

RNS Number : 8242F
Pires Investments PLC
17 July 2019

Pires Investments PLC
("Pires" or the "Company")

Unaudited interim results for the six months to 30 April 2019

Highlights

- Net asset value at the period end was £2.36 million, representing an increase of 148% compared to the figure at 31 October 2018 of £0.95 million
- Market capitalisation as at the period end represented a 28% discount to net asset value
- Net asset value principally comprises cash and shares in Eco (Atlantic) Oil & Gas Limited ("ECO")
- Cash at period end was £0.93 million, increasing to the current level of £1.35 million
- Profit of £659,048 made during period

Chairman's Statement

The Company is pleased to report further strong progress for the period under review, with a profit before taxation of £659,048 (six months ended 30 April 2018: £122,556) as a result of an increase in the value of our investment portfolio, net of disposals, and a reduction in our operating expenses.

As at the period end, our net asset value was £2,358,120 (31 October 2018: £949,617), which represented an increase of some 148% on the position at the year end and principally comprises cash and investments. Net assets per share increased from £0.028p to £0.035p over the same period.

The principal investment in the portfolio remains ECO, together with a holding in Portage Biotech resulting from a transaction by one of our investee companies, SalvaRx plc, referred to in our 2018 full year results.

During the period, we disposed of part of our holding in ECO against a background of a further significant rise in its share price. Since the period end, the ECO share price has fallen back modestly. We continue to actively manage our investment portfolio with a view to locking in gains progressively. As a result of this strategy and a successful placing carried out by the Company earlier in the year, our cash balance has now increased to a current level of around £1.35 million.

We continue to review potential new opportunities and are confident that we will continue to make further progress in the months ahead.

Peter Redmond
Chairman

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

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UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
for the six months ended 30 April 2019

		Unaudited 6 months ended 30-Apr 2019	Unaudited 6 months ended 30-Apr 2018	Audited Year Ended 31-Oct 2018
		£	£	£
Continuing activities				
	Notes			
Revenue				
Investment income		-	-	-
Other income		291	6	11
Total revenue		291	6	11
Gains on investments held at fair value through profit or loss		764,994	271,165	574,987
Operating expenses		(106,237)	(148,615)	(252,929)
Operating profit from continuing activities		659,048	122,556	322,069
Profit before taxation from continuing activities		659,048	122,556	322,069
Tax		-	-	-
Profit for the period from continuing activities		659,048	122,556	322,069
Profit for the period and total comprehensive income attributable to equity holders of the Company		659,048	122,556	322,069
Basic profit per share	3			
Equity holders				
Basic and diluted		1.46p	0.37p	0.95p

UNAUDITED STATEMENT OF FINANCIAL POSITION
As at 30 April 2019

	Unaudited	Unaudited	Audited
	As at 30-Apr 2019 £	As at 30-Apr 2018 £	As at 31-Oct 2018 £
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment	-	-	-
Investment in subsidiaries	1	1	1
TOTAL NON CURRENT ASSETS	1	1	1
CURRENT ASSETS			
Investments	1,477,056	799,101	1,029,526
Trade and other receivables	15,876	7,400	11,357
Cash and cash equivalents	932,864	113,587	48,028
TOTAL CURRENT ASSETS	2,425,796	920,088	1,088,911
TOTAL ASSETS	2,425,797	920,089	1,088,912
EQUITY			
Called up share capital	11,996,156	11,914,727	11,914,727
Share premium account	4,249,081	3,581,055	3,581,055
Retained earnings	(14,051,784)	(14,910,345)	(14,710,832)
Capital redemption reserve	164,667	164,667	164,667
TOTAL EQUITY	4 2,358,120	750,104	949,617
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	67,677	169,985	139,295
TOTAL LIABILITIES AND CURRENT LIABILITIES	67,677	169,985	139,295
TOTAL EQUITY AND LIABILITIES	2,425,797	920,089	1,088,912

UNAUDITED CASH FLOW STATEMENT
For the six months ended 30 April 2019

	Unaudited 6 months ended 30-Apr 2019	Unaudited 6 months ended 30-Apr 2018	Audited Year ended ended 31-Oct 2018
	£	£	£
Cash flows from operating activities	659,048	122,556	322,069
Depreciation	-	-	-
Realised (gain) on disposal of investments	(120,060)	(94,930)	(82,192)
Fair value movement in investments	(644,934)	(176,235)	(492,795)
Finance income	(291)	(6)	(11)
(Increase)/decrease in receivables	(4,519)	2,476	(1,482)
Increase/(decrease) in payables	(71,618)	3,085	(27,596)
Net cash absorbed by operating activities	(182,374)	(143,054)	(282,007)
<i>Cash flows from investing activities</i>			
Payments to acquire investments	-	(176,000)	(176,000)
Proceeds of sale of investments	317,464	191,493	264,882
Finance income received	291	6	11
Net cash from investing activities	317,755	15,499	88,893
<i>Cash flows from financing activities</i>			
Proceeds from issue of equity	749,455	-	-
Finance costs paid	-	-	-
Net cash from financing activities	749,455	-	-
Net increase/(decrease) in cash and cash equivalents during the period	884,836	(127,555)	(193,114)
Cash and cash equivalents at beginning of the period	48,028	241,142	241,142
Cash and cash equivalents at end of the period	932,864	113,587	48,028

Notes to the Unaudited Interim Report

1. GENERAL INFORMATION

Pires Investments Plc (the "Company") is a company domiciled in England whose registered office address is c/o Cooley Services Limited, Dashwood, 69 Old Broad Street, London EC2M 1QS. The condensed interim financial statements of the Company for the six months ended 30 April 2019 is that of the Company only.

The condensed consolidated interim financial statements do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006.

The financial information for the year ended 31 October 2018 has been extracted from the statutory accounts for that period which were prepared in accordance with International Financial Reporting Standards ("IFRS"). The auditors' report on the statutory accounts was unqualified. A copy of those financial statements has been filed with the Registrar of Companies.

The financial information for the six months ended 30 April 2018 and 2019 was also prepared in accordance with IFRS.

The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements.

The condensed interim financial statements were authorised for issue on 16 July 2019.

2. BASIS OF ACCOUNTING

The financial statements are unaudited and have been prepared on the historical cost basis in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS") using the same accounting policies and methods of computation as were used in the annual financial statements for the year ended 31 October 2018. As permitted, the interim report has been prepared in accordance with the AIM rules for Companies and is not compliant in all respects with IAS 34 Interim Financial Statements. The condensed consolidated interim financial statements do not include all the information required for full annual financial statements and hence cannot be construed as in full compliance with IFRS.

3. PROFIT / LOSS PER SHARE

The calculation of the basic loss per share is based on the following data:

	Unaudited 6 months ended 30-Apr 2019	Unaudited 6 months ended 30-Apr 2018	Audited Year ended 31-Oct 2018
	£	£	£
Profit on continuing activities after tax	659,048	122,556	322,069

Basic and fully diluted

Basic and fully diluted earnings per share have been computed based on the following data:

	<i>Number of shares</i>		
Weighted average number of ordinary shares for the period	45,238,999	33,521,353	33,521,353
Basic earnings per share from continuing activities (p)	1.46	0.37	0.95

There were no dilutive instruments that would give rise to diluted earnings per share

4. STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Capital Redemption Reserve	Retained Earnings	Total
	£	£	£	£	£
At 1 November 2017	11,914,727	3,581,055	164,667	(15,032,901)	627,548
Profit for the 6 months ended 30 April 2018				122,556	122,556
At 30 April 2018	11,914,727	3,581,055	164,667	(14,910,345)	750,104
Profit for the 6 months ended 31 October 2018				199,513	199,513
At 31 October 2018	11,914,727	3,581,055	164,667	(14,710,832)	949,617
Issue of Share Capital	81,429	668,026			749,455
Profit for the 6 months ended 30 April 2019				659,048	659,048
At 30 April 2019	11,996,156	4,249,081	164,667	(14,051,784)	2,358,120

5. DISTRIBUTION OF INTERIM REPORT

Copies of the Interim Report for the six months ended 30 April 2019 are available on the Company's website, www.piresinvestments.com.

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