

25 July 2016

**Marechale Capital plc**  
("Marechale" or the "Company")

**Consolidated Financial Statements for the year ended 31 March 2016**

Marechale is pleased to announce its final results for the year ended 31 March 2015.

**Chairman's Statement**

Marechale Capital's revenues for the year were £742,000 (2015: £965,000) down on last year resulting in a gross profit of £446,000 (2015: £694,000), and a loss of £91,000 (2015: Profit of £150,000). These results reflect the difficulty in completing some deals in the current economic environment.

Although the revenue figure is reduced, the Company has successfully mandated some exciting client transactions whilst putting measures in place to strengthen the Company's resources and particularly its ability to undertake and complete transactions. As previously announced, the Company is delighted to have appointed a new Director in the business in order to achieve this.

Marechale provides corporate finance advice and capital fund raising for growth companies. Fund raising activities center on two key areas. Firstly in Growth Capital private equity transactions for more established businesses, and secondly in Development Capital, fundraising for smaller growth companies, the latter typically being Enterprise Investment Scheme (EIS) qualifying. As part of its success fee, the Company secures warrants or equity on most of its projects, enabling Marechale's shareholders to have the opportunity of sharing in the potential upside of the equity value in these businesses. The Company's primary sector of operation, in which the team have a long term track record, is Consumer Brands, Leisure and Retail.

The Company successfully completed a number of leisure deals during the year. Further EIS funding has been raised for the brewhouse business, Brewhouse & Kitchen, and the East Anglia based gastro pub group, Chestnut Inns. Growth capital funding was also completed for The Rum Kitchen restaurant group, and equity funding has been raised for the acquisition of a Mallorca luxury resort hotel with a leading hotel management team. These further endorse Marechale's leading position in funding businesses in the leisure sector.

A summary of the Company's other activities, including those in the renewables sector, are detailed below. Full details of the companies that Marechale has acted for as well as transactions that the Company has successfully completed are outlined on the Company's website: [www.marechalecapital.com](http://www.marechalecapital.com).

Investments in client companies resulted in gains of £19,000 (2015: £72,000), although further substantial investee companies have yet to exit. Furthermore, the Company's investment in Northfield UK Solar Ltd ('Northfield'), referred to below, accounted for using the 'Equity Method' as an Associated Company, showed a further gain, net of costs and provision for potential project loss, now realized, of £15,000 (2015: £20,000).

Equity investments and warrants are valued at 'fair value', typically at a price that reflects their last funding round, and the underlying movement in fair value is reflected through the Profit and Loss Account in accordance with IFRS9. Although the balance sheet value NAV has decreased overall this year to £798,000 (2015: £850,000), the Directors believe that these investments have excellent further uplift potential in the medium to longer term.

Marechale has also successfully launched the Odexia Consumer Brand Fund, which invests in EIS qualifying food, drink and cosmetic growth brands. The Fund has already completed its first two investments and is in the process of raising its next tranche of funding for additional investment opportunities that it has identified.

In the renewables sector funding has been raised for Longhedge Renewables Ltd and Future Biogas, the leading anaerobic digestion plant operator in the UK. For the latter, the Company has also recently completed debt and equity funding enabling Future Biogas to complete construction of its tenth plant in the UK.

Marechale's associated company, Northfield was established in 2013 to develop a portfolio of solar sites. This has been a challenging time for Northfield as the Government has changed the renewable energy support regime. However, since receiving Planning permission and securing a Grid connection offer for its largest site at RAF Desborough (a disused airfield), Northfield is actively working on how to commercialise this, which may result in a significant uplift value for Marechale's shareholders. The valuation on the balance sheet represents the last funding round, and the Company's investment is being carried at £146,000, based on the Equity Method of valuation and including a provision to reflect the uncertainties in proportion to Marechale's 25% beneficial ownership.

Marechale has a growing reputation as one of the leading UK Advisors to the Consumer Brands, Leisure and Retail sector and continues to see strong deal flow in this and its other core area Renewables. The Company is always on the lookout for strong management teams with enterprising businesses in most sectors to support with growth and

development capital. As such Marechale remains committed to working with the management teams of quality companies to secure funding or refinancing capital from the Company's extensive list of private and institutional investors.

The Directors believe that backing the right growth companies, whilst not without its risks, represents an interesting private equity investment class for investors looking to diversify their portfolios. Over the last four and a half years, if an investor had invested in all of the 18 transactions Marechale has funded and completed, based on the last round of funding or exit value of these transactions, the Company calculates that they would have achieved an IRR of over 20% to date.

Marechale is quoted on the London Stock Exchange as an AIM listed company. As such the Company continues to look at a number of potentially interesting acquisitions, investment and merger opportunities, particularly in fund management, and remains open to such approaches. However, none have been progressed to date. The Company is also looking to recruit further staff to support its corporate finance and sales activities.

There has been a strong trend towards Marechale concluding deals to coincide with the end of the tax year, which occurs 5 days after the Company's financial year-end. In past years the majority of these investments could be accounted for on or before 31 March. However, this year around £90,000 worth of commission revenue was received in April, even though all the related work took place before 31 March. This resulted in a £91,000 loss for the year. In past years the slippage had been modest and the Directors took the 'swings and roundabouts' view: however, following this year's slippage, the Directors have determined to seek Shareholder approval to move the Company's year-end to 30 April from 2017 onwards.

In addition, the Directors have received shareholder approval for the capital reorganization that will be necessary before dividends can be paid. The Company needs to change its Articles of Association in order to do this and, subject to receiving shareholder (along with the change to the Company's year-end date) and then court approval, will be able in due course to pay dividends when circumstances permit. A further announcement will be made around the time of the Company's AGM which is scheduled for 14 September 2016.

The Directors are pleased with the progress that the Company has made this year. The Company's track record and reputation are growing and the Directors believe that given the measures that have been put in place Marechale is well positioned to advance further in the year ahead.

Mark Warde-Norbury

Chairman

25 July 2016

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**Consolidated Income Statement  
Year ended 31 March 2016**

	Notes	Year ended 31-Mar 2016 (£)	Year ended 31-Mar 2015 (£)
<b>Continuing operations</b>			
Revenue	2	741,680	965,322
Cost of sales		(295,512)	(271,307)
<b>Gross profit</b>		446,168	694,015
Administrative expenses		(570,972)	(637,220)
Operating (loss)/ profit		(124,804)	56,795

Finance Income		0	974
Other gains		19,231	72,458
Exceptional gain on dilution of interest in associate		5,726	166,140
Net loss in respect of associate		(106,245)	(31,191)
Release of/ (provision for) project loss in associate		115,000	(115,000)
(Loss)/ profit before tax		(91,092)	150,176
Taxation		-	-
<b>(Loss)/ Profit for the year on continuing operations</b>		<b>(91,092)</b>	<b>150,176</b>
<b>(Loss)/ Profit per share</b>		<b>(Pence)</b>	<b>(Pence)</b>
Basic	- Continuing operations	3	-0.16
			0.26
	- Diluted	3	-0.14
			0.25

### Consolidated Statement of Comprehensive Income

<b>(Loss)/ Profit for the year</b>		(91,092)	150,176
<b>Other comprehensive income</b>			
Revaluation of investments		4,191	38,246
		4,191	38,246
<b>Total recognised comprehensive (loss)/ income (all attributable to owners of the parent)</b>		<b>(86,901)</b>	<b>188,422</b>

### Consolidated Balance Sheet Year ended 31 March 2016

	Notes	Year ended 31-Mar 2016 (£)	Year ended 31-Mar 2015 (£)
<b>Non current assets</b>			
Investment in associate		154,275	139,794
<b>Current assets</b>			
Available for sale investments		165,839	151,659
Trading investments		131,800	128,254
Trade and other receivables		518,577	491,108
Cash and cash equivalents		210,490	295,064
		1,026,706	1,066,085
<b>Total assets</b>		<b>1,180,981</b>	<b>1,205,879</b>
<b>Current liabilities</b>			
Trade and other payables		(383,376)	(356,043)
<b>Total current liabilities</b>		<b>(383,376)</b>	<b>(356,043)</b>
<b>Net assets</b>		<b>797,605</b>	<b>849,836</b>
<b>Equity</b>			
<i>Capital and reserves attributable to equity shareholders</i>			
Share capital		2,474,308	2,474,308

Share premium account	1,247,379	1,247,379
Revaluation reserve	94,326	90,135
Reserve for own shares	(50,254)	(50,254)
Retained losses	(2,968,154)	(2,911,732)
	797,605	849,836

The financial statements were approved by the Board of Directors and authorised for issue on 25 July 2016.  
They were signed on its behalf by:

**Mark Warde-Norbury**  
Chairman

### Statement of Changes in Equity Year ended 31 March 2016

	Share capital (£)	Share premium (£)	Revaluation reserve (£)	Reserve for own shares (£)	Retained earnings (£)
<b>Consolidated</b>					
<b>Balance at 31 March 2014</b>	<b>2,474,308</b>	<b>1,247,379</b>	<b>51,889</b>	<b>(50,254)</b>	<b>(3,070,983)</b>
Issue of ordinary share capital	-	-	-	-	-
Reserve for share based payments	-	-	-	-	9,075
<b>Transactions with owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,075</b>
<b>Total comprehensive income</b>					
Profit for the financial year	-	-	-	-	150,176
Revaluation during the financial year	-	-	38,246	-	-
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>38,246</b>	<b>0</b>	<b>150,176</b>
<b>Balance at 31 March 2015</b>	<b>2,474,308</b>	<b>1,247,379</b>	<b>90,135</b>	<b>(50,254)</b>	<b>(2,911,732)</b>
Issue of ordinary share capital	-	-	-	-	-
Reserve for share based payments	-	-	-	-	34,670
<b>Transactions with owners</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>34,670</b>
<b>Total comprehensive income</b>					
Loss for the financial year	-	-	-	-	(91,092)
Revaluation during the financial year	-	-	4,191	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>4,191</b>	<b>-</b>	<b>(91,092)</b>
<b>Balance at 31 March 2016</b>	<b>2,474,308</b>	<b>1,247,379</b>	<b>94,326</b>	<b>(50,254)</b>	<b>(2,968,154)</b>
<b>Company</b>					
<b>Balance at 31 March 2014</b>	<b>2,474,308</b>	<b>1,247,379</b>	<b>51,889</b>	<b>(50,254)</b>	<b>(3,190,321)</b>
Issue of ordinary share capital	-	-	-	-	-
Reserve for share based payments	-	-	-	-	9,076
<b>Transactions with owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,076</b>
<b>Total comprehensive income</b>					
Profit for the financial year	-	-	-	-	130,227
Revaluation during the financial year	-	-	38,246	-	-
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>38,246</b>	<b>0</b>	<b>130,227</b>
<b>Balance at 31st March 2015</b>	<b>2,474,308</b>	<b>1,247,379</b>	<b>90,135</b>	<b>(50,254)</b>	<b>(3,051,018)</b>
Issue of ordinary share capital	-	-	-	-	-
Reserve for share based payments	-	-	-	-	34,670
<b>Transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,670</b>

<b>Total comprehensive income</b>					
Loss for the financial year	-	-	-	-	(105,573)
Revaluation during the financial year	-	-	4,191	-	-
<b>Total comprehensive income</b>	-	-	4,191	-	(105,573)

<b>Balance at 31 March 2016</b>	<b>2,474,308</b>	<b>1,247,379</b>	<b>94,326</b>	<b>(50,254)</b>	<b>(3,121,921)</b>
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<b>Retained losses consist of:</b>	<b>Group 2016 (£)</b>	<b>Group 2015 (£)</b>	<b>Company 2016 (£)</b>	<b>Company 2015 (£)</b>
Retained losses	-3,011,899	-2,920,807	(3,165,667)	(3,060,094)
Reserve for share based payments	43,745	9,075	43,746	9,076
	<b>(2,968,154)</b>	<b>(2,911,732)</b>	<b>(3,121,921)</b>	<b>(3,051,018)</b>

## Consolidated Cash Flow Statement

### Year ended 31 March 2016

	<b>Year ended 31-Mar 2016 (£)</b>	<b>Year ended 31-Mar 2015 (£)</b>
<b>Net cash from operating activities</b>		
Continuing operations: Operating (loss)/ profit	(124,804)	56,795
Provision for share based payments	34,669	9,075
<b>Operating cash flows before movements in working capital</b>	<b>(90,135)</b>	<b>65,870</b>
<b>Movement in working capital</b>		
(Increase) in receivables	(27,468)	(270,105)
Increase in payables	27,333	206,726
Tax paid	-	-
<b>Operating cash flow</b>	<b>(90,270)</b>	<b>2,491</b>
<b>Investment activities</b>		
Interest receivable	0	974
Proceeds on disposal of trading investments	15,685	17,705
Proceeds on disposal of available for sale investments	0	3,626
Expenditure on available for sale investments	(9,989)	(5,000)
<b>Cash flow from investing activities</b>	<b>5,696</b>	<b>17,305</b>
<b>Financing</b>		

Issue of share capital	-	-
<b>Cash flow from financing activities</b>	-	-
<b>Net (decrease)/ increase in cash and cash equivalents</b>	(84,574)	19,796
<b>Cash and cash equivalents at start of the financial year</b>	295,064	275,268
<b>Cash and cash equivalents at end of the financial year</b>	210,490	295,064
<b>(Decrease)/ increase in cash and cash equivalents</b>	(84,574)	19,796

## Notes to the financial statements

### Year ended 31 March 2016

#### 1. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union and the International Financial Reporting Interpretations Committee ('IFRIC') interpretations in accordance with the Companies Act 2006. The financial statements have been prepared on the historical cost basis as modified by the valuation of certain financial instruments, as described below.

#### 2. Business and geographical segments

The directors consider that there is only one activity undertaken by the Group, that of corporate finance advisory. All of this activity was undertaken in the United Kingdom.

	<b>2016</b>	<b>2015</b>
	<b>(£)</b>	<b>(£)</b>
Broking commissions and fees earned from corporate finance	741,680	965,322

#### 3. Earnings per share

	<b>Earnings</b>	<b>Earnings</b>
	<b>(£)</b>	<b>(£)</b>
Based on a profit of (loss)/ profit of	(91,092)	150,176
	<b>No. shares</b>	<b>No. shares</b>
Weighted average number of Ordinary Shares in issue for the purpose of basic earnings per share	57,681,151	57,681,151
Weighted average number of Ordinary Shares in issue for the purpose of diluted earnings per share	63,737,672	59,988,397

#### 4. Other matters and Market Abuse Regulation (MAR) Disclosure

The financial information for the year ended 31 March 2016 set out in this announcement does not constitute statutory financial statement, as defined in section 434 of the Companies Act 2006, but is based on the statutory financial statements for the year then ended. Those financial statements, upon which the auditors have issued an unqualified opinion, will be delivered to the Registrar of Companies.

Copies of the Company's full audited Annual Report and Financial Statements for the year ended 31 March 2016 will be sent to shareholders in due course and will be available on the Company's website: [www.marechalecapital.com](http://www.marechalecapital.com).

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.