquisition leading growth and synergies

As part of the Group's strategy, management continues to consider acquisitions in the medium and long term which would allow expansion into new markets geographically or provide expansion into new products and services that complement the Group's existing operations. There are a number of potential opportunities in the medium and long term, including local competitors and other non-core businesses in the yachting industry.

Market Overview

As outlined at the time of IPO, the Group's core addressable market in 2015, (new build and refit superyacht painting), was worth approximately €290m per annum. The market was forecasted to grow 6% per annum on average from 2015 to 2020, driven primarily by growth in the refit market. The Group currently has approximately 17% of its addressable market and is a market leader.

Of this €290 million market, the new build segment was worth approximately €170 million and the refit segment €120 million. These markets are expected to grow at 4% and 9% on average between 2015 and 2020, respectively.

Market growth is driven by total superyacht numbers, with the superyacht fleet having grown at approximately 6% per annum from 2007 to 2015 at which point the 40metre-plus fleet was approximately 1,835 globally. The global fleet is forecast to grow to 2,285 by 2020.
Superyacht numbers have historically increased in line with the number of worldwide billionaires and forecast market growth is supported by the expected growth rates in ultra-high net worth individuals. Globally, the population of billionaires increased from 365 in 1995 to 1,826 in 2015 and is forecast to reach 2,500 by 2020, representing a CAGR of circa 9%.

The superyacht market is resilient, having continued to grow through the global recession in 2007/2008, with the larger segment of the market (over 70metre) being the most resilient and one of the main drivers of overall fleet growth. The average "length overall" of yachts in build increased by 9% from 2013 to 2017 and for the 45metre-plus sector, there are 142 projects listed in the global market order book, with a combined total of 9,901 metres, giving an average length of 70 metres.

Post period end, the recent hurricanes in the Caribbean and USA have not materially affected the Group's US operations, however the disruption and damage that has been caused in the Caribbean region has and could continue to change traditional cruising patterns. Whilst unclear at this stage, this could potentially lead to some alterations in the timing of scheduled refit projects.

Dividend Policy

The Board's intention is to implement a progressive dividend policy in line with the growth in future earnings, subject to the discretion of the Board and to the Company having sufficient distributable reserves.

For the year ending 31 December 2017 (being the first financial period end as an AIM quoted company), subject to the discretion of the Board, having taken into account the current and expected future trading performance of the Company, and to the Company having sufficient distributable reserves, it is the Board's intention that the total dividend payable will equate to a 3.2% dividend yield, calculated on the placing price at IPO of 100p ("Placing Price"). This intention is based on an annualised dividend yield of 6.4% (calculated on the Placing Price) pro rated for the period for which the Company will have been AIM quoted before its financial year end (approximately 6 months).

Current Trading and Outlook

Since the IPO on 5 July 2017, the Group has continued to trade in line with the Board's expectations. With superyacht numbers at their highest level and continuing to grow, combined with our record Order Book levels, we are confident we will report further progress within our full-year results.

GYG plc

Independent review report to GYG plc

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2017 which comprises the condensed consolidated statement of comprehensive income, the condensed consolidated balance sheet, the condensed consolidated statement of changes in equity, the condensed consolidated cash flow statement and related notes 1 to 12. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review 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, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules of the London Stock Exchange.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report have been prepared in accordance with the accounting policies the group intends to use in preparing its next annual financial statements.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2017 is not prepared, in all material respects, in accordance with accounting policies the group intends to use in preparing its next annual financial statements and the AIM Rules of the London Stock Exchange.

Deloitte LLP

Statutory Auditor

London, UK

25 September 2017

Condensed consolidated statement of comprehensive income

Six months ended 30 June 2017

	Note	Six months ended 30 June 2017 € 000 (unaudited)	Four months ended 30 June 2016 € 000 (unaudited)
Continuing operations			
Revenue	3	33,866	18,288
Operating costs		(34,873)	(19,990)
Adjusted EBITDA		3,302	1,318
Depreciation and amortisation		(1,124)	(902)
Exceptional items	4	(3,185)	(2,118)
Operating loss		**(1,007)**	**(1,702)**
Finance costs - net		(433)	(290)
Loss before tax		**(1,441)**	**(1,992)**
Tax	5	(602)	(175)
Loss for the period		**(2,043)**	**(2,167)**
Exchange differences on translation of foreign operations		3	28
Total comprehensive loss for the period		**(2,040)**	**(2,139)**
Loss for the period attributable to:			
Owners of the company		(2,060)	(2,167)
Non-controlling interest		17	-
Total comprehensive income for the period attributable to:			
Owners of the company		(2,057)	(2,139)
Non-controlling interest		17	-
Loss per share			
Basic and diluted	6	(0.15)	(0.18)

Condensed consolidated balance sheet

30 June 2017

ASSETS	Note	As at 30 June 2017 € 000 (unaudited)	As at 31 December 2016 € 000 (audited)
Non-current assets			
Goodwill	8	9,860	8,704
Other intangible assets		12,955	12,552
Property, plant and equipment		5,994	5,983
Other financial assets		1,620	1,620
Deferred tax assets		116	276
Total non-current assets		**30,544**	**29,135**
Current assets			
Inventories		2,698	2,068
Trade and other receivables		6,680	6,345
Cash and cash equivalents		4,744	6,207
Assets classified as held for sale		742	-
Total current assets		**14,865**	**14,620**
TOTAL ASSETS		**45,409**	**43,755**

Condensed consolidated balance sheet (continued)

30 June 2017

LIABILITIES	Note	As at 30 June 2017 € ´000 (unaudited)	As at 31 December 2016 € ´000 (audited)
Current liabilities			
Trade and other payables		(14,375)	(9,984)
Borrowings	9	(6,402)	(2,107)
Provisions		(347)	(615)
Derivative financial instruments		(26)	(38)
Liabilities directly associated with assets classified as held for sale		(142)	-
Total current liabilities		**(21,292)**	**(12,744)**
Non-current liabilities			
Borrowings	9	(9,397)	(14,547)
Deferred tax liabilities		(4,009)	(3,894)
Long-term provisions		(1,300)	(1,300)
Other financial liabilities		(1,002)	-
Total non-current liabilities		**(15,708)**	**(19,741)**
Total liabilities		**(37,000)**	**(32,485)**
Net assets		**8,409**	**11,270**
EQUITY			
Share capital		91	122
Share premium		-	12,046
Retained earnings		9,002	(926)
Translation reserve		31	28
Capital Redemption Reserve		113	-
Equity attributable to owners of the company		9,237	11,270
Non-controlling interest		135	-
Put option reserves		(963)	-
Total equity	**10**	**8,409**	**11,270**

Condensed consolidated statement of changes in equity

Six months ended 30 June 2017

	Share Capital € 000	*Share Premium € 000*	*Retained earnings € 000*	*Translation reserves € 000*	*Capital Redemption Reserve € 000*	*Non-controlling interests € 000*	*Put option Reserve € 000*	*Total Equity € 000*
Balance at 1 January 2017	**122**	**12,046**	**(926)**	**28**	**-**	**-**	**-**	**11,270**
Issue of share capital	82	24	(82)	-	-	-	-	24
Reduction of share capital	-	(12,070)	12,070	-	-	-	-	-
Acquisition of subsidiary	-	-	-	-	-	118	(963)	(845)
Share buy back	(113)	-	-	-	113	-	-	-
Total comprehensive loss for the period	-	-	(2,060)	3	-	17	-	(2,040)
Balance at 30 June 2017(Unaudited)	**91**	**-**	**9,002**	**31**	**113**	**135**	**(963)**	**8,409**

Condensed consolidated statement of changes in equity (continued)

Four months ended 30 June 2016

	Share Capital € 000	*Share Premium € 000*	*Retained earnings € 000*	*Translation reserves € 000*	*Total Equity € 000*
Balance at 4 March 2016					
Issue of share capital	122	12,046	-	-	12,168
Total comprehensive income/(loss) for the period	-	-	(2,167)	28	(2,139)
Balance at 30 June 2016 (Unaudited)	**122**	**12,046**	**(2,167)**	**28**	**10,029**

Condensed consolidated cash flow statement

Six months ended 30 June 2017

	Note	Six months ended 30 June 2017 € 000 (unaudited)	Four months ended 30 June 2016 € 000 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES (I)	7	860	614
- Proceeds on receipt of related party loan		-	1,067
- Purchase of intangible assets		(18)	-
- Purchase of property, plant and equipment		(192)	(81)
- Acquisition of subsidiary (*)		(1,125)	-
CASH FLOWS USED IN INVESTING ACTIVITIES (II)		(1,334)	986
- Payments to acquire shares from non-controlling interests		-	(258)
- Payment of share capital reduction		-	(330)
- Proceeds from bank borrowings		-	12.314
- Dividends paid to shareholders		-	(5,113)
- Proceeds on issue of shares		25	-
- Repayments of borrowings		(1,014)	(6,443)
		-	-
CASH FLOWS FROM FINANCING ACTIVITIES (III)		(989)	170
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)		(1,463)	1,770
Cash and cash equivalents at the beginning of the period		6,207	2,306
Cash and cash equivalents at the end of the period		4,744	4,076

(*) Net cash outflow including the acquired cash, refer to Note 11.

Notes to the condensed set of financial statements

Six months ended 30 June 2017

1. General information

GYG plc (hereinafter the "Company") was incorporated on 11 February 2016, as a private company limited by shares, as Dunwilco 2016 Limited under the United Kingdom Companies Act 2006. Subsequently, on 21 May 2016, the company's corporate name was changed to Global Yachting Group Limited, on 25 May 2017 to GYG Limited, and on 22 June 2017 the company re-registered as a public limited company. The address of the registered office is Cannon Place, 78 Cannon Street, London EC4N 6AF, United Kingdom.

The principal activity of the Group is Superyacht painting, supply and maintenance, offering services globally through operations in the Mediterranean, Northern Europe and the United States.

The condensed consolidated interim financial statements ("interim financial statements") are presented in Euro which is the currency of the primary economic environment in which the Group operates.

The financial information set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2016, prepared under IFRS as adopted by the EU, have been delivered to the Registrar of Companies. The auditor's report on the 2016 financial statements was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under Section 498(2) or Section 498(3) of the Companies Act 2006.

The interim financial statements were approved for issue by the Board of Directors on 26 September 2017.

2. Significant accounting policies

2.1. Basis of preparation

The interim financial statements are for the six months ended 30 June 2017. They have been prepared by the Board of Directors and do not fully comply with IAS 34 'Interim Financial Reporting', as is currently permissible under the rules of AIM.

The interim financial statements have been prepared under the historical cost convention using accounting policies consistent with International Financial Reporting Standards (IFRS) as adopted by the European Union, unless indicated otherwise in the notes to the interim financial statements. The financial information for the 4 month period ended 30 June 2016 is the trading period for GYG plc (formerly Global Yachting Group Limited) since its incorporation date in February 2016, starting trading on 4 March 2016, to 30 June 2016. As consequence the financial information for the six-month period ended 30 June 2017 is not directly comparable with that of the four-month period ended 30 June 2016.

The same accounting policies, presentation and methods of computation are followed in the condensed set of financial statements as applied in the Group's latest annual audit financial statements.

2.2. Going concern

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Directors have considered the Company forecasts and projections, taking account of reasonably possible changes in trading performance and the current economic uncertainty, and are satisfied that the Group should be able to operate within the level of its current facilities.

Further, the Directors have reviewed the terms of the underlying agreements which were revised in September 2017, including a review of forecast compliance with loan covenants, and are satisfied that these terms will be met for a period of no less than 12 months from the date of these condensed financial statements. Additionally, the net current liabilities position of the Group as at 30 June 2017 is mainly due to the Loan Notes and the short term IPO costs provision; as described in note 12, on 5 July 2017 the company floated on the AIM Market of the London Stock Exchange, receiving €7,891,695 which was used to repay these current liabilities. Accordingly, they have adopted the going concern basis in preparing these financial statements.

3. Business segments

The Board has determined that, based on the Group's management and internal reporting structure, the Group has two reportable segments, Coatings – the provision of painting and other finishing services to yachts and superyachts and Supply – the distribution of yachting supplies to trade and other customers.

Segment information about the above businesses is presented below for the period ended 30 June 2017 and 2016:

Consolidated six months ended 30 June 2017 (unaudited)	*Coating*	*Supply*	*Total reportable segments*
	€000	*€000*	*€000*
Revenue	28,549	5,317	33,866
Gross Profit	6,804	1,448	8,252
Adjusted EBITDA	2,362	940	3,302
Depreciation and amortisation			(1,124)
Exceptional items			(3,185)
Operating Loss			**(1,007)**
Finance costs - net			(433)
Loss before tax			**(1,441)**

Consolidated four months ended 30 June 2016 (unaudited)	Coating	Supply	Total reportable segments
	€000	€000	€000
Revenue	14,601	3,687	18,288
Gross Profit	3,326	826	4,152
Adjusted EBITDA	727	590	1,318
Depreciation and amortisation			(902)
Exceptional items			(2,118)
Operating Loss			**(1,702)**
Finance costs - net			(290)
Loss before tax			**(1,992)**

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Revenues from external customers attributed to the group's country of domicile and attributed to foreign countries from which the group derives revenue is presented below.

	Six-month period ended 30 June 2017 (unaudited)	**Four-month period ended 30 June 2016 (unaudited)**
	€000	*€000*
Spain	12,974	11,931
United Kingdom	4	1,170
Rest of Europe	16,520	2,828
Rest of World	4,368	2,358
	33,866	18,288

3.1. Information about major customers

Included in revenues arising from rendering of services and direct sales in both segments of €33,866 thousand (€18,288 thousand for the period of 4 month ended to 30 June 2016) are revenues of approximately €8,669 thousand which arose from sales to the Group's two largest customers. No other single customers contributed 10% or more to the Group's revenue for the period ended 30 June 2017.

4. Exceptional Items

The following table provides a breakdown of exceptional items:

	Consolidated six months ended 30 June 2017 (unaudited) €000	Consolidated four months ended 30 June 2016 (unaudited) €000
Transaction Fees	(3,185)	(2,068)
Restructuring costs	-	(50)
	(3,185)	(2,118)

Transaction fees for the half-year ended to 30 June 2017, related to professional fees and other fees arising in connection with the IPO and acquisition by the Group of SAS A.C.A. amounted to €2,693 thousand and €492 thousand, respectively.

The exceptional items in 2016 are mainly related to transaction fees in connection with the acquisition of Hemisphere Yachting Services, S.L.U. which was completed on 3 March 2016.

5. Income Tax (charge)

The tax charge for the period has been calculated using an effective tax rate of 39.3%, which is higher than the statutory rates in which the group operates as a result of non-deductible transaction fees. The effective tax rate excluding these fees is 25%, which is consistent with the statutory tax rates in which the group operates.

6. Earnings (loss) per share- basic and diluted

From continuing and discontinued operations

Basic (and diluted) earnings / (losses) per share are calculated by dividing net profit / (loss)for the year attributable to the group (i.e. after tax and including non-controlling interests) by the weighted average number of shares outstanding during that year.

Loss per share-basics and diluted

	Consolidated six months ended 30 June 2017 €000 (unaudited)	Consolidated four months ended 30 June 2016 €000 (unaudited)
Consolidated loss attributable to the parent	(2,060)	(2,167)
Weighted average number of shares outstanding	13,544	12,167
	(0.15)	(0.18)

As of 30 June 2017 the Group has no convertible securities and therefore diluted earnings per share are the same than basic earnings per share.

7. Notes to the cash flow statement

	Six months ended 30 June 2017 € 000 (unaudited)	Four months ended 30 June 2016 € 000 (unaudited)
Losses for the period before tax	**(1,441)**	**(1,992)**
- Depreciation and amortisation	1,124	902
- Change in provisions	(292)	-
- Finance income	(8)	(19)
- Finance costs	400	326
- Exchange differences	43	(17)
Adjustments to profit/(loss)	**1,267**	**1,192**
- (Increase)/decrease in inventories	(590)	382
- Decrease in trade and other receivables	423	624
- Increase/(decrease) in trade and other payables	3,439	(1,381)
- (Increase)/decrease in other assets and liabilities	(1,856)	1,619
Changes in working capital	**1,416**	**1,244**
- Interest (paid) / received	(242)	232
- Income tax paid	(140)	(62)
Other cash flows used in operating activities	**(382)**	**170**
CASH FLOWS FROM OPERATING ACTIVITIES (I)	**860**	**614**

8. Goodwill

	As at 30 June 2017 € 000 (unaudited)	As at 31 December 2016 € 000 (audited)
Gross		
At 1 January	8,704	-
Acquisition of Civisello Inversiones S.L. and Hemisphere Yachting Services, S.L.	-	8,704
Additional goodwill arising on the acquisition of of SAS A.C.A. Marine (note 11)	1,156	-
	9,860	**8,704**

9. Borrowings

The following is an analysis of the changes in "borrowings" in the consolidated balance sheet as of 30 June 2017 and 31 December 2016:

	As at 30 June 2017 € 000 (unaudited)	As at 31 December 2016 € 000 (audited)
Secured - at amortised cost		
Syndicated loan	11,407	12,323
Capitalised costs – gross (-)	(646)	(841)
Unwind capitalised costs (+)	103	195
Capitalised costs	(543)	(646)
Shareholders' loan notes	4,279	4,196
Finance lease liabilities	647	774
Other financial liabilities	9	7
	15,799	16,654
Total borrowings	15,799	16,654
Amount due for settlement within 12 months	6,402	2,107
Amount due for settlement after 12 months	9,397	14,547

Repayments of syndicated loan including the earned interest amounting to €1,014 thousand were made in line with previously disclosed repayment terms.

On 30 June 2017 the Group achieved the financial covenants required by the syndicated loan.

Shareholder Loan Notes

On the 23 June 2017 the shareholders approved the repayment of the total amount of the Investor Loan Notes immediately following Admission of the Company to AIM. The nominal of the loan notes and earned interest amount to €4,279 thousand as of 30 June 2017, which have been recorded as short term borrowings.

10. Equity

On 12 May 2017 following signature of a statement of solvency and a statement of compliance by the directors of the Company, a special resolution was passed to reduce the share premium account of the company, being €12,069,613, which was credited to a reserve that is treated as a realised profit for the purposes of Part 23 of the Companies Act 2006.

On 21 June 2017 in order to list the Company on AIM the Shareholders approved the following resolution:

- The permission to the capitalisation of reserves and the allotment of bonus shares amounted to € 20,000. The bonus issue was funded by using distributable reserves.
- The conversion of the 5 different classes of shares to a combination of Ordinary shares and deferred shares, as part of this conversion no consideration was paid.
- The buy-back of deferred shares using capital contribution reserves amounted to €113,754.55.
- The issue of 2,231 bonus shares for each Ordinary share in proportion to their existing ownership using distributable reserves amounted to € 62,295.45.

As at 30 June 2017 the Company's share capital amounted to €90,500 represented by 39,695,308 ordinary shares with a par value of €0.002, issued and fully paid up.

11. Acquisition of subsidiary/Business Combination

On 11 March 2017, the Group obtained control of ACA Marine SAS, GYG's main competitor in France, by acquiring 70 per cent of its issued share capital. ACA Marine SAS is a superyacht painting and finishing company operating out of the South of France and was acquired with the objective to drive growth in this region.

Provisional assets acquired and liabilities assumed at the date of acquisition

	As at Acquistion Date € 000 (unaudited)
Other intangible assets	1,173
Other non-current assets	164
Investments	14
Inventories	41
Trade and other receivables	176
Cash and cash equivalents	376
Assets classified as held for sale	742
Trade and other payables	(1,627)
Current tax liabilities	(198)
Liabilities directly associated with assets classified as held for sale	(142)
Deferred tax liabilities	(328)
Non-controlling interests	(118)
Total identifiable assets	**274**
Goodwill	1,156
Total consideration	**1,430**

The total consideration amounted to €1,430 thousand, paid through existing cash resources, being the total net cash flow on acquisition of €1,125 thousand (being €1,430 thousand the agreed consideration, less €376 thousand cash acquired plus the payment of a deal bonus of €71 thousand).

Additionally, the Group is party to certain agreements in relation to the shares in ACA Marine with SARL Atko, a company controlled by Christopher Atkinson, who is the general manager of ACA Marine:

a) ACA Marine UK is party to an agreement dated 11 March 2017 where an additional cash consideration was agreed (payable following transfer of the industrial business and property owned by ACA Marine to a company controlled by Christopher Atkinson) equal to the consideration received by ACA Marine (less costs and expenses) for the agreed sale of such industrial business and property to a company controlled by Christopher Atkinson; and

b) A put and call option agreement dated 11 March 2017 entered into between ACA Marine UK and SARL Atko (further details of which are set out below).

Non-controlling interests

The non-controlling interest (30%) in ACA Marine SAS recognised at the acquisition date was measured by reference to the fair value of the non-controlling interest and amounted to €118 thousand.

Goodwill arising on acquisition

The goodwill arising from the acquisition consists of €1.16m being the difference between consideration paid of €1.43m and net assets acquired of €0.27m; and represents a premium paid for entering a new market as well as acquisition synergies.

None of the goodwill recognised is expected to be deductible for income tax purposes.

Other financial liabilities

On the purchase date the parties also signed a Put and Call Option Agreement in which the Group granted to SARL Atko the right to require the Group to acquire and receive 5/6ths of the shares SARL Atko holds in ACA Marine. This option is exercisable during a period of one month commencing on the second anniversary of the date of the put and call option agreement (being 11 March 2019). As at 30 June 2017, this option was deemed to have a negligible fair value, however a financial liability of €963 thousand has been recognised based on the expected purchase price for the equity if the seller exercises their option.

Impact of acquisition on the results of the Group

SAS ACA Marine contributed €1.7m revenue and €0.1m profit to the Group's profit for the period between the date of acquisition and balance sheet date.

12. Post Balance sheets events

On the 5 July 2017 the Company was admitted onto the AIM Market of the London Stock Exchange. The Company received €7,891,695 from the primary offering shares. The placing price was settled up to 100 p. The number of ordinary shares post- admission is 46,640,000.

As explained in Note 9 the shareholders consented to the repayment of the total amount of the Investor Loan Notes immediately following Admission. The loan notes amounting € 4,279 thousand as of 30 June 2017 were repaid immediately following Admission.

No other events have occurred after 30 June 2017 that might significantly influence the information reflected in these financial statements.