This announcement contains inside information for the purposes of Article 7 of Regulation 596/2014 (MAR).

Kin Group Plc

(the "Company" or the "Group")

Interim Results for the six months ended 30 June 2017

Kin Group Plc announces its unaudited interim results for the six months ended 30 June 2017.

Results

- Total sales of £104,000 (2016: £729,000);
- Loss before tax £(1,694,000) (2016: £(1,646,000));

The Group was encouraged by the growing number of meetings, presentations and exhibitions it made in the "wellness" market during early 2017. While the Directors were disappointed that the first half of the year produced sales in the B2B sector of only £104,000, although the majority of this revenue was service revenue (with only £12,000 of device sales), this reflected the stage the Group had reached in its change of strategy, concentrating on building sustainable service revenues from corporate clients rather than remaining primarily reliant on one-off device sales. The Directors believed that the Group's strategy would start to bear significant fruit in the second half of the year with revenues for the year to 31 December 2017 expected to be in line or ahead of the Group's performance in 2016.

Working Capital

On 15 May 2017 the Company announced that it had agreed to issue convertible unsecured loan notes, to raise up to £1.125 million (before expenses) ("Notes"), to Belastock Capital L.P., an overseas based institutional investor. The Notes were to be issued at a 10% discount to nominal value in up to four tranches. The first tranche of £350,000 in nominal value of Notes to raise £315,000 (before expenses) was issued on 15 May 2016, the net proceeds of which were £297,500.

The issue of each of the subsequent tranches of Notes was conditional upon, among other things, the closing bid price of the Company's ordinary shares not being below £0.001 (0.1 pence) for any five (5) consecutive trading days prior to the relevant issue date.

This condition was not met at the close of business on 12 June 2017. The Company announced on 13 June 2017 that Belastock had confirmed its ongoing support for the Company and that it was the then current intention of Belastock to subscribe for the remaining tranches of the Notes.

Post Balance Sheet Events

On 18 July 2017 the Company announced that Belastock had informed it that Belastock was not going to proceed with the three further tranches of the convertible loan note announced on 15 May 2017 which would have raised £765,000 (net) for the Company over the following four months.

The Notes were a key part of the Company's plans for short term development capital and the withdrawal of this support meant the Company suffered a significant and unexpected shortfall in its available working capital.

As a result, the Company suspended trading in its shares on AIM with effect from 7.30 am on 18 July 2017, pending clarification of its financial position.

Since then, the Directors have explored various avenues to secure replacement funding, but there has been no proposed solution which would have enabled the Group to continue with its business.

Administration and Sale of Kin Wellness Limited

In order to facilitate a sale of its business as a going concern, the directors of Kin Wellness Limited ("Kin Wellness"), the Company's principal trading subsidiary, appointed Simon Harris and Ben Woodthorpe of ReSolve Partners Limited as administrators to Kin Wellness. The appointment took effect from 30 August 2017, resulting in the Company becoming a "Rule 15 Cash Shell" under Rule 15 of the AIM Rules for Companies from that date.

As announced on 11 September 2017, on 8 September 2017 the administrators completed the sale of the business and certain assets of Kin Wellness Limited to SMG Investment Holdings Pty Limited, an Australian company based in Brisbane, ("SMG") for an aggregate cash consideration of £50,000.

Outlook

With the sale of Kin Wellness, the Company is now a Rule 15 Cash Shell. Trading in the Company's ordinary shares on AIM remains suspended pending clarification of its financial position.

In order to try to preserve some prospect of future value for creditors and shareholders, the Directors are currently seeking to raise new funds for the Company by way of a placing of New Ordinary Shares. Any such placing is expected to be conditional, inter alia, upon the current debts of the Company, which total approximately £2.27 million, being capitalised, allowing a future corporate strategy to be pursued without an ongoing debt burden. In order to facilitate such a placing the Directors, with the advice and guidance of ReSolve, are exploring the possibility of seeking a creditors' voluntary arrangement ("CVA").

In the event a CVA can be proposed and approved by not less than 75% of the Company's unsecured creditors, additional funds may be able to be raised by way of a placing which may allow the Board to clarify the Company's financial position and, subject to the Company being compliant with the AIM Rules, an application would then be made to AIM for the suspension to be lifted and trading in the Ordinary Shares of the Company to be resumed.

There is no guarantee that either a CVA can be arranged and, even if it is, that any placing can be completed. If this is not possible, then the Company may have to seek liquidation.

Further announcements will be made as appropriate.

For further information, please contact:

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CHAIRMAN'S STATEMENT:
First half trading

The Group was encouraged by the growing number of meetings, presentations and exhibitions it made in the "wellness" market during early 2017. While the Directors were disappointed that the first half of the year produced sales in the B2B sector of only £104,000, although the majority of this revenue was service revenue (with only £12,000 of device sales), this reflected the stage the Group had reached in its change of strategy, concentrating on building sustainable service revenues from corporate clients rather than remaining primarily reliant on one-off device sales. The Directors believed that the Group's strategy would start to bear significant fruit in the second half of the year with revenues for the year to 31 December 2017 expected to be in line or ahead of the Group's performance in 2016.

As the Group's strategic partners had not generally delivered the results expected by the Directors, the Group refocused on a direct to client market entry strategy, which was rolled out during first half of 2017 creating a significant increase in key pipeline metrics. However, given the long sales lead times, the Group's first half results do not reflect this greatly increased activity and the Group's growing pipeline of prospective clients, both small and large. In spite of implementing further cost reductions over the period, the pace of the decision making process within larger prospects resulted in the time necessary to bring projects to fruition being longer than the working capital resources available to the Group could support.

Working Capital

On 15 May 2017 the Company announced that it had agreed to issue convertible unsecured loan notes with a term of three years, to raise up to £1.125 million (before expenses) ("Notes"), to Belastock Capital L.P., an overseas based institutional investor. The Notes were to have an aggregate nominal value of up to £1.25 million and would be issued at a 10% discount to nominal value in up to four tranches. On conversion of the Notes into new ordinary shares in the Company, the Company was also to issue Belastock with one warrant for each Ordinary Share arising on conversion. The first tranche of £350,000 in nominal value of Notes to raise £315,000 (before expenses) was issued on 15 May 2016, the net proceeds of which were £297,500.

The issue of each of the subsequent tranches of Notes was conditional upon, among other things, the closing bid price of the Company's ordinary shares (as reported by Bloomberg) not being below £0.001 (0.1 pence) for any five (5) consecutive trading days on or prior to the relevant issue date.

This condition was not met at the close of business on 12 June 2017. Following discussions with Belastock, the Company announced on 13 June 2017 that Belastock had confirmed its ongoing support for the Company and that it was the then current intention of Belastock to subscribe for the remaining tranches of the Notes as outlined on 15 May. The second tranche of the Notes, which would have raised approximately £255,000 (net of expenses), was due to be issued in mid-July.

Post Balance Sheet Events

On 18 July 2017 the Company announced that Belastock had informed it that, due to the continued recent falls in the Company's share price, particularly since 13 June 2017, Belastock was not going to proceed with the three further tranches of the convertible loan note announced on 15 May 2017 which would have raised £765,000 (net) for the Company over the following four months.

The Notes were a key part of the Company's plans for short term development capital and the withdrawal of this support meant the Company suffered a significant and unexpected shortfall in its available working capital.

As a result, the Company also announced that it had suspended trading in its shares on AIM with effect from 7.30 am on 18 July 2017, pending clarification of its financial position.

Since then, the Directors have explored various avenues to secure replacement funding to continue the business. As announced on 18 July, the Company has been in dialogue with NW1, its largest shareholder and senior secured creditor, and other parties. Despite there being interest from a number of parties, there has been no proposed solution which would have enabled the Group to continue with its business. Although the Company has announced a number of new contracts with a variety of corporate customers including a global financial services company, a consumer goods company and a successful case study with MTR Crossrail, and was experiencing healthy interest in the Group's products with a continuous flow of enquiries and conversations with direct and indirect customers, the Directors concluded that the length of time required to convert potential customers into sales has proved too long for the working capital resources available to the Group.

Administration and sale of Kin Wellness Limited

The unexpected shortfall in the Group's working capital has meant that Kin Wellness Limited, the Company's principal trading subsidiary, has also been actively seeking purchasers for its business and assets. In order to facilitate a sale of the business as a going concern, the directors of Kin Wellness appointed Simon Harris and Ben Woodthorpe of ReSolve Partners Limited as administrators to Kin Wellness. The appointment took effect from 30 August 2017, resulting in the Company becoming a "Rule 15 Cash Shell" under Rule 15 of the AIM Rules from that date.

Within six months of becoming an Rule 15 Cash Shell, the Company must make an acquisition or acquisitions which constitute(s) a reverse takeover under AIM Rule 14. In the event that the Company does not complete a reverse takeover under AIM Rule 14 within six months of becoming a Rule 15 Cash Shell, the London Stock Exchange will suspend trading in the Company's AIM securities pursuant to AIM Rule 40. Trading in the Company's Ordinary Shares on AIM is currently suspended.

As announced on 11 September 2017, on 8 September 2017 the administrators completed the sale of the business and certain assets of Kin Wellness Limited to SMG Investment Holdings Pty Limited, an Australian company based in Brisbane, ("SMG") for an aggregate cash consideration of £50,000.

Outlook and future prospects

With the sale of Kin Wellness, the Company is now a Rule 15 Cash Shell. Trading in the Company's ordinary shares on AIM remains suspended pending clarification of its financial position.

In order to try to preserve some prospect of future value for creditors and shareholders, the Directors are currently seeking to raise new funds for the Company by way of a placing of New Ordinary Shares. Any such placing is expected to be conditional, inter alia, upon the current debts of the Company, which total approximately £2.27 million, being capitalised, allowing a future corporate strategy to be pursued without an ongoing debt burden. In order to facilitate such a placing the Directors, with the advice and guidance of ReSolve, are exploring the possibility of seeking a creditors' voluntary arrangement ("CVA").

In the event a CVA can be proposed and approved by not less than 75% of the Company's unsecured creditors, additional funds may be able to be raised by way of a placing which may allow the Board to clarify the Company's financial position and, subject to the Company being compliant with the AIM Rules, an application would then be made to AIM for the suspension to be lifted and trading in the Ordinary Shares of the Company to be resumed.

There is no guarantee that either a CVA can be arranged and, even if it is, that any placing can be completed. If this is not possible, then the Company may have to seek liquidation. We shall keep all stakeholders appraised of progress and make further announcements as appropriate.

Consolidated statement of comprehensive income

for the period ended 30 June 2017

	Note	**Unaudited 6 months ended 30 June 2017 £'000**	Unaudited 6 months ended 30 June 2016 £'000	Audited Year Ended 31 December 2016 £'000
Continuing operations				
Revenue		104	729	1,077
Cost of sales - normal		(19)	(299)	(497)
		------------	------------	------------
Gross profit		85	430	580
Operating and administrative expenses - normal		(1,603)	(1,939)	(4,085)
Exceptional costs - asset fair value adjustment	3,4	(140)	-	-
Finance costs		(36)	(137)	(203)
		------------	------------	------------
Loss for the period before tax		(1,694)	(1,646)	(3,708)
Income tax		**-**	-	172
		------------	------------	------------
Loss for the period and total comprehensive income for the period attributable to equity holders of the parent		**(1,694)**	(1,646)	(3,536)
		------------	------------	------------
Loss per share	2	**(0.09)**	(0.6)	(0.01)
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Consolidated statement of changes in equity

for the six months ended 30 June 2017

	Share capital £'000	**Share Premium £'000**	**Retained deficit £'000**	**Total Equity £'000**
Balance at 31 December 2015 (audited)	**2,815**	**4,715**	**(15,683)**	**(8,153)**
Loss and total comprehensive income for the year	-	-	(3,536)	(3,536)

Issue of shares for cash	949	8,985	-	9,934
Costs of raising funds	-	(157)	-	(157)
Share based payment	-	-	(125)	(125)
	------------	------------	------------	------------
Balance at 31 December 2016 (audited)	3,764	13,543	**(19,344)**	(2,037)
Loss and total comprehensive income for the period	-	-	(1,694)	(1,694)
Issued shares	510	518	-	1,028
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Balance at 30 June 2017 (unaudited)	4,274	**14,061**	**(21,038)**	**(2,703)**
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Consolidated Balance Sheet
at 30 June 2017

	Unaudited 6 months Ended 30 June 2017 £'000	Unaudited 6 months Ended 30 June 2016 £'000	Audited Year Ended 31 December 2016 £'000
Assets			
Non-current assets			
Intangible assets	-	-	-
Property, plant and equipment	48	30	18
Total non-current assets	48	30	18
Current assets			
Inventories	2	481	167
Trade and other receivables	157	242	420
Cash and cash equivalents	5	65	23
Total current assets	164	788	610
Total assets	212	818	628
Liabilities			
Non-current liabilities			
Borrowings	2,130	9,140	1,915
Total non-current liabilities	2,130	9,140	1,915
Current liabilities			
Trade and other payables	710	900	675
Borrowings	75	575	75
Total current liabilities	785	1,475	750
Total liabilities	2,915	10,615	2,665
Net liabilities	(2,703)	(9,797)	(2,037)
Capital and reserves			
Share capital	4,274	2,815	3,764
Share premium	14,061	4,715	13,543
Retained deficit	(21,038)	(17,327)	(19,344)
Total equity	(2,703)	(9,797)	(2,037)

Consolidated cash flow statement

for the six months ended 30 June 2017

	Unaudited Six months Ended 30 June 2017 £'000	Unaudited Six months Ended 30 June 2016 £'000	Unaudited 12 Months Ended 31December 2016 £'000
Cash flows from operating activities			
Loss before taxation	**(1,694)**	**(1,646)**	**(3,536)**
Adjustments for:			
- Depreciation and amortisation	**6**	**7**	**11**
- Share-based payments	**-**	**475**	**(125)**
- FX gain loss	**-**	**(625)**	**-**
- Adjustment on consolidation	**-**	**162**	**-**
- Finance income	**-**	**-**	**-**
- Finance expense	**-**	**137**	**203**
- Returns provision	**-**	**(110)**	**(106)**
- Fair value adjustment to development costs	(48)	**-**	**-**
- Impairment of stock	160	**22**	**(146)**
- Impairment of fixed assets	26	-	-
Cash flows from operating activities before changes in working capital and provisions	**(1,550)**	**(1,578)**	**(3,699)**
- Decrease in inventories	**6**	**164**	**556**
- Decrease in trade and other receivables	**262**	**520**	**437**
- Increase/(decrease) in trade and other payables	**35**	**4**	**(329)**
Net cash used in operations	**(1,247)**	**(883)**	**(3,035)**
Cash flow from investing activities			
Purchase of property, plant and equipment	(15)	**(7)**	**-**
Development costs capitalised	-	**-**	**-**
Finance income	-	**-**	**-**
Net cash used in investing activities	**(15)**	**(7)**	**-**
Cash flow from financing activities			
Issue of ordinary shares for cash	**1,046**	**-**	**1,535**
Costs directly related to issue of shares	**(17)**	**-**	**(159)**
Loan advances	**215**	**401**	**1,078**
Loan repayments	**-**	-	**-**
Finance expense	**-**	**(144)**	**(94)**
Net cash generated from financing activities	**1,244**	**257**	**2,360**
Net decrease in cash and cash equivalents	**(18)**	**(633)**	**(675)**
Cash and cash equivalents at beginning of period	**23**	**698**	**698**
Cash and cash equivalents at end of period	**5**	**65**	**23**

Notes forming part of the unaudited consolidated interim financial statements

for the six months ended 30 June 2016

1 BASIS OF PREPARATION

Kin Group plc is a public company incorporated in England under the Companies Act 2006. Its registered office address is 6th Floor, Kildare House, 3 Dorset Rise, London EC4Y 8EN.

These condensed consolidated interim financial statements of the Company for the six months ended 30 June 2016 comprise the Company and its subsidiaries (together referred to as "the Group"). These interim statements do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The interim financial information has been prepared using the same accounting policies, presentation, method of computation and estimation techniques as are expected to be adopted in the Group financial statements for the year ending 31 December 2016 and which were adopted in the audited Group financial statements for the year ended 31 December 2015.

The financial information for the year ended 31 December 2016 has been extracted from the statutory accounts for that period. The auditors have reported on the statutory accounts for the year ended 31 December 2016 and their report was unqualified. The auditors' report drew attention by emphasis of matter to issues surrounding the ability of the Company to continue as going concern. A copy of those financial statements has been filed with the Registrar of Companies.

These condensed consolidated interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (IFRSs) as adopted in the EU. While the financial figures included in this half yearly report have been computed in accordance with IFRSs as adopted in the EU applicable to interim periods, this half yearly report does not contain sufficient information to constitute an interim financial report as that term is defined in IAS 34.

2 LOSS PER SHARE

The loss per share is based on a loss for the period attributable to equity holders of the Company of £1,694,000 (30 June 2016: loss of £1,646,000) and the weighted average number of ordinary shares being in issue for the period of 1,931,366,968 (30 June 2016: 281,450,530).

3 GOING CONCERN

These condensed interim financial statements for the six months ended 30 June 2017 have been prepared on the assumption that the Group will be able to continue trading as a going concern for the foreseeable future through the raising of further funds.

As outlined in note 4, on 8 September 2017, the Group disposed of the business and assets of Kin Wellness Limited for a consideration of £50,000. As a result, the assets and liabilities of Kin Wellness Limited are presented on a realisation basis. This has a resulted in an adjustment to fair value less costs of sale of the relevant saleable assets of the Kin Wellness Limited, with a corresponding reduction in the net asset value of the Group by £140,000. An equivalent exceptional cost has been recognised in the Statement of Comprehensive Income for the period.

4 SUBSEQUENT EVENTS

On 15 May 2017, the Group announced that it had agreed to issue convertible unsecured loan notes with a term of three years ("Notes"), to raise up to £1.125 million (before expenses) in four tranches, to Belastock Capital L.P., an overseas based institutional investor ("Belastock") to fund its general working capital requirements.

The issue of the Notes was subject to the terms and conditions summarised in the announcement dated 15 May. The first tranche of Notes with a nominal amount of £350,000 and a subscription price of £315,000 were issued on 15 May 2017 with the remaining three tranches being issued at 60 day intervals thereafter.

The Group announced on 30 May 2017 that it had received notice of conversion in respect of £100,000 in nominal value of the Notes, on 3 July that it received a notice of conversion in respect of £75,000 in nominal value of the Notes and on 20 July that it had received a notice of conversion in respect of £50,000 in nominal value of the Notes.

On 18 July 2017 the Group requested that trading on AIM in its Ordinary Shares be suspended, pending clarification of its financial position, following the decision by Belastock Capital L.P. ("Belastock"), not to proceed with the three further tranches of the Convertible Loan Note. The Notes were a key part of the Company's plans for short-term working capital and the withdrawal of this support meant the Group had a significant, unexpected shortfall in its available working capital. Since that time, the Board has been exploring various avenues to secure replacement funding to continue the business. The unexpected shortfall in the Group's working capital has also meant that Kin Wellness Limited, the Company's principal trading subsidiary, has also been actively seeking purchasers for its business and assets. In order to facilitate a sale of the business as a going concern, the directors of Kin Wellness Limited have, executed a notice of intention to appoint Simon Harris and Ben Woodthorpe of ReSolve Partners Limited as administrators to Kin Wellness Limited. On 8 September 2017 the administrators completed the sale of the business and certain assets of Kin Wellness Limited to SMG Investment Holdings Pty Limited, an Australian company based in Brisbane, ("SMG") for an aggregate cash consideration of £50,000.

The Board understands that the appointment of administrators by Kin Wellness Limited on 30 August 2017 resulted in Kin Group Plc becoming a "Rule 15 Cash Shell" under Rule 15 of the AIM Rules for Companies. Within six months of becoming an AIM Rule 15 cash shell, the Company must make an acquisition or acquisitions which constitute(s) a reverse takeover under Rule 14 of the AIM Rules for Companies. In the event that the Company does not complete a reverse takeover under AIM Rule 14 within six months, the Exchange will suspend trading in the Company's pursuant to AIM Rule 40.