Sigma Capital Group plc

Half Yearly Report 2013

Property and Urban Regeneration Specialists

Contents

David Sigsworth, Chairman, Commented:

"Sigma has continued to make encouraging progress in developing its property services activities during the half year to 30 June 2013 although this is not yet fully reflected in the Group's financial performance. In particular, we have been focusing on the delivery of a substantial funding model for the roll out of a large-scale portfolio of new residential rental properties. I am pleased to report that discussions are in progress on securing the funding for implementation. If successful, this will substantially transform the Group's rate of growth. We expect to make a further report on our progress before the end of the year.

While work on the funding model has been a management priority in the period, I am also pleased to report positive progress elsewhere, particularly with our two local authority partnerships in Liverpool and North Solihull. We established a second joint venture with house building specialist Countryside Properties (UK) Ltd, which will enable us to accelerate the delivery of residential regeneration objectives in Liverpool. We have also strengthened the Board and senior management with new appointments, which will help us to deliver our growth ambitions.

We remain confident about the Group's growth potential. Through its three local authority partnerships and involvement with the Winchburgh Development near Edinburgh, Sigma controls the capability for the delivery of over 10,000 units of new housing stock. This positions the Company as a major participant in the delivery of residential developments in the UK."

Key Points

- Continued encouraging progress in H1 not yet fully reflected in financial results:
  - major focus was on the delivery of a substantial funding model for the roll out of a large-scale portfolio of new residential rental properties
- Revenue doubled to £2.2m (2012: £1.1m)
- Trading loss increased slightly to £0.4m (2012: trading loss of £0.3m)
- Loss before tax reduced by 36% to £0.4m (2012: loss of £0.6m)
- Loss per share decreased by 36% to 0.91p (2012: loss per share of 1.42p)
- Net assets per share of 4.8p at 30 June 2013 (2012: 6.8p).
- Cash balances of £0.6m at 30 June 2013 (2012: £0.7m)
- Property Division continues to make very encouraging progress
  - funding model for the Private Rented Sector completed; discussions in progress on securing funding for implementation
  - local authority partnerships seeing good momentum, especially in Liverpool and North Solihull
  - Winchburgh development, nr Edinburgh, progressing well
- Growth prospects remain very positive

(Trading results are set out in note 4.)

Sigma Capital Group plc ("Sigma", "the Group" or "the Company") has continued to make encouraging progress in developing its property services activities during the half year to 30 June 2013 although this is not yet fully reflected in the Group's financial performance. In particular, we have been focusing on the delivery of a substantial funding model for the roll out of a large-scale portfolio of new residential rental properties.

As previously stated in our Annual Report, we hoped to bring our funding model to fruition at around this time and while at this stage we cannot comment in a detailed way on this, I am pleased to report that we have completed the funding model and discussions are in progress on securing the funding for implementation. If successful, this will substantially transform the Group's rate of growth. I provide some additional comment on the funding model further on in this report and we expect to make a further report on our progress before the end of the year.

While work on the funding model has been a management priority in the period, I am also pleased to report positive progress elsewhere, particularly with our two local authority partnerships in Liverpool and North Solihull. We established a second joint venture with house building specialist Countryside Properties (UK) Ltd, which will enable us to accelerate the delivery of the residential regeneration objectives in Liverpool. As previously reported, we also strengthened the Board and senior management with new appointments, which will help us to deliver our growth ambitions.

As we look ahead, we remain confident about the Group's growth potential. Through its three local authority partnerships and involvement with the Winchburgh Development near Edinburgh, Sigma controls the capability for the delivery of over 10,000 units of new housing stock. This positions the Company as a major participant in the delivery of residential developments in the UK.

Results

Revenue for the first half of the year to 30 June 2013 doubled to £2.2 million (2012: £1.1 million). Of this, revenue from the North Arran Way office and retail development ("NAW development") in North Solihull, which the Group is managing, accounted for £1.2 million (2012: nil). Excluding the NAW development, revenue from our property-related activities increased by 12% to £0.65 million against the prior period (2012: £0.58 million). As expected, revenue from our historic venture capital fund management activities substantially reduced to £0.3 million (2012: £0.5 million).

The Group's trading loss of £0.4 million for the period increased slightly against the same period last year (2012: trading loss of £0.3 million). This masks the improvement in the Property Division where the trading loss decreased by 61% to £0.1 million (2012: £0.3 million). The Venture Capital Division generated a trading loss of £0.1 million (2012: trading profit of £0.1 million) and the balance of the overall Group trading loss is accounted for by holding company costs. The loss from operations reduced by half to £0.3 million (2012: loss of £0.6 million).

The Group's loss before tax reduced by 36% to £0.4 million (2012: loss of £0.6 million). This is after taking account of the Group's share of loss from its associate company, Frontier IP Group Plc ("Frontier IP"), which was £0.1 million (2012: loss of £0.1 million). The loss per share decreased by 36% to 0.91p (2012: loss per share of 1.42p).

Net assets per share at 30 June 2013 were 4.8p (2012: 6.8p). Cash balances at the same date stood at £0.6 million (2012: £0.7 million). Following the sale of our shares in Frontier IP, cash balances are expected to strengthen by the year end and then to increase further in the first quarter of 2014 with the anticipated completion of the NAW development.

Property Division

Our property activities cover three key areas - regeneration, asset management and property financing solutions. There is some overlap but the three strands provide a good mix of income opportunity from medium term, fixed-term contracts and short-term fees as well as high return funding projects:

- *Regeneration* – this activity is driven by our three Local Authority partnerships in Liverpool, Salford and North Solihull. It is a fee-based activity with good visibility on a large proportion of the fees and the potential for further upside from development profits and deployment of capital;
- *Asset Management* – this activity is currently focused on the management of the Winchburgh development in Edinburgh and the City Wharf development in Aberdeen. It generates fixed fees with a small element of upside based on performance targets; and
- *Property Financing Solutions* – this activity offers the potential for very large fees with the opportunity of significant recurring revenue from the funding model we are working on as well as revenue from the deployment of large funds and longer term carried interest in the funds.

Regeneration

We made good progress with our three local authority partnerships over the period and our partnerships in Liverpool and North Solihull showed especially good momentum.

The Liverpool Partnership, also referred to as Regeneration Liverpool, continued to see increased momentum in both the level and the scope of its regeneration activities. Regeneration Liverpool is undertaking the Norris Green development in Liverpool, a £100 million new housing scheme. So far, Regeneration Liverpool has completed 131 new homes at this development. Construction of the third phase, the development of 63 new homes, commenced in March and the fourth stage, the construction of 167 homes, commenced in June. For the third phase, Sigma will receive c. £0.22 million of which c. £0.12 million will be paid over 18 months with the balance payable on completion. For the fourth phase, Sigma will receive c. £0.6m, equivalent to around 3.4% of the gross development costs, with approximately half being paid over the next three years and the balance on completion of the sale of the homes. Construction of the fourth phase is expected to be completed in December 2017.

In March, Regeneration Liverpool signed a land option agreement to develop a significant commercial area south and east of Lime Street Station in the centre of Liverpool. This is a three hectare (7.4 acre) site which extends from Lime Street to the east, and is bounded on its southern edge by Renshaw Street up to the city's Knowledge Quarter. The development is expected to take place between 2014 and 2020.

In August, Regeneration Liverpool signed an option agreement to develop the 12-acre site at the former Queen Mary School into 164 new homes both for open market sale and for rent. The total gross development value of the scheme is approximately £27 million and the project will generate income to Sigma of around £0.8 million over the next five years. Construction is now expected to commence in 2014.

Our North Solihull Partnership made progress with the forward sale of a major 30,000 sq ft commercial and retail development, North Arran Way, at Smith's Wood Village Centre in North Solihull. The forward sale was completed at the beginning of the year and the contractor commenced on site in March. Solihull Inpartnership Ltd, a subsidiary of Sigma Inpartnership Ltd, is the developer and has commenced the drawdown of the £4m funding facility from the Government's Growing Places Fund to finance the cash flow required during the construction of the development which is due to be completed in January 2014. This development is expected to generate fees and profit for Sigma of c. £0.3 million.

As the Group is the developer of this project, in accordance with International Accounting Standard for Construction Contracts, IAS11, we have included in the Group's results a portion of the total expected sales and cost of sales of the NAW development, based on the percentage of completion of the project as at 30 June 2013. The gross profit arising from this development is stated after the Group's charge for its monthly development management fee.

Sigma is also working on the infrastructure works and construction of the enterprise centre at Craig Croft in North Solihull. Work commenced in May and is expected to complete by April 2014.

The Salford Partnership (also referred to as the Higher Broughton Partnership) is progressing well with the Top Streets development. Top Streets comprises 80 housing units and at the end of August 2013, 25 of the units had been sold. Work has not yet started at another key site, at Newbury Place, Higher Broughton, where we have received detailed planning consent for a new healthcare and retail scheme worth approximately £9 million, but we expect the contractors to be on site before the end of the year.

Asset Management

Our main focus is the major residential development at Winchburgh, which is situated eight miles west of Edinburgh, where we are managing the project implementation phase. As previously reported, our five year management contract is expected to generate a total of £1.8m in fees over the contract term and has the potential for additional performance-based remuneration. Since West Lothian Council's grant of Planning Permission in Principle in April 2012, we have concluded sale agreements with four national house builders for residential development plots comprising 367 market sale homes. We are also in discussion with a fifth house builder for a further 111 houses. Detailed planning permission has been issued for 478 plots and the first housing occupations occurred in June. In addition, we have reached agreement with Network Rail for a bridge crossing adjacent to the proposed location of the new Winchburgh rail station.

Property Financing

A major part of our resources has been focused on building our funding model for the Private Rented Sector ("PRS"), drawing on the land we have under our control for residential development. We have been working on our model over the last two years, investing greater resource over that period as we see it as a major opportunity for the Group.

We have made significant progress with the PRS model in the first half of the year. Our model entails us managing both the drawdown of land, in the main from our Local Authority partners, and the construction of the new homes. Under our model, we would also be responsible for the letting and management of the residential estates we are creating. We have agreed detailed terms with Countryside Homes, a national house builder, for the construction element, subject to funding. We have also agreed detailed terms with a broad based, property services and valuation business with UK reach for the provision of lettings management services once the units are built. The final element of our model is an investment partner or partners and we are currently in advanced discussions here and expect to report on progress before the end of the year.

Our PRS model expects the Group to generate fees through each stage of the life of a fund, during the construction phase, during the asset management phase and when the assets are sold.

Venture capital fund management

As previously stated, we are reviewing our venture capital fund management activities and exploring ways in which we can align the best interests of the limited partners in the funds with the Group's aim to exit from this activity. This review encompasses both the fund management activity and the holding of our limited partner interests. In the period, investee company, i-design group plc, agreed a takeover and the subsequent sale generated total cash receipts for Sigma of £0.2 million. Following this disposal, Sigma's four venture funds hold investments in 15 companies. Sigma's limited partner interests in the funds at 30 June 2013 had a carrying value of £0.6 million (2012: £1.2 million).

Associate company – Frontier IP

After the balance sheet date, Sigma sold 2,905,212 ordinary shares of 10p each in Frontier IP at a price of 10 pence per share. The disposal generated net proceeds of £0.3 million for Sigma and is expected to result in a profit of c. £0.1 million for the Group. Following the sale, Sigma holds 3.2% of the ordinary shares in Frontier IP and as a result Frontier IP ceased to be an associate company of Sigma. Going forward Sigma will hold its remaining 600,000 ordinary shares in Frontier IP as an investment at bid price.

Outlook

We remain strongly encouraged about the Group's growth prospects and look forward to updating shareholders in due course.

David Sigsworth
Chairman

27 September 2013

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2013

	Notes	**Six months ended 30 June 2013 (unaudited) £'000**	Six months ended 30 June 2012 (unaudited) £'000	Year ended 31 December 2012 (audited) £'000
Revenue	4	**2,156**	1,090	2,326
Cost of sales		**(1,187)**	-	-
Gross profit		**969**	1,090	2,326
Other operating income				
Profit/(loss) on disposal of equity investments		**20**	(7)	(7)
Unrealised profits/(losses) on the revaluation of investments	5	**49**	(277)	(826)
Administrative expenses		**(1,378)**	(1,377)	(2,575)
Loss from operations		**(340)**	(571)	(1,082)
Finance income net of finance costs		**3**	19	22
Share of loss of associate		**(76)**	(95)	(111)
Loss before tax		**(413)**	(647)	(1,171)
Taxation	6	**-**	-	-
Loss after tax and for the period		**(413)**	(647)	(1,171)
Loss per share attributable to the equity holders of the Company:				
Basic and diluted loss per share	7	**0.91p**	1.42p	2.57p

All of the Group activities are classed as continuing and there were no comprehensive gains or losses in any period other than those included in the statement of comprehensive income.

Consolidated Statement of Financial Position

At 30 June 2013

	Note	As at 30 June 2013 (unaudited) £'000	As at 30 June 2012 (unaudited) £'000	As at 31 December 2012 (audited) £'000
ASSETS				
Non-current assets				
Goodwill and other intangibles		**605**	322	614
Property and equipment		**23**	32	26
Investment in associate company	8	**238**	305	314
Financial assets at fair value through profit and loss		**609**	1,198	691
		1,475	1,857	1,645
Current assets				
Trade receivables	9	**739**	668	688
Other current assets	9	**1,600**	365	76
Trading investments		**2**	79	45
Cash and cash equivalents		**593**	722	1,024
		2,934	1,834	1,833
Total assets		**4,409**	3,691	3,478
LIABILITIES				
Current liabilities				
Trade and other payables	9	**1,278**	576	881
Loan	10	**924**	-	-
Total liabilities		**2,202**	576	881
Net assets	11	**2,207**	3,115	2,597
EQUITY				
Called up share capital	12	**457**	456	456
Share premium account	12	**4,496**	4,481	4,481
Capital redemption reserve		**34**	34	34
Merger reserve		**(249)**	(249)	(249)
Capital reserve		**(7)**	(7)	(7)
Share based payment reserve		**182**	169	175
Retained earnings		**(2,706)**	(1,769)	(2,293)
Total equity		**2,207**	3,115	2,597

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2013

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Merger reserve £'000	Capital reserve £'000	Share-based payment reserve £'000	Profit and loss account £'000	Total Equity £'000
At 1 January 2012	456	4,481	34	(249)	(7)	160	(1,122)	3,753
Loss for the period	-	-	-	-	-	-	(647)	(647)
Share-based payments	-	-	-	-	-	9	-	9
At 30 June 2012	456	4,481	34	(249)	(7)	169	(1,769)	3,115
Loss for the period	-	-	-	-	-	-	(524)	(524)
Share-based payments	-	-	-	-	-	6	-	6
At 31 December 2012	456	4,481	34	(249)	(7)	175	(2,293)	2,597
Issue of shares	1	15	-	-	-	-	-	16
Loss for the period	-	-	-	-	-	-	(413)	(413)
Share-based payments	-	-	-	-	-	7	-	7
At 30 June 2013	457	4,496	34	(249)	(7)	182	(2,706)	2,207

Consolidated Statement of Cash Flows

For the six months ended 30 June 2013

	Notes	**Six months ended 30 June 2013 (unaudited) £'000**	Six months ended 30 June 2012 (unaudited) £'000	Year ended 31 December 2012 (audited) £'000
Cash flows from operating activities				
Cash used in operations	13	**(636)**	(658)	(292)
Net cash used in operating activities		**(636)**	(658)	(292)
Cash flows from investing activities				
Purchase of shares in Frontier IP		**-**	-	(25)
Purchase of property and equipment		**(8)**	(3)	(8)
Purchase of financial assets at fair value through profit and loss		**(13)**	(20)	(38)
Disposal of financial assets at fair value through profit and loss		**108**	11	19
Disposal of trading investments		**99**	98	99
Long term loan		**-**	10	(18)
Interest received		**3**	19	22
Net cash generated from investing activities		**189**	115	51
Cash flows from financing activities				
Issue of shares		**16**	-	-
Net cash generated from financing activities		**16**	-	-
Net decrease in cash and cash equivalents		**(431)**	(543)	(241)
Cash and cash equivalents at beginning of period		**1,024**	1,265	1,265
Cash and cash equivalents at end of period		**593**	722	1,024

1. General information

The Company is a limited liability company incorporated in England and with its registered office at NorthWest Wing, Bush House, Aldwych, London WC2B 4EZ. The Company's trading office is situated at 41 Charlotte Square, Edinburgh EH2 4HQ.

The Company is quoted on AIM.

This condensed consolidated interim financial information was approved and authorised for issue by a duly appointed and authorised committee of the Board of Directors on 27 September 2013.

This condensed consolidated interim financial information has not been audited or reviewed by the Company's auditor.

2. Basis of presentation

This condensed consolidated interim financial information for the six months ended 30 June 2013 has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2012, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

This condensed consolidated interim financial information does not constitute statutory accounts within the meaning of s434 of the Companies Act 2006. The comparatives for the full year ended 31 December 2012 are not the Company's full statutory accounts for that year. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified and did not contain a statement under sections 498(2) or 498(3) of the Companies Act 2006.

3. Accounting policies

The accounting policies applied by the Group in these unaudited half year results are consistent with those applied in the annual financial statements for the year ended 31 December 2012 as described in the Group's Annual Report for that year and as available on our website www.sigmacapital.co.uk but with the addition of a policy for the recognition of revenue and costs in relation to property development.

Revenue from property development is recognised as appropriate in accordance with IAS 18 or IAS 11, with reference to IFRIC 15, dependent upon the circumstances specific to each contract. Where the substance of a contract meets the definition of a construction contract, revenue is accrued and development costs charged to the income statement in proportion to the stage of completion of the project in accordance with IAS 11. Where the substance of the contract does not meet the definition of a construction contract, revenue is recognised as the services are provided in accordance with IAS 18.

No new standards that have become effective in the period have had a material effect on the Group's financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

4. Segmental information

The chief operating decision-maker has been identified as the Group board of directors. The board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. All of the Group's activities are carried out in the UK. The Board of Directors assesses the performance of the operating segments based on turnover, trading profit and operating profit.

	Property £'000	Venture Capital £'000	Holding company £'000	Intra Group adjustments £'000	Total £'000
Six months ended 30 June 2013					
Revenue (see note below)	1,870	286	-	-	2,156
Trading loss	(104)	(86)	(210)	(9)	(409)
Profit on disposal of equity investments	-	20	-	-	20
Unrealised profit/(loss) on the revaluation of investments	-	49	(114)	114	49
(Loss)/profit from operations	(104)	(17)	(324)	105	(340)
Finance income	-	2	1	-	3
Share of loss of Frontier IP Group Plc	-	-	-	(76)	(76)
Loss before tax	(104)	(15)	(323)	29	(413)
Six months ended 30 June 2012					
Revenue	576	514	-	-	1,090
Trading (loss)/profit	(268)	110	(129)	-	(287)
Loss on disposal of equity investments	-	(2)	(5)	-	(7)
Unrealised (loss)/profit on the revaluation of investments	-	(289)	(362)	374	(277)
Loss/(profit) from operations	(268)	(181)	(496)	374	(571)
Finance income	1	18	18	(18)	19
Finance costs	-	-	(18)	18	-
Share of loss of Frontier IP Group Plc	-	-	-	(95)	(95)
Loss before tax	(267)	(163)	(496)	279	(647)

	Property £'000	Venture Capital £'000	Holding company £'000	Intra Group adjustments £'000	Total £'000
Year ended 31 December 2012					
Revenue	1,479	847	-	-	2,326
Trading (loss)/profit	(36)	59	(2,572)	2,300	(249)
Loss on disposal of equity investments	-	(2)	(5)	-	(7)
Unrealised loss on the revaluation of investments	-	(841)	(338)	353	(826)
Loss from operations	(36)	(784)	(2,915)	2,653	(1,082)
Finance income	1	20	37	(36)	22
Finance costs	(36)	-	-	36	-
Share of loss of Frontier IP Group Plc	-	-	-	(111)	(111)
Loss before tax	(71)	(764)	(2,878)	2,542	(1,171)
Total net assets					
Six months ended 30 June 2013	(2,683)	1,954	2,630	306	2,207
Six months ended 30 June 2012	(2,781)	2,562	5,390	(2,016)	3,155
Year ended 31 December 2012	(2,579)	1,967	2,939	270	2,597

Note: For the period ended 30 June 2013, revenue includes a proportion of the total expected sales value of the NAW development. This figure of £1,223,000 has been calculated based on the percentage of completion of the project as at 30 June 2013.

5. Unrealised profits/(losses) on the revaluation of investments

The total fair value adjustments made against investments during the period, both financial assets at fair value through profit and loss and trading investments, is set out below.

	Six months ended 30 June 2013 (unaudited) £'000	Six months ended 30 June 2012 (unaudited) £'000	Year ended 31 December 2012 (audited) £'000
Financial assets at fair value through profit and loss			
- Venture capital assets	**13**	(289)	(801)
- Unquoted securities	**-**	-	(5)
Trading investments	**36**	12	(20)
	49	(277)	(826)

6. Taxation

The taxation expense is recognised based on management's best estimate of the weighted average annual tax rate expected for the full financial year. Management expects that there will be no taxation expense for the year due to the availability of trading losses brought forward. The tax charge for the year ended 31 December 2012 was nil.

7. Loss per share

The calculation of the basic loss per share is for the six months ended 30 June 2013 (six months ended 30 June 2012; year ended 31 December 2012) and is based on the losses attributable to the shareholders of Sigma Capital Group plc divided by the weighted average number of shares in issue during the year.

	Loss attributable to shareholders £'000	Weighted average number of shares	Basic loss per share pence
Period ended 30 June 2013	**413**	**45,574,971**	**(0.91)**
Period ended 30 June 2012	647	45,571,656	(1.42)
Year ended 31 December 2012	1,171	45,571,656	(2.57)

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares in issue on the assumption of conversion of all dilutive potential ordinary shares. The Company has only one category of dilutive ordinary shares, those share options granted where the exercise price is less than the average price of the Company's shares during the period. Diluted loss per share is calculated by dividing the same loss attributable to equity holders of the Company as above by the adjusted number of ordinary shares in issue during the six months ended 30 June 2013 of 46,839,151 (2012: six months 45,571,656; full year 45,571,656). For all three periods, as the calculation for dilutive loss per share reduces the net loss per share, the diluted loss per share shown is the same as the basic loss per share.

8. Investment in associate company

After the half year end the Company disposed of 2,405,212 existing ordinary shares of 10p each in its associate company, Frontier IP Group Plc ("Frontier IP"), at a price of 10 pence per share. The disposal was part of a placing of 6,325,212 new and existing ordinary shares undertaken by Frontier IP. Subsequently, the Company disposed of a further 500,000 shares at a price of 10 pence per share. As a result of the two disposals the Company's interest in Frontier IP fell from 26.86% to 3.19% and Frontier IP ceased to be an associate company of Sigma. Going forward Sigma will account for its remaining holding of 600,000 ordinary shares as an investment at bid price. The sales generated net proceeds to the Company of £276,000 and an expected profit of c. £100,000.

9. NAW development

Trade receivables, other current assets and trade payables include balances that relate to the NAW development as follows:

	NAW £'000	Other £'000	Total £'000
Trade receivables	352	387	739
Accrued revenue and income	1,233	51	1,284
Other current assets	215	101	316
Trade and other payables	(491)	(787)	(1,278)

10. Loan

The loan in respect of the NAW development is from Birmingham City Council being the accountable body for the Local Enterprise Partnership in connection with funding under the Growing Places Fund. The total amount available under the terms of the loan is £4.045 million with interest charged at a commercial rate. The loan is held in Solihull Inpartnership Ltd, a wholly owned subsidiary of Sigma Capital Group plc and is secured on the development. There are no cross guarantees in respect of the loan with any group company. The loan is repayable ten days after practical completion with a forward sale of the NAW development having been agreed, also completing ten days after practical completion.

11. Net assets

	Net assets £'000	Issued shares Number	Net assets per share p
Period ended 30 June 2013	**2,207**	**45,721,656**	**4.8**
Period ended 30 June 2012	3,115	45,571,656	6.8
Year ended 31 December 2012	2,597	45,571,656	5.7

12. Share Capital and Share Premium

The movements in share capital and share premium during the period arise from the exercise of share options.

13. Cash used in operations

	Six months ended 30 June 2013 (unaudited) £'000	Six months ended 30 June 2012 (unaudited) £'000	Year ended 31 December 2012 (audited) £'000
Loss before tax	**(413)**	(647)	(1,171)
Adjustments for:			
Result of associate	**76**	95	111
Share-based payments	**7**	9	15
Depreciation	**11**	12	23
Amortisation	**9**	-	24
Net finance income	**(3)**	(19)	(22)
Provision against long term loan	**-**	-	28
Fair value (profit)/ loss on financial assets at fair value through profit or loss	**(13)**	289	806
(Profit)/loss on disposal of trading investments at fair value through profit or loss	**(20)**	7	7
Changes in working capital:			
Trade and other receivables	**(1,575)**	(166)	103
Other financial assets at fair value through profit or loss	**(36)**	(12)	21
Trade and other payables	**397**	(226)	(237)
Loan	**924**	-	-
Cash flows from operating activities	**(636)**	(658)	(292)

14. Copies of the interim financial statements

Copies of the Half Yearly Report 2013 will be sent to shareholders and copies will be available on request from the Company's office at 41 Charlotte Square, Edinburgh EH2 4HQ no later than 14 October 2013 and on the Company's website, www.sigmacapital.co.uk.

Sigma Capital Group plc
41 Charlotte Square
Edinburgh EH2 4HQ

Tel +44 (0)131 220 9444
Fax +44 (0)131 220 9445

Oxford Place
61 Oxford Street
Manchester M1 6EQ

Tel +44 (0)161 200 5300
Fax + 44 (0)161 236 7838

general@sigmacapital.co.uk
www.sigmacapital.co.uk