

Company Number: 10918785

The background of the lower half of the page is a dark blue field filled with a complex network of glowing nodes and connecting lines. The nodes are primarily white and light blue, with some red and orange nodes scattered throughout. The lines connecting them are thin and light blue, creating a sense of interconnectedness and data flow.

Life Settlement Assets PLC

Interim Financial Report

For the period ended 30 June 2019

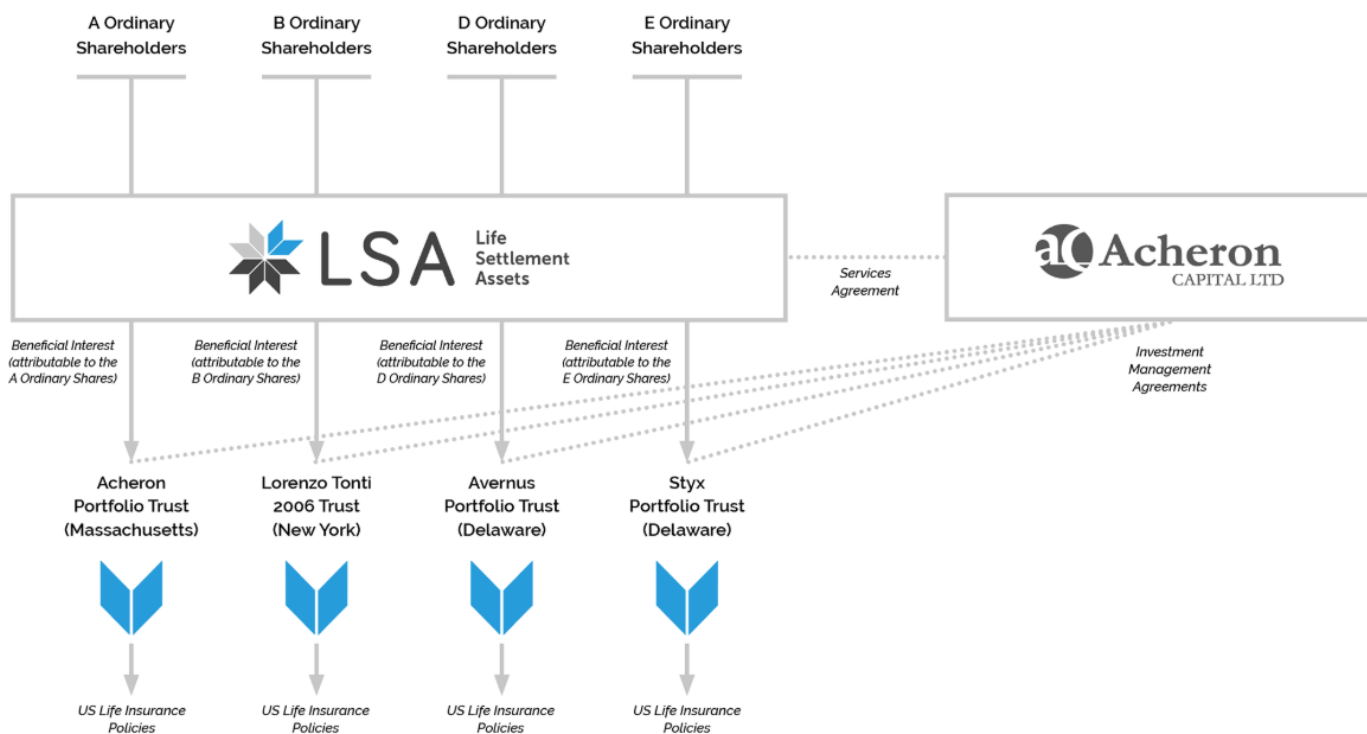
STRATEGIC REPORT

INTRODUCTION

Life Settlement Assets PLC ("LSA" or the "Company") is a closed-ended investment trust company which manages portfolios of whole and partial interests in life settlement policies issued by life insurance companies operating predominantly in the United States.

Life Settlement Assets PLC aims to generate long-term returns for investors by investing in the life settlement market. We seek to achieve this through each of our separate Share Classes.

COMPANY STRUCTURE



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Strong performance enabling a substantial maiden distribution to shareholders

LSA, a closed-ended investment company which manages portfolios of whole and fractional interests in life settlement policies issued by life insurance companies operating predominantly in the United States, is pleased to announce its unaudited half-year results for the period ended 30 June 2019.

Highlights

- Maiden distribution - return of capital shortly after the period end of USD 21.5m paid to Shareholders of Class A, D and E
- Total maturities for the first six months amounted to USD 33.9m (HY2018: USD 20.3m), generating gains from life settlement portfolios of USD 15.6m (HY2018: loss of USD 0.7m)
- Total net income of USD 9.2m (HY2018: loss of USD 4.9m)

Movements in net assets in the six- month period

Share Class	Share Class A		Share Class B		Share Class D		Share Class E	
	30.06.19	31.12.18	30.06.19	31.12.18	30.06.19	31.12.18	30.06.19	31.12.18
Net assets attributable to shareholders (USD '000)	99,687	91,649	14,901	16,150	12,957	11,591	9,336	8,247
NAV per share (USD)	2.19	2.02	1.02	1.11	1.39	1.25	5.39	4.76
Closing share price (USD)	1.73	1.45	0.67	0.60	0.95	0.60	2.70	1.70
Discount to NAV	21.0%	28.1%	34.3%	45.8%	31.7%	51.9%	49.9%	64.3%

Comparison with period to 30 June 2018

Share Class	Share Class A		Share Class B		Share Class D		Share Class E	
	30.06.19	30.06.18	30.06.19	30.06.18	30.06.19	30.06.18	30.06.09	30.06.18
Total maturities (USD '000)	23,981	13,698	2,079	2,989	4,712	1,747	3,176	1,844
Net income from portfolio (USD '000)	13,207	410	(872)	(266)	2,126	(717)	1,640	149
Profit/(Loss) before tax (USD '000)	8,036	(3,205)	(1,248)	(676)	1,366	(918)	1,090	(101)

Jean Medernach, Chairman of LSA, said:

“We are pleased to be able to return USD 21.5m to our shareholders shortly after the period end for Share Class A, D and E in light of sizeable maturities, continuing our long track record of returning capital to our shareholders. As maturities arise, we seek to invest and acquire suitable policies to replenish our portfolio to ensure continued growth.”

CHAIRMAN’S STATEMENT

Introduction

On behalf of the Board, I am pleased to present our half-year results for the period ended 30 June 2019. Despite the continued economic uncertainty, the period under review was one of progress and value for our shareholders, and shortly after the period end, we were able to return capital of USD 21.5m to shareholders of Class A (LSAA), Class D (LSAD) and Class E (LSAE), which resulted from sizable maturities totalling USD 33.9m. This was our maiden distribution since we listed on the London Stock Exchange last year and in line with our policy to distribute a substantial portion of the Company’s funds to shareholders.

Investment Performance

Total maturities for the first six months amounted to USD 33.9m, well above the maturities for the comparative period in 2018 (USD 20.3m) and the full year 2018 (USD 33.4m), generating gains from life settlement portfolios of USD 15.6m (compared to a loss of USD 0.7m in the period to 30 June 2018). Total net income for the half year amounted to a profit of USD 9.2m compared to a loss of USD 4.9m in the first half year 2018.

Our portfolio performance was however mixed in the period under review. The portfolio for non-HIV policies “elderly segment” performed above expectations for all Classes except Class B (LSAB). The HIV portfolio performed below expectations. This was due to policies with smaller face values maturing.

Actual to expected (A/E) ratios of each share class		
	Non-HIV	HIV
Class A	240%	85%
Class B	70%	n/a
Class D	237%	4%
Class E	252%	72%

While aggregate maturities for the first six months were strong due to some large individual policies maturing, it is worth noting that LSA’s performance would have been in line with projections even without these maturities.

Since the period end, the Company has been notified of a number of maturities including the most significant policy across share classes A, D and E. This policy has a face value of c. USD 15m across all Share Classes.

As maturities occur, it is important that we continue to seek and acquire additional fractional policies in the existing policies portfolio to ensure continued growth and further consolidate the ownership in these policies. In the period under review, small portfolios of fractional policies with a total face value of USD 12.6m were added for a total investment of approximately USD 1m.

Our Share Classes

LSAA's NAV per share increased to USD 2.19 (31 December 2018: USD 2.02) during the period. This can be mainly attributed to the impact of the non-HIV portfolio performing above expectations with a number of maturities occurring during the period. This was reasonably expected given the maturity profile of the segment. LSAA's NAV performance was tapered by small face value maturities in the HIV segment.

LSAB reduced to USD 1.02 (31 December 2018: USD 1.11). This is a relatively small portfolio and as such, there is a degree of concentration risk which means a low level of maturities in one year can be followed by a period of increased maturities, thereby enhancing the future income stream.

LSAD and LSAE are made up of fractional policies and have a relatively high concentration on a few lives. LSAD NAV per share rose to USD 1.39 (31 December 2018: USD 1.25) and LSAE NAV per share rose to USD 5.39 (31 December 2018: USD 4.76).

Return of Capital

Shortly after the period end the Company made a return of capital to shareholders. The Board considered a number of factors in determining the amount returned to shareholders. Appropriate levels of cash must be made available to each Share Class to fund premium payments and to preserve our portfolio of policies. In addition, cash needs to be reserved to replenish our portfolios with whole or partial policies as maturities arise to ensure continued growth. For LSAA, your Board has sought to balance the interests of selling and continuing shareholders by offering a combination of a tender offer and a dividend. In the case of the LSAD and LSAE, we decided to return cash principally by dividend given the narrow ownership of these share classes; the relatively small share buy-back programme was included to provide some stock market liquidity.

Our return of capital was structured as follows:

- For LSAA, a special dividend totalling USD 2.5m (USD 5.50 cents per share) and a tender offer of up to USD 10m was initiated and in each case was financed out of distributable reserves created by the cancellation of the share premium account. Shareholders of LSAA were entitled to tender up to approximately 12.2 per cent of the outstanding Ordinary A Shares and the tender price was at a discount of 17.6 per cent. to the NAV per A Ordinary Share (as at 31 March 2019). The tender offer was oversubscribed and more than 70 per cent. (33,474,675 A Ordinary Shares) of the Company's A Ordinary Shares were tendered under the tender Offer. A total 5,555,555 A Ordinary Shares were validly tendered under the tender Offer. The total return of capital to shareholders of LSAA (inclusive of the special dividend and tender offer) amounted to USD 12.5m.
- For LSAD, a special dividend totalling USD 3.5m (USD 37.66 cents per share) was paid and a share buyback programme of up to a maximum of USD 0.5m initiated and in each case was financed out of distributable reserves created on the cancellation of the share premium account. The total return of capital to shareholders of LSAD (inclusive of the special dividend and the share buyback programme) amounted to USD 4m.

- LSAE, a special dividend totalling USD 4.5m (US 259.62 cents per share) was paid and a share buyback programme of up to a maximum of USD 0.5m initiated, in each case to be financed out of distributable reserves created on the cancellation of the share premium account. The total return of capital to shareholders of LSAE (inclusive of the special dividend and the share buyback programme) amounted to USD 5m.

Outlook

The HIV segment of our portfolio which performed below expectations in the period under review has shown improvements. Since the period end, the Company has been notified on a number of maturities including the most significant policy across share classes A, D and E. This policy has a face value of c. USD 15m across all Share Classes.

Following this large maturity, it is expected that future cash flows will be reduced. The portfolio has performed well, but is now unbalanced, with most of the maturities in the HIV portfolio expected over a longer period. In order to address this imbalance and the associated risk, the Investment Manager has recommended that as a precautionary measure, a discount rate of 12% be used from the July 2019 NAV onwards in respect of the HIV component of the portfolio.

As a result of the maturities received and returns of capital made to shareholders after the period end, the NAV per share class at 31 August 2019 was: LSAA USD 2.30 per share, LSAB USD 1.01 per share, LSAD USD 1.15 per share and LSAE USD 3.50 per share.

The Board is cognisant of the need to re-invest and replenish its portfolio of policies. It continues to examine opportunities to acquire fractional policies at a discount and transforming them into wholly owned policies, which will also act to mitigate this concentration risk.

Having guided the Company over the course of the transition from Luxembourg to the UK I have notified the Board of my intention to step down as a Director and Chairman of the Company with effect from 1 October 2019. The Board has appointed Michael Baines as interim Chairman and has commenced a process to recruit a new director.

Jean Medernach
Chairman
27 September 2019

TRUSTS' INVESTMENT MANAGER'S REPORT

The principal activities of the Company are to support and manage portfolios of whole and partial interests in life settlement policies issued by life insurance companies operating in the United States. The Company acquires both individual life insurance policies and portfolios of such policies via either the secondary market, liquidation, bankruptcies or private placements. The life settlement market enables people to sell their life insurance policies to investors at a higher cash value than they would otherwise receive from insurance companies. An investor acquiring the life insurance policy will continue to pay the premiums until the death of the insured. The insurance company will then pay the face value of the life insurance policy to the investor.

All four share classes are listed on Specialist Fund Segment of the London Stock Exchange, with beneficial ownership of the Acheron Portfolio Trust to the A Ordinary Shares, the Lorenzo Tonti 2006 Portfolio Trust to the B Ordinary Shares, Avernus Portfolio Trust to the D Ordinary Shares, and the Styx Portfolio Trust to the E Ordinary Shares. The NAV of each share class is released monthly.

Acheron Capital Limited ("Acheron Capital" or the "Investment Manager") is responsible for devising and modelling the investment strategy of the Company's trusts. Founded in 2005, Acheron Capital is a London based independent investment manager authorised and regulated by the FCA, that focuses on niche investment strategies uncorrelated to the traditional financial markets.

The Investment Manager has:

- An internally developed pricing policy and portfolio valuation methodologies
- Proven actuarial model as evidenced by industry leading Actual to Expected ratios

The Life Settlement Market

The trends in life expectancy ("LE") have been fundamentally changing. The rapid improvements in LE seen in the early years of the 21st century are now a thing of the past. Since 2015, average LE in the US has gradually declined among all racial and ethnic groups, which includes declines in nearly 12 preventable diseases and conditions. Meanwhile, gaps in LE between neighbourhoods are deepening, as revealed by a new study by NYU School of Medicine. These gaps mean that residents in one neighbourhood may live 20 to 30 years longer than those just a mile away - and the inequalities are prevalent in cities with high levels of racial and ethnic segregation, such as Chicago and New York. The US is not the only country experiencing lower LE. According to data from the UK's Institute and Faculty of Actuaries (IFOA), LE for both men and women in the UK is about five months lower than that in the organisation's previous model. Also, the recent publication of the Continuous Mortality Investigation (CMI) 2018 model suggests the trend of falling life expectancies is expected to continue and by the end of 2019 assumed life expectancies will be back to levels last seen in 2009.

Portfolio

The overall portfolio is subdivided into portfolios exposed to either HIV-positive policy holders or non-HIV positive policy holders. The following table provides information on the

Company's policies by Share Class and by exposure to HIV and non-HIV positive insureds in the period under review.

<u>Share Class A</u>	<u>HIV</u>	<u>Non-HIV</u>	<u>Total</u>
Number of policies	4,387	208	4,595
Total face value (USD'000)	359,898	90,871	450,769
Valuation (USD'000)	41,773	20,715	62,488
Percentage of face	11.6%	22.8%	13.9%
<u>Share Class B</u>			
Number of policies	N/A	105	105
Total face value (USD'000)	N/A	54,575	54,575
Valuation (USD'000)	N/A	9,832	9,832
Percentage of face	N/A	18.0%	18.0%
<u>Share Class D</u>			
Number of policies	374	83	457
Total face value (USD'000)	16,498	19,154	35,652
Valuation (USD'000)	2,484	5,200	7,684
Percentage of face	15.1%	27.1%	21.6%
<u>Share Class E</u>			
Number of policies	164	60	224
Total face value (USD'000)	6,616	10,529	17,145
Valuation (USD'000)	1,037	2,757	3,794
Percentage of face	15.7%	26.2%	22.1%

In the first half of 2019, small portfolios of fractional policies, to which the trusts were already overwhelmingly exposed, were added. The Company gained additional exposure to 55 policies with an additional face value of USD 12.4m which were assigned to the portfolio held by Acheron Portfolio Trust. The remaining one fractional policy with a face value of USD 0.2m was allocated to Avernus Portfolio Trust.

Maturities in the period to 30 June 2019 can be seen in the table below.

	Class A	Class B	Class D	Class E
HIV Maturities (USD'000)	3,300	N/A	7	62
Non-HIV Maturities (USD'000)	20,681	2,079	4,705	3,114
Total Maturities (USD'000)	23,981	2,079	4,712	3,176

In the period under review, the elderly segment of the portfolio experienced high level of maturities, leading estimated A/E to 240%. We were notified of an additional Non-HIV maturity - the 1st largest exposure - for July, contributing USD 15m across all Share Classes. While the Non-HIV portfolio has performed well above expectations, the HIV portfolio has not reached expectations during the first half year. The underperformance is the result of a decent quantity of matured policies but with small face values.

At 30 June 2019, LSAA had a NAV of USD 2.19 per share, LSAB had a NAV of USD 1.02, LASD and LSAE had a NAV of USD 1.39 and USD 5.39 respectively. NAV performance history can be seen in the table below.

Class A	Year	Jan	Feb	Mar	Apr	May	Jun	YTD
Total NAV Return	2019	-1.46%	9.64%	0.27%	-1.06%	2.10%	-0.61%	8.77%

Class B	Year	Jan	Feb	Mar	Apr	May	Jun	YTD
Total NAV Return	2019	-2.71%	0.56%	-1.07%	-2.78%	-0.98%	-0.97%	-7.74%

Class D	Year	Jan	Feb	Mar	Apr	May	Jun	YTD
Total NAV Return	2019	-1.48%	10.37%	1.63%	-1.63%	2.91%	-0.15%	11.79%

Class E	Year	Jan	Feb	Mar	Apr	May	Jun	YTD
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Total NAV Return	2019	-2.47%	19.62%	0.68%	-1.74%	-1.12%	-0.86%	13.21%
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Portfolio Composition

Further information on the composition of the portfolio of each Share Class as at 30 June 2019 can be found on our website <https://www.lsapl.com/investor-relations/reports-company-literature>

Acheron Capital
27 September 2019

KEY PERFORMANCE INDICATORS (KPIs)

The Board monitors success in implementing the Company's strategy against a range of key performance indicators (KPIs), which are viewed as significant measures of success over the longer term. These key indicators are those provided in the performance tables above. Although performance relative to the KPIs is monitored over quarterly periods, it is success over the long-term that is viewed as more important. This is particularly important given the inherent volatility of maturities and short-term investment returns.

The Board has chosen the following KPIs:

- **Share Price** - a key measure for shareholders to show the most likely realisable value of this investment if it was sold. Changes in the share price are closely monitored by the Board.
- **NAV per share** - as this is the primary indicator of the underlying value attributable to each share.
- **Discount to NAV** - as this measure can be used to monitor the difference between the underlying net asset value and share price.
- **Total maturities (USD)** - the value of the total maturities in USD provides an indicator of the underlying cash flow that the Company receives from its main source of income - policy maturities. There are factors which could impact the outcome of this performance measure including: average life expectancy and the age of the underlying policy holders.

Please note that the Actual to Expected ("A/E") ratio, which is closely linked to the total maturities KPI, is a key method by which the Board monitors the level of maturities. The A/E ratio measures the declared maturities compared to the projected maturities based on the actuarial models. A ratio close to 100% indicates maturities correspond exactly to the model. A percentage greater than 100% means the maturities are more than anticipated by the models and less than 100% the opposite is the case.

- **Profit (Loss) before tax** - this is a key measure of financial performance used to assess the fortunes of the Company over each financial period.

Please Note: The Company regularly uses performance measures to present its financial performance. These measures may not be comparable to similar measures used by other companies, nor do they correspond to IFRS standards or other accounting principles.

Directors' Statement of Principal Risks and Uncertainties

The important events that have occurred during the period under review and the key factors influencing the financial statements are set out in the Chairman's Statement on pages 5 to 7.

In accordance with DTR 4.2.7, the Directors consider that the principal risks and uncertainties facing the Company have not materially changed since the publication of the Annual Report and Accounts for the year ended 31 December 2018.

The principal risks faced by the Company include, but are not limited to:

- market price
- regulatory and tax
- litigation
- third party service providers
- key individuals
- financial

A more detailed explanation of these risks and the way in which they are managed can be found in the Strategic Report on pages 17 to 19 and in Note 4 to the Financial Statements on pages 57 to 59 of the 2018 Annual Report and Accounts – copies can be found via the Company's website, www.lsapl.com.

There have been no significant changes in the related party disclosures set out in the Annual Report.

Directors' Statement of Responsibilities in Respect of the Financial Statements

In accordance with Disclosure and Transparency Rule (DTR) 4.2.10 Jean Medernach (Chairman), Michael Baines (Chairman of the Audit Committee), Robert Edelstein, Franck Mathe, Yves Mertz and Guner Turkmen, the Directors, confirm that to the best of their knowledge:

- The condensed set of financial statements contained within this Half-Yearly financial report have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting' as adopted by the European Union and gives a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- The Half-Yearly financial report includes a fair review of the information required by the FCA's Disclosure and Transparency Rule 4.2.7R being disclosure of important events that have occurred during the first six months of the financial year, 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
- The Half Yearly financial report includes a fair review of the information required by the FCA's Disclosure and Transparency Rule 4.2.8R being disclosure of related party transactions during the first six months of the financial year, how they have materially affected the financial position of the Group during the period and any changes therein.

This Half-Yearly Report was approved by the Board of Directors on 27 September 2019 and the above responsibility statement was signed on its behalf by:

Jean Medernach
Chairman
27 September 2019

Life Settlement Assets Plc
Condensed Statement of Comprehensive Income
for the six months ended 30 June 2019

		Six months ended 30 June 2019			Period ended 30 June 2018			Period ended 31 December 2018		
		(unaudited)			(unaudited)			(audited)		
<u>Note</u>	<u>Revenue</u>	<u>Capital</u>	<u>Total</u>	<u>Revenue</u>	<u>Capital</u>	<u>Total</u>	<u>Revenue</u>	<u>Capital</u>	<u>Total</u>	
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	
Income										
	435	-	435	275	-	275	566	-	566	
Income from life settlement portfolios										
Gains/(losses) from life settlement portfolios	3	-	15,604	15,604	-	(725)	(725)	-	1,339	1,339
Other income	74	-	74	78	-	78	133	-	133	
Net foreign exchange losses	(12)	-	(12)	(52)	-	(52)	(27)	-	(27)	
Total income	497	15,604	16,101	301	(725)	(424)	672	1,339	2,011	
Operating expenses										
Investment management fees	4	(978)	(2,066)	(3,044)	(1,078)	324	(754)	(2,101)	75	(2,026)
Other expenses		(3,104)	-	(3,104)	(3,090)	-	(3,090)	(4,776)	-	(4,776)
(Loss)/profit before finance costs and taxation		(3,585)	13,538	9,953	(3,867)	(401)	(4,268)	(6,205)	1,414	(4,791)
Finance costs										
Interest payable		(639)	-	(639)	(632)	-	(632)	(1,296)	-	(1,296)
(Loss)/profit/before taxation		(4,224)	13,538	9,314	(4,499)	(401)	(4,900)	(7,501)	1,414	(6,087)
Taxation		-	(70)	(70)	-	-	-	-	-	-
(Loss)/profit for the period		(4,224)	13,468	9,244	(4,499)	(401)	(4,900)	(7,501)	1,414	(6,087)
Return per class A share USD	6	(0.070)	0.247	0.177	(0.074)	0.003	(0.071)	(0.125)	0.041	(0.084)
Return per class B share USD	6	(0.024)	(0.062)	(0.086)	(0.028)	(0.019)	(0.047)	(0.045)	(0.123)	(0.168)
Return per class D share USD	6	(0.042)	0.189	0.147	(0.049)	(0.050)	(0.099)	(0.073)	0.065	(0.008)

Return per class E share USD	6	(0.160)	0.788	0.628	(0.174)	0.116	(0.058)	(0.270)	0.414	0.144
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All revenue and capital items in the above statement derive from continuing operations of the Company.

The Company does not have any income or expense that is not included in the profit for the period and therefore the profit for the period is also the total comprehensive income for the period.

The total column of this statement is the Statement of Total Comprehensive Income of the Company. The supplementary revenue and capital columns are prepared in accordance with the Statement of Recommended Practice (“SORP”) issued by the Association of Investment Companies (“AIC”) in November 2014 and updated in February 2018 with consequential amendments.

The notes on pages 21 to 29 form part of these financial statements.

Life Settlement Assets Plc
Condensed Statement of Financial Position
as at 30 June 2019

	As at 30 June 2019	As at 30 June 2018	As at 31 December 2018
	(unaudited)	(unaudited)	(audited)
<u>Note</u>	<u>USD'000</u>	<u>USD'000</u>	<u>USD'000</u>
Non-current assets			
Financial assets at fair value through profit or loss:			
- Life settlement investments	8	83,798	95,170
- Shares in subsidiaries	2	-	92,626
		<hr/>	<hr/>
		83,798	187,796
			115,045
Current assets			
Maturities receivable		11,709	6,563
Trade and other receivables		1,060	629
Premiums paid in advance		11,089	12,887
Cash and cash equivalents		36,564	19,270
		<hr/>	<hr/>
		60,422	39,349
			42,652
Total Assets		<hr/>	<hr/>
		144,220	227,145
			157,697
Current liabilities			
Other payables		(2,460)	(3,131)
Provision for performance fees		(4,879)	(2,564)
Liabilities to subsidiaries		-	(92,626)
		<hr/>	<hr/>
Total liabilities		(7,339)	(98,321)
			(30,060)
Net Assets		<hr/>	<hr/>
		136,881	128,824
		=====	=====
Represented by			
Capital and reserves			
Share capital	9	711	711
Share premium		-	133,013
Special reserve	10	133,013	-
Capital reserve		14,882	(401)
Revenue reserve		(11,725)	1,414
		<hr/>	<hr/>
Total equity attributable to ordinary shareholders of the Company		136,881	128,824
		=====	=====
Net Asset Value per share basic and diluted			
Class A shares	11	2.1935	2.0300
Class B shares	11	1.0209	1.2283
Class D shares	11	1.3944	1.1560
Class E shares	11	5.3863	4.5559
			4.7580

Life Settlement Assets Plc
Condensed Statement of Financial Position (continued)
as at 30 June 2019

The notes on pages 21 to 29 form part of these financial statements

Registered in England and Wales with Company Registration number: 10918785

**Condensed Statement of Changes in Equity
for the six months ended 30 June 2019**

	<u>Share capital</u> USD'000	<u>Share premium</u> USD'000	<u>Special reserve</u> USD'000	<u>Capital reserve</u> USD'000	<u>Revenue reserve</u> USD'000	<u>Total</u> USD'000
Six months ended 30 June 2019						
Balance as at 1 January 2019	711	133,013	-	1,414	(7,501)	127,637
Conversion of share premium account (note 10)	-	(133,013)	133,013	-	-	-
Profit/(loss) for the period	-	-	-	13,468	(4,224)	9,244
Balance as at 30 June 2019	<u>711</u>	<u>-</u>	<u>133,013</u>	<u>14,882</u>	<u>(11,725)</u>	<u>136,881</u>
Of which:						
Realised profit				15,937		
Unrealised loss				(1,055)		
Period ended 30 June 2018						
Balance as at 16 August 2017	-	-	-	-	-	-
Shares issued on incorporation	67	-	-	-	-	67
Additional shares issued on 26 March 2018	711	133,013	-	-	-	133,724
Redemption of redeemable shares	(67)	-	-	-	-	(67)
Loss for the period	-	-	-	(401)	(4,499)	(4,900)
Balance as at 30 June 2018	<u>711</u>	<u>133,013</u>	<u>-</u>	<u>(401)</u>	<u>(4,499)</u>	<u>128,824</u>
Of which:						
Realised loss				(674)		
Unrealised profit				273		
Period ended 31 December 2018						
Balance as at 16 August 2017	-	-	-	-	-	-
Shares issued on incorporation	67	-	-	-	-	67
Additional shares issued on 26 March 2018	711	133,013	-	-	-	133,724
Redemption of redeemable shares	(67)	-	-	-	-	(67)
Profit/(loss) for the period	-	-	-	1,414	(7,501)	(6,087)
Balance as at 31 December 2018	<u>711</u>	<u>133,013</u>	<u>-</u>	<u>1,414</u>	<u>(7,501)</u>	<u>127,637</u>
Of which:						
Realised loss				(1,248)		
Unrealised profit				2,662		

The notes on pages 21 to 29 form part of these financial statements.

Life Settlement Assets Plc
Condensed Cash Flow Statement
for the six months ended 30 June 2019

	Six months ended 30 June 2019 (unaudited) <u>USD'000</u>	Period ended 30 June 2018 (unaudited) <u>USD'000</u>	Period ended 31 December 2018 (audited) <u>USD'000</u>
Cash flow from (used in) operating activities			
Profit/(loss) for the period	9,244	(4,900)	(6,087)
Non-cash adjustment			
- movement on portfolios	7,379	2,291	8,700
- value adjustment on shares in subsidiary	-	-	(5)
Changes in operating assets and liabilities			
Changes in maturities receivables	6,088	7,306	(3,927)
Changes in trade and other receivables	(120)	(51)	(363)
Changes in premiums paid in advance	2,239	1,013	561
Changes in other payables	2,510	(4,769)	(5,625)
Changes in liabilities to subsidiary	-	-	5
Net cash flows from (used in) operating activities	<u>27,340</u>	<u>890</u>	<u>(6,741)</u>
Cash flow (used in)/from investing activities			
Investment in life settlement portfolios	(1,077)	(298)	(1,272)
Cash acquired from Predecessor Company	-	18,833	18,833
Net cash flows (used in)/from investing activities	<u>(1,077)</u>	<u>18,535</u>	<u>17,561</u>
Cash flow used in financing activities			
Movements in "policy loans"	(286)	(155)	(233)
Net cash flows used in financing activities	<u>(286)</u>	<u>(155)</u>	<u>(233)</u>
Net changes in cash and cash equivalent	<u>25,977</u>	<u>19,270</u>	<u>10,587</u>
Cash balance at the beginning of the period	10,587	-	-
Cash balance at the end of the period	<u>36,564</u> =====	<u>19,270</u> =====	<u>10,587</u> =====

The notes on pages 21 to 29 form part of these financial statements.

Life Settlement Assets Plc
Notes to the Condensed Financial Statements
for the six months ended 30 June 2019

Note 1 General information

Life Settlement Assets (“Life Settlement Assets” or the “Company”) is a public company limited by shares and an investment company under section 833 of the Companies Act 2006. It was incorporated in England and Wales on 16 August 2017 with a registration number of 10918785. The registered office of the Company is 115 Park Street, 4th Floor, London W1K 7AP.

The principal activity of Life Settlement Assets is to manage investments in whole and partial interests in life settlement policies issued by life insurance companies operating predominantly in the United States.

In May 2018, the Company received confirmation from HM Revenue & Customs of its approval as an investment trust for tax accounting periods commencing on or after 26 March 2018, subject to the Company continuing to meet the eligibility conditions contained in section 1158 of the Corporation Tax Act 2010 and the ongoing requirements in Chapter 3 of Part 2 of the Investment Trust (Approved Company) (Tax) Regulations 2011(Statutory Instrument 2011/2999).

The Company currently has four classes of Ordinary Shares in issue, namely A, B, D and E, each of which principally participates in a separate portfolio of life settlement assets and associated liabilities, which were acquired from Acheron Portfolio Corporation (Luxembourg) SA (“APC” or the “Predecessor Company”) on 26 March 2018.

Note 2 IFRS accounting policies

2.1 Basis of preparation

These condensed interim financial statements have been prepared using the same accounting policies and methods of computation as in the 2018 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 2019 and will be adopted in the 2019 annual financial statements. New standards and amendments to existing standards that will be adopted in the annual financial statements for the year ended 31 December 2019 are:

- IFRS 16 Leases
- Annual improvements to IFRS Standards 2015-2017 Cycle.

These new and amended standards issued by the IASB that will apply for the first time in the next annual financial statements are not expected to impact the company as they are not relevant to the company’s activities or require accounting which is not consistent with the company’s current accounting policies.

Financial information for the period ended 30 June 2018 has been reclassified in line with classifications used in the financial statements for the year ended 31 December 2018.

As at 30 June 2019, the Company no longer has any subsidiaries: two of the subsidiaries were liquidated in 2018 and the remaining subsidiary in May 2019, none of them had any active operations. Therefore, the Company has elected not to prepare consolidated financial statements for the year ended 31 December 2019 and the comparative information has been restated to show the standalone Company financial statements.

The condensed financial statements, which comprise the unaudited results of the Company have been prepared in accordance with International Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), as adopted by the European Union. They have also been prepared in accordance with the SORP for investment companies issued by the AIC in November 2014 and updated in February 2018 with consequential amendments, except to the extent that it conflicts with IFRS. The accounting policies are as set out in the Report and Accounts for the period ended 31 December 2018.

The half-year financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”.

The financial information contained in this Half-Yearly financial report does not constitute statutory accounts as defined by the Companies Act 2006. The financial information for the periods ended 30 June 2019 and 30 June 2018 have not been audited or reviewed by the Company’s Auditor. The figures and financial information for the year ended 31 December 2018 are an extract from the latest published audited statements and do not constitute the statutory accounts for that year. Those accounts have been delivered to the Registrar of Companies and include a report of the Auditor, which was unqualified and did not contain a statement under either Section 498(2) or 498(3) of the Companies Act 2006.

2.2 Changes in accounting policy and disclosures

Standards and amendments to existing standards that are not yet effective and have not been early adopted by the Company

The following new standards and amendments have been published but are not effective for the company’s accounting period beginning on 1 January 2019. The Directors do not expect the adoption of the following new standards, amended standards or interpretations to have a significant impact on the financial statements of the Group in future periods.

IFRS 17 “Insurance contracts” applies to insurance contracts, including reinsurance contracts issued by an entity; reinsurance contracts held by an entity; and investment contracts with discretionary participation features issued by an entity that issues insurance contracts. IFRS 17 will be effective for reporting periods beginning on or after 1 January 2021. It is expected that IFRS 17 will have no impact on the Company’s financial statements.

Amendments to References to the Conceptual Framework in IFRS Standards, to IFRS 3 Business Combinations, to IAS 1 and IAS 8: Definition of Material will be effective for reporting periods beginning on or after 1 January 2020. It is expected these amendments will have no impact on the Company’s financial statements.

Going concern

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future (being a period of 12 months from the date these financial statements were approved). Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern, having taken into account the liquidity of the Company's investment portfolio and the Company's financial position in respect of its cash flows, liabilities from its assets and the ongoing charges, including annual premiums which are approximately 17% of assets. Therefore, the financial statements have been prepared on the going concern basis and on the basis that approval as an investment trust will continue to be met.

Note 3 Gains/(losses) from life settlement portfolios

	<u>30 June</u> <u>2019</u> <u>USD'000</u>	<u>30 June</u> <u>2018</u> <u>USD'000</u>	<u>31 December</u> <u>2018</u> <u>USD'000</u>
Realised gains:			
- Maturities	33,948	12,851	33,371
- Acquisition cost of maturities	(6,323)	(2,564)	(11,362)
Sub total	<u>27,625</u>	<u>10,287</u>	<u>22,009</u>
Incurred premiums	(10,966)	(11,285)	(23,332)
Unrealised (losses)/gains:			
- Fair value adjustments	(1,055)	273	2,662
	<u>15,604</u> =====	<u>(725)</u> =====	<u>1,339</u> =====

When a maturity is declared, a realised capital income or loss is recognised on the investment in the policy, calculated by deducting from the value of the maturity the acquisition cost.

The amount of premiums incurred during the period is reflected as a deduction of income from life settlement portfolios. The amount of premiums paid in advance amounted to USD'000 11,089 as at 30 June 2019 (30 June 2018: USD'000 12,887 and 31 December 2018: USD'000 13,328).

Life Settlement Assets Plc
Notes to the Financial Statements
for the period ended 30 June 2019

Note 4 Management fees and performance fees

	<u>30 June</u> <u>2019</u> <u>USD'000</u>	<u>30 June</u> <u>2018</u> <u>USD'000</u>	<u>31 December</u> <u>2018</u> <u>USD'000</u>
Acheron Capital management fees	978	1,078	2,101
Performance fees	2,066	(324)	(75)
	<u>3,044</u> =====	<u>754</u> =====	<u>2,026</u> =====

Under an agreement dated 26 March 2018, the Investment Manager is entitled to a management fee payable by the Trusts at an annual rate of no more than 1.5% of the Net Asset Value for classes A, B and D, and 2% for class E.

The Performance fee in respect of the Trusts shall be an amount equal to 25% of the sum of the distributions made to the holders of the Shares in the Company corresponding to the Trusts, in excess of the Performance Hurdle (assessed at the time of each distribution).

The "Performance Hurdle" is met when (from time to time) the aggregate distributions (in excess of the Catch-Up Amount) made to the holders of the corresponding Ordinary Shares compounded at 3% per annum for classes A and B, and 5% for classes D and E (from the date of each distribution) equal the aggregate investment made by the Ordinary Shares in the Company (from time to time) compounded at 3% and 5% respectively.

Note 5 Taxation

The Company has an effective UK tax rate of 0% for the year ending 31 December 2019. The estimated effective tax rate is 0% as investment gains are exempt from tax owing to the Company's status as an investment trust and there is expected to be an excess of management expenses over taxable income.

Withholding tax on matured policies

In accordance with the taxation treaty between the United States of America and the United Kingdom, withholding tax on matured policies is not due if at least 6% of the average capital stock of the main class of Shares is traded during the previous year on a recognised stock exchange. The Board believes that in the period ended 31 December 2018 the Company fulfilled this requirement.

The company is liable for US income tax on financial income (mainly dividends) received from policies at the time of maturity. The tax charge for the period amounted to USD'000 70.

Note 6 Return per share

As stated in Note 9, the share capital of the Company comprises 71,068,874 shares represented by 45,446,946 A Shares, 14,596,098 B Shares, 9,292,561 D Shares, and 1,733,269 E Shares. All Shares are fully paid. Neither unpaid shares nor any kind of option are outstanding, so the basic profit/(loss) per share is also the diluted profit/(loss) per share.

As the different classes of Shares have specific rights in relation to their investments, the net profit/(loss) per share is given for each Share Class:

Six months ended 30 June 2019	<u>Class A</u>	<u>Class B</u>	<u>Class D</u>	<u>Class E</u>
Earnings per share:				
Revenue return (USD'000)	(3,207)	(349)	(391)	(276)
Capital return (USD'000)	11,243	(899)	1,757	1,366
Total Return (USD'000)	8,036	(1,248)	1,366	1,090
Weighted average number of shares the year	45,446,946	14,596,098	9,292,561	1,733,269
Income return per share (USD)	(0.070)	(0.024)	(0.042)	(0.160)
Capital return per share (USD)	0.247	(0.062)	0.189	0.788
Basic and diluted total earnings per share (USD)	0.177	(0.086)	0.147	0.628
Period ended 30 June 2018	<u>Class A</u>	<u>Class B</u>	<u>Class D</u>	<u>Class E</u>
Earnings per share:				
Revenue return (USD'000)	(3,346)	(401)	(451)	(301)
Capital return (USD'000)	141	(275)	(467)	200
Total Return (USD'000)	(3,205)	(676)	(918)	(101)
Weighted average number of shares the year	45,446,946	14,596,098	9,292,561	1,733,269
Income return per share (USD)	(0.074)	(0.028)	(0.049)	(0.174)
Capital return per share (USD)	0.003	(0.019)	(0.050)	0.116
Basic and diluted total earnings per share (USD)	(0.071)	(0.047)	(0.099)	(0.058)
Period ended 31 December 2018	<u>Class A</u>	<u>Class B</u>	<u>Class D</u>	<u>Class E</u>
Earnings per share:				
Revenue return (USD'000)	(5,700)	(658)	(674)	(469)
Capital return (USD'000)	1,889	(1,797)	604	718
Total Return (USD'000)	(3,811)	(2,455)	(70)	249
Weighted average number of shares the year	45,446,946	14,596,098	9,292,561	1,733,269
Income return per share (USD)	(0.125)	(0.045)	(0.073)	(0.270)
Capital return per share (USD)	0.041	(0.123)	0.065	0.414
Basic and diluted total earnings per share (USD)	(0.084)	(0.168)	(0.008)	0.144

Note 7 Financial instruments measured at fair value

The life settlement portfolios have been classified as financial assets held at fair value through profit or loss as their performance is evaluated on a fair value basis.

The fair value hierarchy set out in IFRS 13 groups financial assets and liabilities into three levels based on the significant inputs used in measuring the fair value of the financial assets and liabilities.

The fair value hierarchy has the following levels:

- level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The life settlement portfolios of USD'000 83,798 (30 June 2018: USD'000 95,170 and 31 December 2018: USD'000 89,813) are all classified as level 3.

At 31 December 2018, the portfolios were valued by an external actuary, Lewis & Ellis (L&E), based on an actuarial model. Using these values, Acheron Capital Ltd (the Investment manager of the trusts in which the policies of Class A, B, D and E are kept) resets its internal model at the beginning of each year, if necessary, and produces regular monthly valuations using its internal model.

Note 8 Financial assets held at fair value through profit or loss: Life Settlement Portfolios

Movements for the period are as follows:

	<u>As at 30</u> <u>June</u> <u>2019</u> <u>USD'000</u>	<u>As at 30</u> <u>June</u> <u>2018</u> <u>USD'000</u>	<u>As at 31</u> <u>December</u> <u>2018</u> <u>USD'000</u>
Opening valuation	89,813	97,008	97,008
Acquisitions during the period	1,077	298	1,272
Proceeds from matured policies	(33,948)	(12,851)	(33,371)
Net realised gains on policies	27,625	10,287	22,009
Movements in cash from policy loans	286	155	233
Movements in unrealised valuation	(1,055)	273	2,662
Closing valuation	<u>83,798</u> =====	<u>95,170</u> =====	<u>89,813</u> =====
Details at period end:	<u>USD'000</u>	<u>USD'000</u>	<u>USD'000</u>
Acquisition value	104,169	117,240	109,415
Unrealised capital gains	1,607	273	2,662
Policy loans	(21,978)	(22,343)	(22,264)
Closing valuation	<u>83,798</u> =====	<u>95,170</u> =====	<u>89,813</u> =====

Distribution of the portfolio as at 30 June 2019 by class of Shares and by type of risk:

	<u>Class A</u> <u>USD'000</u>	<u>Class B</u> <u>USD'000</u>	<u>Class D</u> <u>USD'000</u>	<u>Class E</u> <u>USD'000</u>	<u>Total</u> <u>USD'000</u>
Elderly life insurance (non-HIV) portfolio	20,715	9,832	5,200	2,757	38,504
HIV portfolio	41,773	-	2,484	1,037	45,294
Balance as at 30 June 2019	<u>62,488</u>	<u>9,832</u>	<u>7,684</u>	<u>3,794</u>	<u>83,798</u>

Fair market value reflects the view of Acheron Capital Ltd, the Investment Manager of the trusts in which the policies of Class A, B, D and E are kept.

Distribution of the portfolio as at 30 June 2018 by class of Shares and by type of risk:

	<u>Class A</u> <u>USD'000</u>	<u>Class B</u> <u>USD'000</u>	<u>Class D</u> <u>USD'000</u>	<u>Class E</u> <u>USD'000</u>	<u>Total</u> <u>USD'000</u>
Elderly life insurance (non-HIV) portfolio	25,464	12,820	7,353	4,502	50,139
HIV portfolio	41,745	-	2,339	947	45,031
Balance as at 30 June 2018	<u>67,209</u>	<u>12,820</u>	<u>9,692</u>	<u>5,449</u>	<u>95,170</u>

Distribution of the portfolio as at 31 December 2018 by class of Shares and by type of risk:

	<u>Class A</u> <u>USD'000</u>	<u>Class B</u> <u>USD'000</u>	<u>Class D</u> <u>USD'000</u>	<u>Class E</u> <u>USD'000</u>	<u>Total</u> <u>USD'000</u>
Elderly life insurance (non-HIV) portfolio	23,889	10,645	7,092	3,722	45,348
HIV portfolio	41,204	-	2,232	1,029	44,465
Balance as at 31 December 2018	<u>65,093</u>	<u>10,645</u>	<u>9,324</u>	<u>4,751</u>	<u>89,813</u>

Note 9 Share Capital

At the 30 June 2019 (30 June 2018 and 31 December 2018) the Company's share capital amounts to USD 710,689 and is represented by 71,068,874 ordinary shares of USD 0.01 each.

The issued and fully paid share capital is comprised of 45,446,946 Class A shares, 14,596,098 Class B shares, 9,292,561 Class D shares, and 1,733,269 Class E shares.

Class A, Class B, Class D and Class E shares relate to specific investments determined by the Board of Directors or as the case may be, by a general meeting of Shareholders. Each investment is undertaken for the exclusive benefit and risk of the relevant class of shares. All shares have equal voting rights.

Note 10 Special reserve

The Special reserve was created as a result of the cancellation of the Share premium account following a court order issued on 18 June 2019. The Special reserve is distributable and may be used to fund purchases of the Company's own shares and to make distributions to Shareholders.

Note 11 Net assets and net asset value per class of shares

The net asset value (NAV) as at 30 June 2019 for each class of Shares are shown below.

	<u>Class A</u>	<u>Class B</u>	<u>Class D</u>	<u>Class E</u>	<u>Total</u>
Net assets (USD'000)	99,687	14,901	12,957	9,336	136,881
Number of shares	45,446,946	14,596,098	9,292,561	1,733,269	71,068,874
NAV per share (USD)	2.1935	1.0209	1.3944	5.3863	

The net asset value (NAV) as at 30 June 2018 for each class of Shares are shown below.

	<u>Class A</u>	<u>Class B</u>	<u>Class D</u>	<u>Class E</u>	<u>Total</u>
Net assets (USD'000)	92,256	17,929	10,743	7,896	128,824
Number of shares	45,446,946	14,596,098	9,292,561	1,733,269	71,068,874
NAV per share (USD)	2.0300	1.2283	1.1560	4.5559	

The net asset value (NAV) as at 31 December 2018 for each class of Shares are shown below.

	<u>Class A</u>	<u>Class B</u>	<u>Class D</u>	<u>Class E</u>	<u>Total</u>
Net assets (USD'000)	91,649	16,150	11,591	8,247	127,637
Number of shares	45,446,946	14,596,098	9,292,561	1,733,269	71,068,874
NAV per share (USD)	2.0166	1.1065	1.2473	4.7580	

Note 12 Related party transactions

Related parties to the Company are the members of the Board of Directors of the Company, Compagnie Européenne de Révision S.à r.l. as Administrator who has a member on the Board of Directors and the Trustee of the US trusts who is also a member of the Board of Directors.

USD'000

Per income statement:

Trustee fees	86
Compagnie Européenne de Révision S.à r.l.	191
Directors' fees	76

Amounts payable per balance sheet:

Compagnie Européenne de Révision S.à r.l.	120
Directors' fees	65
	=====

Shares held by related parties (Directors and companies under their control)- Jean Medernach	50,000
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All transactions with related parties are undertaken at arm's length.

Note 13 Post balance sheet events

On 3 July 2019, the Company completed a tender offer for 5,555,555 A Ordinary Shares at a price of USD 1.80 per share. Total consideration amounted to USD 9,999,999. The shares have subsequently been cancelled. Following completion of the Tender Offer, the Company had 39,891,391 A Ordinary Shares, 14,596,098 B Ordinary Shares, 9,292,561 D Ordinary Shares and 1,733,269 E Ordinary Shares.

On 10 July 2019, the Company has received notification of a number of maturities including the most significant outstanding policy at that time. The face value of this policy amounts to USD 10,160,466 for the benefit of the A Share Class, USD 776,018 for the benefit of the B Share Class, USD 2,168,074 for the benefit of the D Share Class and USD 1,982,432 for the benefit of the E Share Class.

On 19 July 2019, the Company paid a special dividend out of the special distributable reserve created by the cancellation of the share premium account of US Cents 5.50 for A Ordinary Shares, US Cents 37.66 for D Ordinary Shares and US Cents 259.62 for E Ordinary Shares. Total consideration amounted to USD 2,500,000 for A Ordinary Shares, USD 3,500,000 for D Ordinary Shares and USD 4,500,000 for E Ordinary Shares.

On 6 August 2019 the Company announced a share buyback programme of USD 500,000 for each of the D and E Ordinary Shares. As at the date of this report, 500,000 D Ordinary Shares and 166,666 E Ordinary shares have been bought back. The shares will subsequently be cancelled. Following the buybacks, the Company's share capital as at the date of this report was 64,846,653 comprising 39,891,391 A Ordinary Shares, 14,596,098 B Ordinary Shares, 8,792,561 D Ordinary Shares and 1,566,603 E Ordinary Shares.

ADDITIONAL INFORMATION

Additional information of exhibits I to IV do not form part of the condensed financial statements.

EXHIBIT I (unaudited)
Life Settlement Assets Plc
Class A Shares

Statement of Comprehensive Income for the six months ended 30 June 2019

	Six months ended 30 June 2019 (unaudited) <u>USD'000</u>	Period ended 30 June 2018 (unaudited) <u>USD'000</u>	Period ended 31 December 2018 (audited) <u>USD'000</u>
Income			
Income from life settlement portfolios	372	262	515
Gains from life settlement portfolios	12,800	141	1,890
Other income	47	59	68
Net foreign exchange loss	(12)	(52)	(26)
Total income	<u>13,207</u>	<u>410</u>	<u>2,447</u>
Operating expenses			
Investment management fees	(2,174)	(726)	(1,441)
Other expenses	(2,295)	(2,269)	(3,538)
Profit/(loss) before finance costs and taxation	<u>8,738</u>	<u>(2,585)</u>	<u>(2,532)</u>
Finance costs			
Interest payable	(632)	(620)	(1,279)
Profit/(loss) before taxation	<u>8,106</u>	<u>(3,205)</u>	<u>(3,811)</u>
Taxation	(70)	-	-
Profit/(loss) for the period	<u>8,036</u> =====	<u>(3,205)</u> =====	<u>(3,811)</u> =====

EXHIBIT I (unaudited)
Life Settlement Assets Plc
Class A Shares
Statement of Financial Position

as at 30 June 2019

	As at 30 June 2019 (unaudited) <u>USD'000</u>	As at 30 June 2018 (unaudited) <u>USD'000</u>	As at 31 December 2018 (audited) <u>USD'000</u>
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss:			
- Life settlement investments	62,488	67,209	65,093
- Shares in subsidiary	-	61,329	-
	<u>62,488</u>	<u>128,538</u>	<u>65,093</u>
Current assets			
Maturities receivables	8,099	3,810	10,508
Trade and other receivables	702	599	644
Premiums paid in advance	7,359	8,107	9,402
Cash and cash equivalents	23,263	12,814	7,085
Inter-class receivables	842	1,708	234
	<u>40,265</u>	<u>27,038</u>	<u>27,873</u>
Total Assets	<u>102,753</u>	<u>155,576</u>	<u>92,966</u>
Current liabilities			
Other payables	(1,580)	(1,991)	(1,317)
Provision for performance fees	(1,486)	-	-
Liabilities to subsidiary	-	(61,329)	-
	<u>(3,066)</u>	<u>(63,320)</u>	<u>(1,317)</u>
Net Assets	<u>99,687</u>	<u>92,256</u>	<u>91,649</u>
Capital and reserves			
Share capital	455	455	455
Share premium	-	95,006	95,006
Special reserve	95,006	-	-
Capital reserve	13,132	141	1,889
Revenue reserve	(8,906)	(3,346)	(5,701)
Total equity attributable to ordinary shareholders	<u>99,687</u>	<u>92,256</u>	<u>91,649</u>

EXHIBIT II (unaudited)
Life Settlement Assets Plc
Class B Shares

Statement of Comprehensive Income for the six months ended 30 June 2019

	Six months ended 30 June 2019 (unaudited) <u>USD'000</u>	Period ended 30 June 2018 (unaudited) <u>USD'000</u>	Period ended 31 December 2018 (audited) <u>USD'000</u>
Income			
Income from life settlement portfolios	19	1	9
Loss from life settlement portfolios	(899)	(275)	(1,797)
Other income	8	8	23
Net foreign exchange loss	-	-	-
	<hr/>	<hr/>	<hr/>
Total income	(872)	(266)	(1,765)
Operating expenses			
Investment management fees	(121)	(139)	(279)
Other expenses	(253)	(268)	(407)
	<hr/>	<hr/>	<hr/>
Loss before finance costs and taxation	(1,246)	(673)	(2,451)
Finance costs			
Interest payable	(2)	(3)	(4)
	<hr/>	<hr/>	<hr/>
Loss before taxation	(1,248)	(676)	(2,455)
Taxation	-	-	-
	<hr/>	<hr/>	<hr/>
Loss for the period	(1,248) =====	(676) =====	(2,455) =====

EXHIBIT II (unaudited)
Life Settlement Assets Plc
Class B Shares
Statement of Financial Position

as at 30 June 2019

	As at 30 June 2019 (unaudited) <u>USD'000</u>	As at 30 June 2018 (unaudited) <u>USD'000</u>	As at 31 December 2018 (audited) <u>USD'000</u>
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss:			
Life settlement investments	9,832	12,820	10,645
Shares in subsidiary	-	17,627	17,632
	<u>9,832</u>	<u>30,447</u>	<u>28,277</u>
Current assets			
Maturities receivables	1,169	558	2,819
Trade and other receivables	114	10	93
Premiums paid in advance	1,828	2,005	1,469
Cash and cash equivalents	2,781	3,582	1,510
Inter class receivables	-	-	-
	<u>5,892</u>	<u>6,155</u>	<u>5,891</u>
Total Assets	<u>15,724</u>	<u>36,602</u>	<u>34,168</u>
Current liabilities			
Other payables	(482)	(585)	(263)
Provision for performance fees	-	-	-
Liabilities to subsidiary	-	(17,627)	(17,632)
Inter class payables	(341)	(461)	(123)
	<u>(823)</u>	<u>(18,673)</u>	<u>(18,018)</u>
Net Assets	<u>14,901</u> =====	<u>17,929</u> =====	<u>16,150</u> =====
Capital and reserves			
Share capital	146	146	146
Share premium	-	18,459	18,459
Special reserve	18,459	-	-
Capital reserve	(2,696)	(275)	(1,797)
Revenue reserve	(1,008)	(401)	(658)
Total equity attributable to ordinary shareholders	<u>14,901</u> =====	<u>17,929</u> =====	<u>16,150</u> =====

EXHIBIT III (unaudited)
Life Settlement Assets Plc
Class D Shares

Statement of Comprehensive Income for the six months ended 30 June 2019

	Six months ended 30 June 2019 (unaudited) <u>USD'000</u>	Period ended 30 June 2018 (unaudited) <u>USD'000</u>	Period ended 31 December 2018 (audited) <u>USD'000</u>
Income			
Income from life settlement portfolios	23	8	20
Gains/(losses) from life settlement portfolios	2,093	(733)	526
Other income	10	8	23
Net foreign exchange loss	-	-	-
	<u>2,126</u>	<u>(717)</u>	<u>569</u>
Operating expenses			
Investment management fees	(423)	151	(125)
Other expenses	(334)	(347)	(506)
	<u>1,369</u>	<u>(913)</u>	<u>(62)</u>
Profit/(loss) before finance costs and taxation			
	<u>1,369</u>	<u>(913)</u>	<u>(62)</u>
Finance costs			
Interest payable	(3)	(5)	(8)
	<u>1,366</u>	<u>(918)</u>	<u>(70)</u>
Profit/(loss) before taxation			
	<u>1,366</u>	<u>(918)</u>	<u>(70)</u>
Taxation	-	-	-
	<u>1,366</u>	<u>(918)</u>	<u>(70)</u>
Profit/(loss) for the period	<u>=====</u>	<u>=====</u>	<u>=====</u>

EXHIBIT III (unaudited)
Life Settlement Assets Plc
Class D Shares
Statement of Financial Position

as at 30 June 2019

	As at 30 June 2019 (unaudited) <u>USD'000</u>	As at 30 June 2018 (unaudited) <u>USD'000</u>	As at 31 December 2018 (audited) <u>USD'000</u>
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss:			
Life settlement investments	7,684	9,692	9,324
Shares in subsidiary	-	7,600	7,600
	<u>7,684</u>	<u>17,292</u>	<u>16,924</u>
Current assets			
Maturities receivables	2,037	564	2,328
Trade and other receivables	113	10	91
Premiums paid in advance	1,294	1,714	1,298
Cash and cash equivalents	4,521	1,151	704
	<u>7,965</u>	<u>3,439</u>	<u>4,421</u>
Total Assets	<u>15,649</u>	<u>20,731</u>	<u>21,345</u>
Current liabilities			
Other payables	(200)	(288)	(208)
Provision for performance fees	(2,220)	(1,696)	(1,884)
Liabilities to subsidiary	-	(7,600)	(7,600)
Inter-class payables	(272)	(404)	(62)
	<u>(2,692)</u>	<u>(9,988)</u>	<u>(9,754)</u>
Net Assets	<u>12,957</u> =====	<u>10,743</u> =====	<u>11,591</u> =====
Capital and reserves			
Share capital	93	93	93
Share premium	-	11,568	11,568
Special reserve	11,568	-	-
Capital reserve	2,361	(467)	604
Revenue reserve	(1,065)	(451)	(674)
Total equity attributable to ordinary shareholders	<u>12,957</u> =====	<u>10,743</u> =====	<u>11,591</u> =====

EXHIBIT IV (unaudited)
Life Settlement Assets Plc
Class E Shares

Statement of Comprehensive Income for the six months ended 30 June 2019

	Six months ended 30 June 2019 (unaudited) <u>USD'000</u>	Period ended 30 June 2018 (unaudited) <u>USD'000</u>	Period ended 31 December 2018 (audited) <u>USD'000</u>
Income			
Income from life settlement portfolios	21	4	22
Gains from life settlement portfolios	1,610	142	720
Other income	9	3	19
Net foreign exchange loss	-	-	(1)
	<hr/>	<hr/>	<hr/>
Total income	1,640	149	760
Operating expenses			
Investment management fees	(326)	(40)	(181)
Other expenses	(222)	(206)	(325)
	<hr/>	<hr/>	<hr/>
Profit/(loss) before finance costs and taxation	1,092	(97)	254
Finance costs			
Interest payable	(2)	(4)	(5)
	<hr/>	<hr/>	<hr/>
Profit/(loss)before taxation	1,090	(101)	249
Taxation	-	-	-
	<hr/>	<hr/>	<hr/>
Profit/(loss)for the period	1,090	(101)	249
	=====	=====	=====

EXHIBIT IV (unaudited)
Life Settlement Assets Plc
Class E
Statement of Financial Position

as at 30 June 2019

	As at 30 June 2019 (unaudited) <u>USD'000</u>	As at 30 June 2018 (unaudited) <u>USD'000</u>	As at 31 December 2018 (audited) <u>USD'000</u>
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss:			
Life settlement investments	3,794	5,449	4,751
Shares in subsidiary	-	6,070	-
	<u>3,794</u>	<u>11,519</u>	<u>4,751</u>
Current assets			
Maturities receivables	404	1,631	2,142
Trade and other receivables	131	10	112
Premiums paid in advance	608	1,061	1,159
Cash and cash equivalents	5,999	1,723	1,288
	<u>7,142</u>	<u>4,425</u>	<u>4,701</u>
Total Assets	<u>10,936</u>	<u>15,944</u>	<u>9,452</u>
Current liabilities			
Other payables	(198)	(255)	(227)
Provision for performance fees	(1,173)	(868)	(929)
Liabilities to subsidiary	-	(6,070)	-
Inter-class payables	(229)	(855)	(49)
	<u>(1,600)</u>	<u>(8,048)</u>	<u>(1,205)</u>
Net Assets	<u>9,336</u> =====	<u>7,896</u> =====	<u>8,247</u> =====
Capital and reserves			
Share capital	17	17	17
Share premium	-	7,980	7,980
Special reserve	7,980	-	-
Capital reserve	2,085	200	718
Revenue reserve	(746)	(301)	(468)
Total equity attributable to ordinary shareholders	<u>9,336</u> =====	<u>7,896</u> =====	<u>8,247</u> =====

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