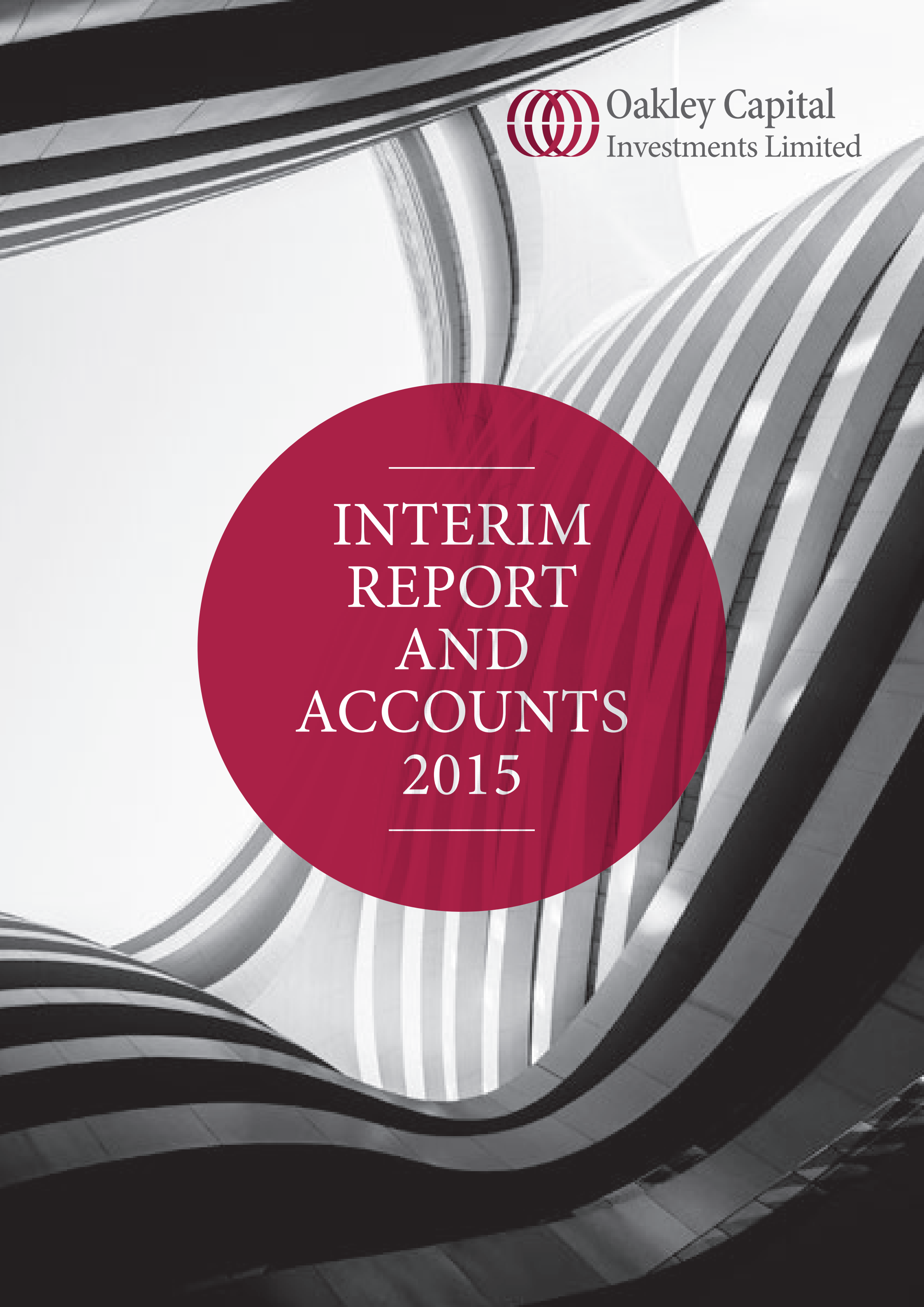

Oakley Capital
Investments Limited

INTERIM REPORT AND ACCOUNTS 2015


CONTENTS

The six months to 30 June 2015 has been a period of positive developments for Oakley Capital Investments Limited ("the Company"). The Company raised £130 million gross in a private placing at the end of the first quarter to enable the Company to participate in co-investments with the Funds and to invest in successor funds. To the end of the reporting period, the Company had made co-investments with a total cost of £3.2 million. Fund I disposed of its interest in Verivox GmbH ("Verivox"), which it had held since December 2009, realising a gross money multiple of 14.5x and IRR of 68%. Fund II made significant progress in the six months to 30 June 2015, investing €86.2 million in new portfolio acquisitions and €4.6 million in follow-on investments.

The Company has a capital commitment of €188.4 million in Fund I of which 93.5% had been called at 30 June 2015, making Fund I essentially fully invested. During the first half of 2015, Fund I made a follow-on investment in the Time Out Group of €8.1 million and sold its investment in Verivox for €68.0 million. The proceeds were receivable as at 30 June 2015.

The Company also has a capital commitment of €200.0 million in Fund II of which 48.0% had been called at 30 June 2015. During the first half of 2015, Fund II acquired controlling interests in Damovo II Sarl ("Damovo") and Parship GmbH ("Parship"). The aggregate enterprise value of these investments was €117.8 million, with Fund II providing equity of €63.9 million. Additionally, Fund II invested €21.4 million in HEG Holdings Limited ("Host Europe") and made follow-on investments of €4.6 million in the North Sails Group ("North Sails").

On 26 March 2015, the Company announced a placing of 78,787,879 new ordinary shares (the "Placing Shares") at a placing price of 165 pence per share (the "Placing Price") to raise gross proceeds of £130.0 million from existing and new institutional and other professional investors (the "Placing"). A resolution to increase the Company's authorised share capital and enabling the Directors to allot the Placing Shares was duly passed at a Special General Meeting held on 17 April 2015. Admission of the Placing Shares became effective, and dealings on AIM commenced, on 20 April 2015. The Placing was made to qualifying investors on a non-pre-emptive basis.

Oakley Capital Limited (the "Investment Adviser") has identified a number of opportunities in which it believes the Company may have an opportunity to co-invest alongside the Funds ("Co-Investments"). It is intended that the entire net proceeds of the Placing will be committed to Co-Investments (through a co-investment vehicle to be established) or to one or more successor funds to the Funds.

During the six month period ending 30 June 2015, the Company co-invested €4.6 million in equity in Time Out Mercado Limited ("Time Out Mercado"). Time Out Mercado forms part of the Time Out group and holds 75.1% in Mercados da Capital, a leading food market in Lisbon.

PERFORMANCE

The net asset value per share as at 30 June 2015 was £1.82, a decrease of 9.5% since 31 December 2014, and a decrease of 4.7% compared to 30 June 2014. The main reason for the decline was the Placing in which 78.8 million shares were issued at market price. The dilution arising from the Placing accounts for 7.5% of the 9.5% decline in the net asset value per share since 31 December 2014. This was compounded by the weakening of the Euro against Sterling over the period, which affected the fair value of the Company's investments in the Funds more than offsetting the net increase in fair value of the portfolio of investments in the Funds attributable to the Company on a like-for-like basis, amounting to £11.7 million.

From an investment portfolio perspective, the fair value of the Company's investment in Fund I fell during the reporting period from £87.2 million to £79.8 million as a result of adverse FX movements, driven by the weakness in the Euro. The fair value of the Company's investment in Fund II also fell during the period, from £64.7 million to £59.4 million. The main driver for this reduction was the disposal by Fund II of its investment in Intergenia Holdings GmbH ("intergenia") returning £14.9 million to the Company, which was compounded by further adverse FX movements. This reduction was partly offset by the Company paying a capital call by Fund II amounting to 6% of commitments, being approximately £8.5 million, and by an uplift in fair value arising from improved trading performances in a number of Fund II's underlying portfolio companies.

In addition to its investments in the Funds and Co-investments, the Company has provided debt finance directly to a number of the Funds' portfolio companies. These typically take the form of mezzanine loans with fixed interest rates of 10%–15%. The Company has also provided secured senior debt to certain of the Funds' portfolio companies at interest rates typically of 8.5%–10%. During the period, the Company provided a finance loan to Damovo. The instrument carries a fixed interest rate of 5.7%. On 21 June 2015, the Company restructured the loan provided to Broadstone Holdco (Bermuda) Limited which now carries a fixed interest rate of 6% per annum and is secured by the Fund's investment in Broadstone Pensions and Investments Limited.

The Company has revolving credit facilities with Fund I, the Master Fund and Oakley Capital GP II Limited ("GP II"), in each case at an interest rate of 6.5%.

The Company held cash and cash equivalents and other net assets of £169.7 million at 30 June 2015.

POST BALANCE SHEET EVENTS

On 10 July 2015, the Company co-invested £2.5 million in equity in Time Out Fly Pay, a mobile application for restaurants and consumers. Time Out Fly Pay forms part of the Time Out group.

On 16 July 2015, the Company co-invested £3.5 million in equity in the Time Out Group Limited.

On 30 July 2015, the Company co-invested £14.0 million in debt in Daisy. Daisy is one of the UK's leading independent business communication providers to the SME and mid-market sector. The Company invested alongside Fund II.

On 19 August 2015, the Company received a distribution from Fund II of €5.6 million (£4.0 million) arising primarily from the repayment of capital by Facile.it.

OUTLOOK

As previously reported Fund I is now effectively fully invested and has generated a gross money multiple of 2.3x and an IRR of 38% on a realised and unrealised basis since its inception in 2007. Fund I's remaining significant assets include holdings in the educational business Educas and the digital media group Time Out.

Fund II has already invested 67% of total commitments in portfolio companies. The Investment Adviser believes that it has built a strong and diversified portfolio, replicating the successful strategy Fund I executed and is confident that it will deliver superior returns to investors. It is also expected that the current pipeline will produce further investment recommendations.

Christopher Wetherhill
Chairman

10 September 2015

THE COMPANY AND THE FUNDS

The Company currently achieves its investment objective primarily through its investments in the Funds. The Company invests in Fund II through Oakley Capital Private Equity II-A L.P. The Funds are unlisted UK and European mid-market private equity funds with the aim of providing investors with significant long-term capital appreciation.

Oakley Capital (Bermuda) Limited (the "Manager"), a Bermudian company, acts as adviser and arranger to the Company and as the manager of Fund I. Oakley Capital Limited (the "Investment Adviser") acts as investment adviser to the Manager with respect to the Company, as the investment adviser to the Manager with respect to Fund I, and as the investment adviser to the general partner of the constituent limited partnerships of Fund II. The Investment Adviser is primarily responsible for advising on the investment and realisation of the assets of Fund I and Fund II respectively.

The Funds' investment strategy is to invest in sectors that are growing or where consolidation is taking place. Within the core sector interests, the Funds invest in both performing and under-performing businesses, supporting buy-and-build strategies, businesses encountering rapid growth, or businesses undergoing significant operational or strategic change. Investing in a diverse range of portfolio companies, the Funds' objective is to work proactively with the portfolio companies' management teams, together with other stakeholders, in order to create substantial shareholder value.

The Funds look to acquire a controlling interest in companies with an enterprise value of between £20 million and £100 million, although companies with a lower enterprise value are considered where the Investment Adviser believes that anticipated returns justify the investment. In exceptional circumstances the Funds will take a minority stake in businesses where a majority stake is not achievable and where the potential returns merit such an investment. The Funds aim to deliver in excess of 25% gross internal rate of return (IRR) per annum on investments. The life of each Fund is expected to be approximately 10 years, which includes a five year investment period.

MARKET BACKGROUND

The steady decline in the Euro against Sterling which started in early 2013 continued throughout the reporting period, increasing in volatility in the second quarter principally as a result of the uncertainties around the possibility of a "Grexit". The Euro had fallen to 1.41 against Sterling by 30 June 2015, a level last seen in late 2007. With a significant majority of the Company's investments denominated in Euros, this FX depreciation has taken its toll on the Company's net asset value. With uncertainty over Greece significantly reduced, the focus going forward is going to be on fundamentals.

SUMMARY OF INVESTMENT ACTIVITY

The total value of all investments held by the Company decreased by £19.2 million from £208.2 million at 31 December 2014 to £189.0 million at 30 June 2015. The main factors causing a reduction in investment value were distributions of £16.7 million from the Funds and the repayment of £20.0 million of loans advanced by the Company. This reduction was partly offset by an £8.5 million increase in the cost of its investment in Fund II from a capital call, £10.4 million in new or additional loans, and £3.2 million in new unquoted equity securities in Time Out Mercado. The balance of £4.6 million was due to a net change in investment valuations from fair value adjustments and foreign exchange movements.

Loans comprised mezzanine and senior finance loans to certain of the Funds' portfolio companies and short-term revolving credit facilities provided to Fund I, the Master Fund and GP II, thereby ensuring that un-invested cash continues to work for the Company, earning a positive return.

At 30 June 2015 the total value of loans outstanding was £45.4 million.

The transactional activity for the first half of 2015 for the Company's investment portfolio is summarised in the following tables:

Denominated in British Pounds (million)

Investment	Opening cost 01.01.15	Opening fair value	Investment additions	Realisations (cost relieved)	Closing cost	Change in unrealised gain/(loss)	Closing fair value
Investments held at 30 June 2015							
Investments in Funds							
Fund I	73.2	87.2	–	–	73.2	(7.4)	79.8
Fund II	64.5	64.7	8.5	(11.8)	61.2	(2.0)	59.4
Total	**137.7**	**151.9**	**8.5**	**(11.8)**	**134.4**	**(9.4)**	**139.2**
Unquoted equity securities							
Time Out Mercado	–	–	3.2	–	3.2	–	3.2
OCIL Financing	1.3	1.3	–	–	1.3	–	1.3
Total	**1.3**	**1.3**	**3.2**	**–**	**4.5**	**–**	**4.5**
Senior Loans							
Time Out Group	5.2	5.2	–	–	5.2	–	5.2
Total	**5.2**	**5.2**	**–**	**–**	**5.2**	**–**	**5.2**
Mezzanine Loans							
Time Out Group	9.3	9.4	–	–	9.3	–	9.4
Broadstone	6.0	6.0	–	–	6.0	–	6.0
Total	**15.3**	**15.4**	**–**	**–**	**15.3**	**–**	**15.4**
Financing Loans							
Damovo	–	–	0.6	–	0.6	–	0.6
Bellwood Holdings	2.6	2.6	–	–	2.6	–	2.6
Total	**2.6**	**2.6**	**0.6**	**–**	**3.2**	**–**	**3.2**
Revolving Loan Facility							
Fund I	19.3	19.3	6.7	(11.0)	15.0	–	15.0
Fund II	8.0	8.0	3.1	(8.0)	3.1	–	3.1
Oakley Capital GP II Ltd	4.5	4.5	–	(1.0)	3.5	–	3.5
Total	**31.8**	**31.8**	**9.8**	**(20.0)**	**21.6**	**–**	**21.6**
Total investments	**193.9**	**208.2**	**22.1**	**(31.8)**	**184.2**	**(9.4)**	**189.1**

Denominated in British Pounds (million)

Investment	Cost realised	Proceeds	Realised gain
Investments realised			
Fund II	11.8	14.9	3.1
Fund I Revolver	11.0	11.0	–
Fund II Revolver	8.0	8.0	–
GP II Revolver	1.0	1.0	–
Total	**31.8**	**34.9**	**3.1**

The Company provided a finance loan of £0.6 million to Damovo during the period ended 30 June 2015. The instrument carries a fixed interest rate of 5.7% and matures no later than May 2016.

On 27 May 2015, the Company made an equity investment of €4.6 million (£3.2 million) in Time Out Mercado.

The Company provides revolving credit facilities to the Funds. Each drawing under these facilities is generally for a term of up to 12 months at an interest rate of 6.5%. The loans are used by the Funds to fund short-term cash requirements. The interest generated from the revolving credit facilities exceeds the interest earned on the Company's bank deposits, allowing the Company to earn higher returns on part of its cash reserves. As at 30 June 2015, the principal amount available under the revolving credit facility for Fund I was £30.0 million, of which £15.0 million had been drawn down, and the principal amount available under the revolving credit facility for the Master Fund was £15.0 million, of which £3.1 million had been drawn down.

Of the £5.0 million loan facilities provided to GP II, at an interest rate of 6.5%, £1.0 million was repaid during the period, leaving an aggregate of £3.5 million outstanding at 30 June 2015.

The exchange rates used by the Company as at 30 June 2015 were a GBP:USD exchange rate of 1.5725 and a GBP:EUR exchange rate of 1.4100.

REVIEW OF INVESTMENTS

FUND I PORTFOLIO INVESTMENT ACTIVITY FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2015

The table below summarises the investment activity of Fund I during the first half of 2015. The values are denominated in Euros and as at 30 June 2015 the Company held a 65.5% interest in Fund I. The GBP:EUR exchange rate as at 30 June 2015 was 1.4100.

Denominated in Euros (million)

Investment	Opening cost 01.01.15	Opening fair value	Investment additions	Investment disposals	Closing cost	Change in unrealised gain/(loss)	Closing fair value
Investments held at 30 June 2015							
Broadstone	34.2	24.3	–	–	34.2	(0.3)	24.0
Time Out Group	62.8	69.8	8.1	–	70.9	6.8	84.7
Educas	17.2	19.8	–	–	17.2	1.0	20.8
Educas Australia	3.8	3.8	–	–	3.8	–	3.8
Other	0.1	0.1	–	–	0.1	–	0.1
Total	**118.1**	**117.8**	**8.1**	**–**	**126.2**	**7.5**	**133.4**
Investments realised 2015							
Verivox	–	68.8	–	–	–	(68.8)	–
Total	**–**	**68.8**	**–**	**–**	**–**	**(68.8)**	**–**
Total investments	**118.1**	**186.6**	**8.1**	**–**	**126.2**	**(61.3)**	**133.4**

Denominated in Euros (million)

Investment	Cost	Proceeds	Realised gain
Realisations 2015			
Verivox	–	68.0	68.0
Total	**–**	**68.0**	**68.0**

The total decrease in the year in the fair value of the portfolio companies of Fund I was €53.2 million. The change in values of the portfolio companies is attributable to three key factors:

Increase of €8.1 million as a result of additional funding into existing portfolio companies by Fund I:

Fund I provided further equity funding to certain Time Out Group companies of €8.1 million.

Increase of €7.5 million as a result of a net increase to the fair values of the underlying portfolio companies of Fund I held at 30 June 2015:

Educas Investments LLP ("Educas") showed an increase in fair value of €1.0 million due to significant growth in profitability.

Foreign exchange movements account for the majority of the remaining changes in fair values.

Decrease of €68.8 million as a result of investments in the underlying portfolio companies sold by Fund I, and other distributions:

Verivox was sold in the first half of 2015 by Fund I, realising €68.0 million for Fund I. The proceeds were receivable as at 30 June 2015.

FUND II PORTFOLIO INVESTMENT ACTIVITY FOR THE SIX MONTH PERIOD ENDING 30 JUNE 2015

The table below summarises the investment activity of Fund II during the first half of 2015. The values are denominated in Euros. The Company holds 60.45% interest in Oakley Capital Private Equity II-A L.P. which in turn holds 63.10% in Fund II, providing an effective interest of 38.14% in Fund II. The GBP:EUR exchange rate as at 30 June 2015 was 1.4100.

Denominated in Euros (million)

Investment	Opening cost 01.01.15	Opening fair value	Investment additions	Deal cost	Investment disposals	Closing cost	Change in unrealised gain/(loss)	Closing fair value
Investments held at 30 June 2015								
North Sails	65.4	73.9	4.6	0.8	–	70.8	23.0	102.3
Educas	10.2	10.4	–	–	–	10.2	1.0	11.4
Facile.it	68.3	68.3	–	1.4	–	69.7	6.4	76.1
Host Europe	–	–	20.0	–	–	20.0	–	20.0
Damovo	–	–	10.5	–	–	10.5	–	10.5
Parship	–	–	53.4	1.5	–	54.9	–	54.9
Total investments	**143.9**	**152.6**	**88.5**	**3.7**	**–**	**236.1**	**30.4**	**275.2**

The total increase in the year in the fair value of the portfolio companies of Fund II was €108.4 million. The change in values of the portfolio companies is attributable to three key factors:

Increase of €88.5 million as a result of additional funding into existing portfolio companies and new investments made by Fund II:

During the first half of 2015, Fund II invested €85.3 million to acquire holdings in Host Europe, Damovo and Parship and made a follow-on investment of €4.6 million in the North Sails Group.

Increase of €30.4 million as a result of a net increase to the fair values of the underlying portfolio companies of Fund II held at 30 June 2015:

North Sails and Facile.it SpA ("Facile.it") showed an increase in fair value of €23.0 million and €6.4 million respectively due to significant growth in profitability.

Increase of €3.7 million as a result of deal cost for portfolio companies capitalised by Fund II:

During the first half of 2015, Fund II capitalised deal costs of €3.7 million directly relating to existing portfolio companies.

STATEMENTS OF ASSETS AND LIABILITIES

FOR THE PERIODS ENDED 30 JUNE 2015 AND 2014 AND THE FISCAL YEAR ENDED 31 DECEMBER 2014

(Expressed in British Pounds)

	Notes	Unaudited six months ended 30.06.15 £	Unaudited six months ended 30.06.14 £	Audited year ended 31.12.14 £
Assets				
Investments	2c, 5, 7	189,031,106	200,048,007	208,147,262
Cash and cash equivalents	3	156,719,125	24,400,415	6,882,217
Accrued interest and accounts receivable		14,113,165	11,875,880	42,882,162
Other receivables		100,086	108,121	21,844
Total assets		**359,963,482**	**236,432,423**	**257,933,485**
Liabilities				
Accounts payable and accrued expenses		1,253,288	764,122	1,010,647
Total liabilities		**1,253,288**	**764,122**	**1,010,647**
Net assets attributable to shareholders		**358,710,194**	**235,668,301**	**256,922,838**
Represented by:				
Share capital		2,077,321	1,287,090	1,281,250
Share premium		246,412,310	120,274,734	120,209,349
Retained earnings		125,168,296	121,037,925	135,432,239
		373,657,927	242,599,749	256,922,838
Less: treasury stock		(14,947,733)	(6,931,448)	–
		358,710,194	235,668,301	256,922,838
Number of shares outstanding	9	**197,097,941**	**123,699,050**	**128,125,000**
Net asset value per share		**1.82**	**1.91**	**2.01**

The notes following form an integral part of these financial statements.

SCHEDULES OF INVESTMENTS

FOR THE PERIODS ENDED 30 JUNE 2015 AND 2014 AND THE FISCAL YEAR ENDED 31 DECEMBER 2014

(Expressed in British Pounds)

30 June 2015	Fair value as a percentage of net assets	Percentage interest	Principal amount	Cost £	Fair value £
Investments in funds					
Bermuda					
Oakley Capital Private Equity L.P.	22.25%	65.50%		73,297,935	79,807,407
Oakley Capital Private Equity II-A L.P.	16.56%	60.45%		61,246,471	59,392,696
Total investments in funds	**38.81%**			**134,544,406**	**139,200,103**
Unquoted equity securities					
OCIL Financing (Bermuda) Limited	0.35%	100.00%		1,250,000	1,240,641
Time Out Mercado Limited	0.90%	90.00%		3,245,524	3,238,674
Total unquoted equity securities	**1.25%**			**4,495,524**	**4,479,315**
Unquoted debt securities					
Investments in senior loan notes					
United Kingdom					
Time Out London Interest at 10% p.a. Maturity date March 2016	0.86%		£3,070,482	3,070,482	3,070,482
United States					
Time Out New York Interest at 8.5% p.a. Maturity date May 2016	0.60%		$3,400,000	2,109,020	2,162,060
Total senior loan notes	**1.46%**			**5,179,502**	**5,232,542**
Investments in mezzanine loans					
United Kingdom					
Broadstone Interest rate at 6% p.a. Maturity date November 2015	1.67%		£6,000,000	6,000,000	6,000,000
Time Out London Interest rate at 10% p.a. Maturity date November 2015	1.73%		£6,200,000	6,200,000	6,200,000
United States					
Time Out New York Interest rate at 15% p.a. Maturity date May 2018	0.89%		$5,000,000	3,101,500	3,179,500
Total mezzanine loans	**4.29%**			**15,301,500**	**15,379,500**

30 June 2015 (continued)	Fair value as a percentage of net assets	Percentage interest	Principal amount	Cost £	Fair value £
Investments in financing loan facilities					
Germany					
Bellwood Holdings Ltd Interest at 6% p.a. Maturity date January 2016	0.73%		£2,625,000	2,625,000	2,625,000
Damovo Interest at 5.7% p.a. Maturity date May 2016	0.15%		£530,000	530,000	530,000
Total financing loan facilities	**0.88%**			**3,155,000**	**3,155,000**
Investments in revolving loan facilities					
Bermuda					
Oakley Capital Private Equity L.P. Interest at 6.5% p.a.	4.17%		£14,968,717	14,968,717	14,968,717
OCPE II Master L.P. Interest at 6.5% p.a.	0.87%		£3,115,929	3,115,929	3,115,929
Oakley Capital GP II Ltd Interest at 6.5% p.a.	0.98%		£3,500,000	3,500,000	3,500,000
Total revolving loan facilities	**6.02%**			**21,584,646**	**21,584,646**
Total investments	**52.71%**			**184,260,578**	**189,031,106**

For details of the underlying investments of the Fund, please refer to Note 7.

The notes following form an integral part of these financial statements.

SCHEDULES OF INVESTMENTS continued

FOR THE PERIODS ENDED 30 JUNE 2015 AND 2014 AND THE FISCAL YEAR ENDED 31 DECEMBER 2014

(Expressed in British Pounds)

30 June 2014	Fair value as a percentage of net assets	Percentage interest	Principal amount	Cost £	Fair value £
Investments in funds					
Bermuda					
Oakley Capital Private Equity L.P.	42.89%	65.25%		66,934,100	101,083,820
Oakley Capital Private Equity II-A L.P.	12.75%	58.90%		33,482,700	30,055,397
Total investments in funds	**55.64%**			**110,416,800**	**131,139,217**
Unquoted debt securities					
Investments in senior loan notes					
United Kingdom					
Time Out London Interest at 10% p.a. Maturity date March 2016	1.30%		£3,070,482	3,070,482	3,070,482
United States					
Time Out New York Interest at 8.5% p.a. Maturity date August 2014	0.84%		$3,400,000	2,109,020	1,987,980
Germany					
intergenia Interest at 10% p.a. Maturity date November 2014	0.85%		€2,500,000	2,090,000	2,001,250
Total senior loan notes	**2.99%**			**7,269,502**	**7,059,712**
Investments in mezzanine loans					
United Kingdom					
Broadstone Interest rate at 15% p.a. Maturity date November 2015	2.55%		£6,000,000	6,000,000	6,000,000
Time Out London Interest rate at 10% p.a. Maturity date March 2016	2.63%		£6,200,000	6,200,000	6,200,000
United States					
Time Out New York Interest rate at 15% p.a. Maturity date May 2016	1.24%		$5,000,000	3,101,500	2,923,500
Total mezzanine loans	**6.42%**			**15,301,500**	**15,123,500**

30 June 2014 (continued)	Fair value as a percentage of net assets	Percentage interest	Principal amount	Cost £	Fair value £
Investments in financing loan facilities					
Germany					
intergenia Interest at 10% p.a. Maturity date December 2014	4.18%		€12,300,000	10,365,560	9,846,150
WHDI 2 (Bermuda) Ltd Interest at 10% p.a. Maturity date February 2015	2.44%		£5,741,470	5,741,470	5,741,470
Bermuda					
OCPE Master II L.P. Interest at 10% p.a. Maturity date December 2014	3.06%		€9,000,000	7,200,000	7,200,000
Total financing loan facilities	**9.68%**			**23,307,030**	**22,787,620**
Investments in revolving loan facilities					
Bermuda					
Oakley Capital Private Equity L.P. Interest at 6.5% p.a.	8.04%		£18,937,958	18,937,958	18,937,958
Oakley Capital GP II Ltd Interest at 6.5% p.a.	2.12%		£5,000,000	5,000,000	5,000,000
Total revolving loan facilities	**10.16%**			**23,937,958**	**23,937,958**
Total investments	**84.89%**			**170,232,790**	**200,048,007**

For details of the underlying investments of the Fund, please refer to Note 7.

The notes following form an integral part of these financial statements.

SCHEDULES OF INVESTMENTS continued

FOR THE PERIODS ENDED 30 JUNE 2015 AND 2014 AND THE FISCAL YEAR ENDED 31 DECEMBER 2014

(Expressed in British Pounds)

31 December 2014	Fair value as a percentage of net assets	Percentage interest	Principal amount	Cost £	Fair value £
Investments in funds					
Bermuda					
Oakley Capital Private Equity L.P.	33.94%	65.50%		73,297,935	87,192,510
Oakley Capital Private Equity II-A L.P.	25.17%	60.45%		64,560,999	64,663,678
Total investments in funds	**59.11%**			**137,858,934**	**151,856,188**
Unquoted equity securities					
OCIL Financing (Bermuda) Limited	0.49%	100%		1,250,000	1,251,762
Total unquoted equity securities	**0.49%**			**1,250,000**	**1,251,762**
Unquoted debt securities					
Investments in senior loan notes					
United Kingdom					
Time Out London Interest at 10% p.a. Maturity date March 2016	1.19%		£3,070,482	3,070,482	3,070,482
United States					
Time Out New York Interest at 8.5% p.a. Maturity date May 2016	0.85%		$3,400,000	2,109,020	2,181,440
Total senior loan notes	**2.04%**			**5,179,502**	**5,251,922**
Investments in mezzanine loans					
United Kingdom					
Broadstone Interest rate at 15% p.a. Maturity date November 2015	2.34%		£6,000,000	6,000,000	6,000,000
Time Out London Interest rate at 10% p.a. Maturity date November 2015	2.41%		£6,200,000	6,200,000	6,200,000
United States					
Time Out New York Interest rate at 15% p.a. Maturity date May 2018	1.25%		$5,000,000	3,101,500	3,208,000
Total mezzanine loans	**6.00%**			**15,301,500**	**15,408,000**

31 December 2014 (continued)	Fair value as a percentage of net assets	Percentage interest	Principal amount	Cost £	Fair value £
Investments in financing loan facility					
Germany					
Bellwood Holdings Ltd Interest at 6% p.a. Maturity date January 2016	1.02%		£2,625,000	2,625,000	2,625,000
Total financing loan facility	**1.02%**			**2,625,000**	**2,625,000**
Investments in revolving loan facilities					
Bermuda					
Oakley Capital Private Equity L.P. Interest at 6.5% p.a.	7.51%		£19,286,390	19,286,390	19,286,390
OCPE II Master L.P. Interest at 6.5% p.a.	3.10%		£7,968,000	7,968,000	7,968,000
Oakley Capital GP II Ltd Interest at 6.5% p.a.	1.75%		£4,500,000	4,500,000	4,500,000
Total revolving loan facilities	**12.36%**			**31,754,390**	**31,754,390**
Total investments	**81.02%**			**193,969,326**	**208,147,262**

For details of the underlying investments of the Fund, please refer to Note 7.

The notes following form an integral part of these financial statements.

STATEMENTS OF OPERATIONS

FOR THE PERIODS ENDED 30 JUNE 2015 AND 2014 AND THE FISCAL YEAR ENDED 31 DECEMBER 2014

(Expressed in British Pounds)

	Notes	Unaudited six months ended 30.06.15 £	Unaudited six months ended 30.06.14 £	Audited year ended 31.12.14 £
Investment income				
Interest		1,809,549	3,363,164	6,756,083
Withholding tax on interest		(204,485)	(133,285)	(317,697)
Miscellaneous		30,000	29,134	84,134
Total income		**1,635,064**	**3,259,013**	**6,522,520**
Expenses				
Management fees	4	888,534	–	–
Professional fees	6	830,250	170,224	493,213
Other		269,095	157,343	337,303
Interest		–	84,418	84,418
Total expenses		**1,987,879**	**411,985**	**914,934**
Net investment (loss)/income		**(352,815)**	**2,847,028**	**5,607,586**
Realised and unrealised gains and (losses) on foreign exchange and investments				
Net realised (loss) on foreign exchange		(3,555,742)	(528,491)	(833,926)
Net change in unrealised (loss)/gain on foreign exchange		(27,502)	(60,625)	113,587
Net realised gains on investments		3,079,525	11,305,406	38,601,878
Net change in unrealised (depreciation) on investments		(9,407,408)	(24,835,295)	(40,366,788)
Net realised and unrealised (loss) on foreign exchange and investments		(9,911,127)	(14,119,005)	(2,485,249)
Net (decrease)/increase in net assets resulting from operations		**(10,263,942)**	**(11,271,977)**	**3,122,337**
Net (loss)/gain per share		(0.05)	(0.09)	0.02

The notes following form an integral part of these financial statements.

STATEMENTS OF CHANGES IN NET ASSETS

FOR THE PERIODS ENDED 30 JUNE 2015 AND 2014 AND THE FISCAL YEAR ENDED 31 DECEMBER 2014

(Expressed in British Pounds)

	Unaudited six months ended 30.06.15 £	Unaudited six months ended 30.06.14 £	Audited year ended 31.12.14 £
Net (decrease)/increase in net assets resulting from operations			
Net investment (loss)/income	(352,815)	2,847,028	5,607,586
Net realised (loss) on foreign exchange	(3,555,742)	(528,491)	(833,926)
Net change in unrealised (loss)/gain on foreign exchange	(27,502)	(60,625)	113,587
Net realised gains on investments	3,079,525	11,305,406	38,601,878
Net change in unrealised depreciation on investments	(9,407,408)	(24,835,295)	(40,366,788)
Net (decrease)/increase in net assets resulting from operations	(10,263,942)	(11,271,977)	3,122,337
Net increase in net assets resulting from capital transactions			
Ordinary shares sold	126,822,790	–	–
Treasury shares sold	1,421,399	–	6,860,223
Treasury shares repurchased	(16,192,891)	–	–
Net increase in net assets resulting from capital transactions	112,051,298	–	6,860,223
Net increase/(decrease) in net assets	**101,787,356**	**(11,271,977)**	**9,982,560**
Net assets at beginning of the period/year	**256,922,838**	**246,940,278**	**246,940,278**
Net assets at end of the period/year	**358,710,194**	**235,668,301**	**256,922,838**

The notes following form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE PERIODS ENDED 30 JUNE 2015 AND 2014 AND THE FISCAL YEAR ENDED 31 DECEMBER 2014

(Expressed in British Pounds)

	Unaudited six months ended 30.06.15 £	Unaudited six months ended 30.06.14 £	Audited year ended 31.12.14 £
Cash flows from operating activities			
Net (decrease)/increase in net assets resulting from operations	(10,263,942)	(11,271,977)	3,122,337
Adjustments to reconcile net (decrease)/increase in net assets resulting from operations to net cash used in operating activities:			
Net realised and unrealised loss on foreign exchange and investments	9,911,127	14,119,005	2,485,249
Payments for purchases of investments	(22,066,253)	(57,698,975)	(142,988,335)
Proceeds on disposal of investments	34,854,526	28,479,951	117,435,035
Change in accrued interest and accounts receivable	28,768,997	(2,502,074)	(33,508,356)
Change in other receivables	(78,242)	(65,475)	20,802
Change in accounts payable and accrued expenses	242,641	139,705	386,230
Net cash used in operating activities	**41,368,854**	**(28,799,840)**	**(53,047,038)**
Cash flows from financing transactions			
Proceeds from ordinary shares sold	126,822,790	–	–
Proceeds from treasury shares sold	1,421,399	–	6,860,223
Payments for treasury shares repurchased	(16,192,891)	–	–
Cash used in financing transactions	112,051,298	–	6,860,223
Net effect of foreign exchange (loss)	(3,583,244)	(589,116)	(720,339)
Net increase/(decrease) in cash and cash equivalents	149,836,908	(29,388,956)	(46,907,154)
Cash and cash equivalents at beginning of the period/year	6,882,217	53,789,371	53,789,371
Cash and cash equivalents at end of the period/year	**156,719,125**	**24,400,415**	**6,882,217**
Interest paid during the period/year	–	84,418	84,418

The notes following form an integral part of these financial statements.

1. THE COMPANY

Oakley Capital Investments Limited (the "Company") is a closed-ended investment company incorporated under the laws of Bermuda on 28 June 2007. The principal objective of the Company is to achieve capital appreciation through investments in a diversified portfolio of private mid-market UK and European businesses. The Company currently achieves its investment objective primarily through its investments in two private equity funds (the "Funds"). The first is Oakley Capital Private Equity L.P. ("Fund I"), an exempted limited partnership established in Bermuda. The second comprises the following exempted limited partnerships also established in Bermuda: Oakley Capital Private Equity II-A L.P., Oakley Capital Private Equity II-B L.P., Oakley Capital Private Equity II-C L.P. (collectively the "Feeder Funds") and OCPE II Master L.P. (the "Master Fund") (collectively "Fund II"). The Company invests in Fund II through Oakley Capital Private Equity II-A L.P. The Company's adviser and arranger is Oakley Capital (Bermuda) Limited (the "Manager"), whose investment adviser in relation to the Company is Oakley Capital Limited (the "Investment Adviser"). The Company, the Manager, the Investment Adviser, the general partner of each Fund and the Company's administrator, Mayflower Management Services (Bermuda) Limited (the "Administrator") have Directors in common.

The Company listed on the AIM market of the London Stock Exchange on 3 August 2007.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation

The accompanying financial statements are prepared in accordance with U.S. generally accepted accounting principles. The Company is an investment company and follows the accounting and reporting guidance contained within Topic 946 of the FASB Accounting Standards Codification ("ASC").

b) Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets during the reporting period. Actual results could differ from those estimates.

c) Investment valuation

Funds

Security transactions are accounted for on a trade date basis based on the capital drawdown and distribution dates for proceeds received from the Funds. The Company's investment in each Fund is valued at the balance of the Company's capital account in that Fund as at the reporting date. Any difference between the net capital invested and the balance on the Company's capital account in each Fund is recognised in the net change in unrealised appreciation and depreciation on investments in the Statements of Operations.

The Funds value their investments at fair value and recognise gains and losses on security transactions using the specific cost method.

Unquoted equity securities
Security transactions are accounted for on a trade date basis. Subsequent to initial recognition the securities are valued on a fair value basis.

Realised and unrealised gains and losses are determined by the specific cost method and are reflected in the Statements of Operations.

Mezzanine loans, senior loans, finance loans and revolving loan facilities are initially valued at the price the loan was granted. Subsequent to initial recognition, the loans are valued on a fair value basis taking into account market conditions and the operating performance and financial condition of the borrower.

Unquoted debt securities (mezzanine loans, senior loans and revolving loan facilities)
Realised gains and losses are recorded when the acquired security is subsequently realised. The net realised gains and losses on sale of securities are determined using the specific cost method and are reflected in the Statements of Operations.

The Company is subject to the provisions of the FASB guidance on Fair Value Measurements and Disclosure (ASC 820). ASC 820 defines fair value, establishes a framework for measuring fair value in accordance with U.S. generally accepted accounting principles and expands disclosures about fair value measurements. ASC 820 establishes a hierarchical disclosure framework which prioritises and ranks the level of market price observability used in measuring investments at fair value. Market price observability is affected by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active market quoted prices, or for which fair value can be measured from actively quoted prices, generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring their fair value.

The hierarchy of inputs is summarised below.

Level 1 – quoted prices in active markets for identical investments.

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit spreads, etc.).

Level 3 – significant unobservable inputs (including the Investment Adviser's own assumptions in determining the fair value of investments).

The inputs and methodologies used in valuing securities are not necessarily an indication of the risks associated with investing in those securities.

Securities traded on a national stock exchange are valued at the last reported price on the valuation date and are categorised as Level 1 within the fair value hierarchy.

When prices are not readily available, or are determined not to reflect fair value, the Company may value these securities at fair value as determined in accordance with the procedures approved by the Investment Adviser in consultation with the Manager.

Level 2 securities are valued using representative brokers' prices, quoted prices for similar investments, published reports or third-party valuations.

Level 3 securities are valued at the discretion of the Investment Adviser in consultation with the Manager. In these circumstances, the Investment Adviser will use consistent fair valuation criteria and the Manager may obtain independent appraisals.

The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement.

d) Income recognition

Interest income and expenses are recognised on the accruals basis.

e) Foreign currency translation

Investments and other monetary assets and liabilities denominated in foreign currencies are translated into British Pound amounts at exchange rates prevailing at the reporting date. Capital drawdowns and proceeds of distributions from the Fund and foreign currencies and income and expense items denominated in foreign currencies are translated into British Pound amounts at the exchange rate on the respective dates of such transactions.

Foreign exchange gains and losses on other monetary assets and liabilities are recognised in net realised and unrealised gain or loss on foreign exchange in the Statements of Operations.

The Company does not isolate unrealised or realised foreign exchange gains and losses arising from changes in the fair value of investments. All such foreign exchange gains and losses are included with the net realised and unrealised gain or loss on investments in the Statements of Operations.

f) Cash and cash equivalents

The Company considers all short-term deposits with a maturity of 90 days or less as equivalent to cash.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

	Unaudited six months ended 30.06.15 £	Unaudited six months ended 30.06.14 £	Audited year ended 31.12.14 £
Cash	156,496,589	1,336,172	6,660,420
Short-term deposits	222,536	23,064,243	221,797
Total cash and cash equivalents	**156,719,125**	**24,400,415**	**6,882,217**

4. MANAGEMENT AND PERFORMANCE FEES

a) The Company has entered into a Management Agreement with the Manager to manage the Company's investment portfolio. The Manager will not receive a management fee from the Company in respect of funds either committed or invested by the Company in the Fund or any successor fund managed by the Manager. The Manager will receive a management fee at the rate of 1% per annum in respect of those funds that are not committed to the Fund or any successor fund (but including the proceeds of any realisations), which are invested in cash, cash deposits or near cash deposits and a management fee at the rate of 2% per annum in respect of those funds which are invested directly in co-investments. The management fee is payable monthly in arrears.

During the period ended 30 June 2015, the Company incurred management fees of £888,534 (30 June 2014: £nil; 31 December 2014: £nil). As at 30 June 2015, no management fees were payable to the Manager (30 June 2014: £nil; 31 December 2014: £nil).

The Manager may also receive a performance fee of 20% of the excess of the amount earned by the Company over and above an 8% per annum hurdle rate on any monies invested as a co-investment with the Funds. Any co-investment will be treated as a segregated pool of investments by the Company. If the calculation period is greater than one year, the hurdle rate shall be compounded on each anniversary of the start of the calculation period for each segregated co-investment.

If the amount earned does not exceed the hurdle rate on any given co-investment, that co-investment shall be included in the next calculation so that the hurdle rate is measured across both co-investments. No previous payments of performance fee will be affected if any co-investment does not reach the hurdle rate of the return. During the period ended 30 June 2015, the Company did not incur performance fees (30 June 2014: £nil; 31 December 2014: £nil).

b) The Manager has entered into an Investment Adviser Agreement with the Investment Adviser to advise the Manager on the investment of the assets of the Company. The Investment Adviser will not receive a management or performance fee from the Company. Any fees due to the Investment Adviser will be paid by the Manager out of the management fees it receives from the Company.

5. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following is a summary of the inputs used in valuing the Company's assets carried at fair value:

	30.06.15 £	30.06.14 £	31.12.14 £
Investments in securities	184,823,581	200,048,007	208,147,262

The instruments comprising investments in securities are disclosed in the Schedules of Investments.

The Company has investments in private equity limited partnerships. The investments are included at fair value based on the Company's balance of its capital account in each Fund. The valuation of non-public investments requires significant judgment by the Funds' investment adviser in consultation with the Funds' manager and/or general partner due to the absence of quoted market values, inherent lack of liquidity and the long-term nature of such investments. Private equity investments are valued initially based upon the transaction price. Valuations are reviewed periodically utilising available market data to determine if the carrying value of these investments requires adjustment. Such market data primarily includes observations of the trading multiples of public companies considered comparable to the private companies being valued. A variety of additional factors are considered by the Funds' investment adviser, including, but not limited to, financing and sales transactions with third parties, current operating performance and future expectations of the particular investment, changes in market outlook and the third party financing environment. Due to the inherent uncertainty of valuing unquoted private equity investments, the estimated fair values may differ from the values that would have been used had a ready market for such investments existed and such differences may be material.

Unquoted equity investments are valued initially based upon transaction price. Subsequent to initial recognition, the equity investments are valued on a fair value basis taking into account market conditions and the operating performance and financial condition of the investment.

Mezzanine loans, senior loans, finance loans and revolving loan facilities are valued at the principal amount for which the relevant loan was granted. For the purposes of these financial statements, the Investment Adviser conducted a fair value exercise of the loans taking into account market conditions and the operating performance and financial condition of the borrower to ensure that valuing the loans at their principal amount was not materially different to their fair values. Such fair values were determined based on a discounted cash flow valuation approach consistent with prior years. The discount rate used to value the mezzanine loans was 15%, the secured loans 8.5% and the revolving loan facilities 6.5%. A discount rate of 10% was used for the mezzanine and secured loans provided to Time Out London and intergenia. A discount rate of 6% was used for the financing loan provided to Bellwood Holdings Ltd and the mezzanine loan provided to Broadstone. A discount rate of 5.7% was used for the financing loan provided to Damovo.

The Company's policy is to recognise transfers into and out of the various levels as of the end of the period or the date of the change in circumstances that caused the transfer. For the period ended 30 June 2015, there were no transfers between Levels 1, 2 or 3.

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value.

	Investment in securities 30.06.15 £	Investment in securities 30.06.14 £	Investment in securities 31.12.14 £
Investment in the funds			
Fair value at beginning of the period/year	151,856,188	130,624,846	130,624,846
Purchases	8,524,800	41,955,732	84,431,315
Proceeds on realisation	(14,918,853)	(28,479,951)	(61,531,752)
Realised gain on realisation	3,079,525	11,305,406	39,218,009
Net change in unrealised (depreciation) on investments	(13,549,082)	(24,266,815)	(40,886,230)
Fair value at end of the period/year	**134,992,578**	**131,139,218**	**151,856,188**
Unquoted equity securities			
Fair value at beginning of the period/year	1,251,762	–	–
Purchases	3,245,524	–	1,250,000
Net change in unrealised (depreciation)/appreciation on investments	(17,971)	–	1,762
Fair value at end of the period/year	**4,479,315**	**–**	**1,251,762**
Unquoted debt securities			
Fair value at beginning of the period/year	55,039,312	53,734,026	53,734,026
Purchases	10,295,929	15,743,243	57,307,020
Proceeds on disposal	(19,935,673)	–	(55,903,283)
Realised (loss)/gain on disposal	–	–	(616,131)
Net change in unrealised (depreciation)/appreciation on investments	(47,880)	(568,480)	517,680
Unquoted debt securities, fair value at end of the period/year	45,351,688	68,908,789	55,039,312
Fair value at end of the period/year	**184,823,581**	**200,048,007**	**208,147,262**

Of the investments held by the Funds, 100% are classified as Level 3 investments for the period ended 30 June 2015 (30 June 2014: 73%, 31 December 2014: 100%).

6. ADMINISTRATION FEE

Under the terms of the Company Administration Agreement dated 30 July 2007 between Mayflower Management Services (Bermuda) Limited (the "Administrator") and the Company, the Administrator receives an annual administration fee at prevailing commercial rates. During the period ended 30 June 2015, the Company incurred administration fees of £99,406 (30 June 2014: £90,360, 31 December 2014: £181,163), which is included in professional fees in the Statements of Operations.

7. INVESTMENTS

Funds

The Company has committed substantially all of its capital to the Funds. The Funds' primary objective is to invest in a diversified portfolio of private mid-market UK and European businesses, aiming to provide investors with significant long-term capital appreciation. Exceptionally the Funds may invest in companies outside Europe, or in European companies with significant overseas interests. The investments in the Funds are denominated in Euros. Fund I has an initial period of ten years from its final closing date of 30 November 2009 and Fund II has an initial period of ten years from its final closing date of 29 December 2014; however, the life of each Fund may be extended, at the discretion of their general partner, by up to three additional one-year periods, to provide for the orderly realisation of investments. The Funds will make distributions as their investments are realised.

The Company's share of the total capital called by Fund I to 30 June 2015 was £124,927,263 (€176,152,373) (31 December 2014: £137,293,160 (€176,152,373), 30 June 2014: £132,973,420 (€166,112,960)). Of the Company's total capital commitments 93.5% has been called.

The Company's share of the total capital called by Fund II to 30 June 2015 was £68,083,200 (€96,000,000) (31 December 2014: £65,469,600 (€84,000,000); 30 June 2014: £32,420,250 (€40,500,000)). Of the Company's total capital commitments 48% has been called.

The Company also makes co-investments alongside the Funds.

At 30 June 2015 all the Funds' investments are carried at fair value.

Fund I

Fund I made follow-on investments in Time Out during the period ended 30 June 2015. Fund I funded the follow-on investments using loans drawn under a revolving loan facility made available by the Company to Fund I. Fund I sold its investment in Verivox at fair value during the period ended 30 June 2015.

Broadstone

Fund I through its wholly owned subsidiary, Broadstone Holdco (Bermuda) Limited, acquired 84.4% of Broadstone Finance Limited ("Broadstone"), a UK-wide independent provider of investment advice and solutions to private individuals and corporates, from BDO LLP.

Time Out Group

The Time Out Group consists of investments in Time Out Group HC Limited ("Time Out London") and Time Out America LLC ("Time Out New York").

Fund I through its wholly owned subsidiary, TO (Bermuda) Limited, acquired 50% of Time Out London, an international multi-channel publisher. Time Out London provides services across traditional print, digital channels and live events.

Fund I through its wholly owned subsidiary, TONY (Bermuda) Limited, acquired 65.7% of Time Out New York. In combination, the Time Out Group control the worldwide rights to the Time Out brand (excluding Chicago).

In September 2014, Time Out London and Time Out New York were merged into a single group structure under Time Out Group HC Limited and shares in Time Out Group HC were issued to Fund I's subsidiaries. As at 30 June 2015, Fund I had an effective 74% ownership interest in the Time Out Group.

Educas

Fund I acquired 51% of Educas Investments LLP ("Educas"), an entity investing in private schools in several countries.

Educas Australia

Fund I acquired 51% of Educas Australia Investments LLP ("Educas Australia"), an entity which owns an early learning school in Australia.

Verivox

Fund I through VVX (Bermuda) Limited, acquired 51% of Verivox Holdings Limited ("Verivox"), an online consumer energy price comparison service in Germany. The company receives commissions from energy suppliers when consumers elect to switch providers through its website. Fund I sold its investment in Verivox in June 2015, subject to regulatory approval.

intergenia

Fund I through its wholly owned subsidiary, WHDI (Bermuda) Limited, acquired a 51% stake in Intergenia Holdings GmbH ("intergenia"), a web hosting company providing managed, dedicated and cloud hosting. Fund I sold its investment in intergenia in January 2014 to Fund II.

Daisy

Fund I had a 13.6% stake in Daisy Group plc ("Daisy"), a then listed company providing integrated voice and data services to small and medium sized businesses. Fund I sold its investment in Daisy during December 2014.

Certain Directors of the Company, the Manager and the general partner of Fund I are also directors of the investee companies in which Fund I has an interest.

Fund II

Oakley Capital Private Equity II-A L.P., together with Oakley Capital Private Equity II-B L.P. and Oakley Capital Private Equity II-C L.P. (collectively the "Feeder Funds") are feeder funds in OCPE II Master L.P. (the "Master Fund"). The Feeder Funds and the Master Fund collectively comprise the fund structure known as "Oakley Capital Private Equity Fund II" ("Fund II"). The Company invests in this fund structure through its investment in Oakley Capital Private Equity II-A L.P. In the ordinary course, all investments of Fund II are owned directly or indirectly by the Master Fund.

During the period ended 30 June 2015, the Master Fund acquired three new investments in Host Europe, Damovo and Parship and made a follow-on investment in North Sails.

North Sails

The Master Fund, through its wholly owned subsidiary, Oakley NS (Bermuda) L.P., acquired a 66.4% stake in the North Sails Group ("North Sails"), a leading marine technology group which includes a worldwide leading sail maker.

Educas Europe

The Master Fund acquired 51% of Educas Europe Investments LLP ("Educas Europe"), an entity established to invest in private schools in Europe.

Facile.it

The Master Fund through its wholly owned subsidiary, Facile.it (Bermuda) Limited, acquired a 68.2% stake in Facile.it SpA ("Facile.it"), Italy's largest price comparison website.

Host Europe

The Master Fund, through its wholly owned subsidiary HEG Holdings (Bermuda) Limited, acquired a minority shareholding in Host Europe Group ("Host Europe"). Host Europe is a leading provider of domains and hosting services in Europe, with an end-to-end product suite covering the entire hosting value chain including Domains, Application Hosting, Cloud Hosting and Managed Hosting.

Damovo

The Master Fund, through its wholly owned subsidiary Damoco (Bermuda) Limited, acquired 75% of Damovo II Sarl ("Damovo"). Damovo is a provider of enterprise information communication technology (ICT) services and solutions.

Parship

The Master Fund, through its wholly owned subsidiary THMMS (Bermuda) Limited, acquired 100% of Parship GmbH ("Parship"). Parship is a leading online dating company.

intergenia

The Master Fund, through its wholly owned subsidiary, WHDI 2 (Bermuda) Limited, acquired a 51% stake in Intergenia Holdings GmbH ("intergenia") from Fund I. intergenia is a web hosting company providing managed, dedicated and cloud hosting. The Master Fund sold its investment in intergenia in December 2014.

Unquoted equity securities

OCIL Financing

In December 2014, the Company provided equity funding to TONY OCIL (Bermuda) Limited ("TONY OCIL") of $1,951,000 (£1,250,000). On 29 April 2015, TONY OCIL changed its name to OCIL Financing (Bermuda) Limited ("OCIL Financing"). The fair value of the Company's investment in OCIL Financing as at 30 June 2015 was £1,240,641, which was the transaction price. In turn, OCIL Financing provided a loan in the amount of £1,250,000 to NSG Apparel BV at an interest rate of 8% per annum.

Time Out Mercado

In May 2015, the Company invested €4,556,658 (£3,245,524) in equity in Time Out Mercado Limited ("Time Out Mercado"). Time Out Mercado forms part of the Time Out group and holds 75.1% in Mercados da Capital, a leading food market in Lisbon. The fair value of the Company's investment in Time Out Mercado as at 30 June 2015 was €4,556,658 (£3,238,674) which was the transaction price.

Mezzanine loans

Time Out London

As part of Fund I's acquisition of Time Out London, the Company provided debt finance of £6,200,000 in the form of a mezzanine loan to TO (Bermuda) Limited. The instrument carries a fixed interest rate of 10% per annum, maturing in November 2015. The fair value of the loan is considered to approximate its amortised cost at 30 June 2015.

Broadstone

As part of Fund I's acquisition of Broadstone, the Company provided debt finance of £6,000,000 in the form of a mezzanine loan to Broadstone Holdco (Bermuda) Limited. The instrument carried an interest rate of 15% per annum. In June 2015 the instrument was restructured and now carries a fixed interest rate of 6% per annum and is secured by Broadstone Holdco (Bermuda) Limited's investment in Broadstone Pensions and Investments Limited. The instrument matures in November 2015. The fair value of the loan is considered to approximate its amortised cost at 30 June 2015.

Time Out New York

As part of Fund I's acquisition of Time Out New York, the Company provided debt finance of $5,000,000 (£3,101,500) to OCIL Financing in the form of a mezzanine loan. The instrument carries a fixed interest rate of 15% per annum before withholding tax and 10.5% per annum after withholding tax. The instrument matures no later than May 2018. The fair value of the loan is considered to approximate its amortised cost at 30 June 2015.

Senior loan notes

Time Out London

As part of Fund I's acquisition of Time Out London, the Company provided a secured senior loan of £3,070,482 to Time Out Group BC Limited, a wholly owned subsidiary of Time Out London. The instrument carries a fixed interest rate of 10% per annum, maturing in March 2016. The fair value is considered to approximate its amortised cost at 30 June 2015.

Time Out New York

As part of Fund I's acquisition of Time Out New York, the Company provided a secured senior loan of $3,400,000 (£2,109,020) to OCIL Finance (Bermuda) Limited. The instrument carries a fixed interest rate of 8.5% per annum before withholding tax and 5.95% per annum after withholding tax. The instrument matures no later than May 2016. The fair value is considered to approximate its amortised cost at 30 June 2015.

intergenia

In December 2013 the Company provided a secured senior loan of €2,500,000 (£2,090,000) to intergenia at an interest rate of 10% per annum. The loan was fully repaid in September 2014.

Financing loan facilities

Damovo

In May 2015, the Company provided a loan of £530,000 to Damovo. The instrument carries a fixed interest rate of 5.7% per annum. The instrument matures no later than May 2016. The fair value of the loan is considered to approximate its amortised cost at 30 June 2015.

Bellwood Holdings Ltd.

In November 2014, the Company provided a loan of £2,625,000 to Bellwood Holdings Ltd. The instrument carries a fixed interest rate of 6% per annum. The instrument matures no later than January 2016. The fair value of the loan is considered to approximate its amortised cost at 30 June 2015.

intergenia

In June 2013, the Company provided a finance loan of €8,000,000 (£6,834,400) to intergenia. During 2014, the Company provided intergenia with additional loan facilities of €8,800,000 (£7,086,160). These loans carried interest at 10% per annum and were fully repaid on 16 September 2014.

Revolving loan facilities

Oakley Capital Private Equity L.P.

In March 2012, the Company provided a revolving loan facility of £23,000,000 to Fund I. Loans drawn under this facility carried an interest rate of 6.5% per annum. During 2014, the amount available under the revolving loan facility was increased to £30,000,000. As at 30 June 2015, £14,968,717 had been drawn under the facility. The fair value of the loan is considered to approximate its amortised cost at 30 June 2015.

OCPE II Master L.P.

In September 2014, the Company provided a revolving loan facility of £15,000,000 to the Master Fund at an interest rate of 6.5% per annum. As at 30 June 2015 £3,115,929 had been drawn down by the Master Fund under this facility. The fair value of the loan is considered to approximate its amortised cost at 30 June 2015.

Oakley Capital GP II Limited

In December 2013, the Company provided a loan facility of £2,500,000 to Oakley Capital GP II Limited ("GP II") at an interest rate of 6.5% per annum. A further loan facility of £2,500,000 was made available to GP II at the same interest rate in March 2014. As at 30 June 2015, an aggregate of £3,500,000 had been drawn down under these facilities. The fair values of these facilities are considered to approximate their amortised cost at 30 June 2015.

8. CAPITAL COMMITMENTS

The Company has the following capital commitments:

	Capital commitments 30.06.15 €	Capital commitments 30.06.14 €	Capital commitments 31.12.14 €
Fund I			
Total capital commitments	188,398,260	187,698,260	188,398,260
Capital called at beginning of the period/year	176,152,373	152,974,082	152,974,082
Capital calls during the period/year			
14 March 2014 7% call	–	13,138,878	13,138,878
28 August 2014 5% call	–	–	9,384,913
Additional interest acquired	–	–	654,500
Called capital at end of the period/year	176,152,373	166,112,960	176,152,373
Unfunded capital commitment	**12,245,887**	**21,585,300**	**12,245,887**
Fund II			
Total capital commitments	200,000,000	150,000,000	200,000,000
Capital called at beginning of the period/year	84,000,000	3,000,000	3,000,000
Capital calls during the period/year			
17 January 2014 24% call	–	24,000,000	24,000,000
4 February 2014 follow on commitment call	–	13,500,000	13,500,000
2 September 2014 15% call	–	–	22,500,000
18 September 2014 follow on commitment call	–	–	21,000,000
23 June 2015 6% call	12,000,000	–	–
Called capital at end of the period/year	96,000,000	40,500,000	84,000,000
Unfunded capital commitment	**104,000,000**	**109,500,000**	**116,000,000**

Each Fund may call the unfunded portion of the Company's capital commitment to that Fund at any time, subject to two weeks' notice, on an as needed basis.

9. SHARE CAPITAL

a) Share capital

The authorised share capital of the Company consists of 280,000,000 ordinary shares of a par value of £0.01 each (30 June 2014: 200,000,000; 31 December 2014: 200,000,000). The Company's issued share capital was 197,097,941 ordinary shares as at 30 June 2015 (30 June 2014: 123,699,050; 31 December 2014: 128,125,000).

On 17 April 2015, the Company increased its authorised share capital to 280,000,000 ordinary shares with a par value of £0.01 each, after which the Company placed 78,787,879 new ordinary shares in the market at a placing price of £1.65 each, raising £126,822,790 net of expenses.

b) Share repurchase

On 2 September 2014, the Company sold 4,425,950 shares at a price of £1.55 per share from the treasury stock.

On 10 February 2015, the Company repurchased 7,000,000 shares at a price of £1.52 per share. On 18 February 2015, the Company repurchased 2,967,155 shares at a price of £1.51 per share. On 24 February 2015, the Company repurchased 667,033 shares at a price of £1.61 per share. On 22 April 2015, the Company sold 819,250 shares at a price of £1.74 per share from treasury stock.

As at 30 June 2015, a total of 9,814,938 shares with an average purchase price of £1.52 are held as treasury stock (30 June 2014: 4,425,950; 31 December 2014: nil).

Ordinary shares outstanding are:

Ordinary shares	Unaudited six months ended 30.06.15 £	Unaudited six months ended 30.06.14 £	Audited year ended 31.12.14 £
Balance at beginning of the period/year	128,125,000	123,699,050	123,699,050
Shares issued	78,787,879	–	–
Treasury shares repurchased	(10,634,188)	–	–
Treasury shares sold	819,250	–	4,425,950
Balance at end of the period/year	**197,097,941**	**123,699,050**	**128,125,000**

10. RELATED PARTIES

Certain Directors of the Company are also directors, members and/or shareholders of the Manager, Oakley Capital Corporate Finance LLP ("Oakley Finance"), and the Administrator; entities which provide services to and receive compensation from the Company. These agreements are based on normal commercial terms.

The Company had a financial advisory agreement with Oakley Finance. During the period ended 30 June 2015, the Company did not incur financial advisory fees (30 June 2014: £20,833; 31 December 2014: £20,833). The agreement was terminated by mutual agreement on 31 May 2014.

11. TAXATION

Under current Bermuda law, the Company is not required to pay any taxes in Bermuda on either income or capital gains. The Company has received an undertaking from the Minister of Finance in Bermuda that in the event of such taxes being imposed, the Company will be exempt from such taxation at least until 31 March 2035.

The Company was not required to recognise any amounts for uncertain tax positions under FASB ASC 740-10 during the period ended 30 June 2015.

The Company may, however, be subject to foreign withholding tax and capital gains tax in respect of income derived from its investments in other jurisdictions.

12. INDEMNIFICATIONS AND WARRANTIES

In the ordinary course of business, the Company may enter into contracts or agreements that may contain indemnifications or warranties. Future events could occur that lead to the execution of these provisions against the Company. Based on its history, experience and assessment of existing contracts, management feels that the likelihood of such an event is remote.

13. SUBSEQUENT EVENTS

In July 2015, Fund I drew down £650,000 from its revolving loan facility with the Company to fund a follow-on investment in Educas.

In July 2015, the Company co-invested £2,496,428 in equity in Time Out Fly Pay, a mobile application for restaurants and consumers. Time Out Fly Pay forms part of the Time Out group.

In July 2015, Fund II drew down €2,000,000 (£1,431,600) from its revolving loan facility with the Company.

In July 2015, the Company made a follow-on investment of €800,000 (£561,600) in Time Out Mercado Limited.

In July 2015, the Company co-invested £3,500,000 in equity in the Time Out Group Limited.

In July 2015, the Company provided a loan of £2,500,000 to NSG Apparel BV. The instrument carries a fixed interest rate of 8% per annum and is repayable within six months of lending.

In July 2015 Fund II issued a capital call notice to all L.P.s, including the Company, amounting to 9% of commitments, bringing total called capital to 57% of total commitments. The proceeds of the capital call are to be used in part to fund the repayment of a third party loan facility as well as to make a follow-on investment in Daisy Group Limited (“Daisy”).

In July 2015, the Company co-invested £14,000,000 in debt in Daisy. Daisy is one of the UK’s leading independent business communication providers to the SME and mid-market sector. The Company invested alongside Fund II.

In July 2015, the Company provided a loan of £24,932,382 to Ellisfield (Bermuda) Limited (“Ellisfield”). The instrument carries a fixed interest rate of 6.5% per annum and is repayable within two months of lending. Ellisfield is the wholly owned subsidiary of Fund II used to make Fund II’s investment in Daisy.

In August 2015, the Company provided an additional loan of £955,000 to Damovo. The instrument carries a fixed interest rate of 5.7% per annum and is repayable in May 2016.

In August 2015, the Company made a follow-on investment of €1,082,000 (£768,544) in Time Out Mercado Limited.

In August 2015, the Company received a distribution from Fund II of €5,630,534 (£3,981,508) arising primarily from the repayment of capital by Facile.it.

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Oakley Capital
Investments Limited

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