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## Primorus Investments PLC

# Half-year Report

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Primorus Investments PLC

18 August 2023

### **Primorus Investments plc**

("Primorus" or the "Company")

### **Interim Results for the six months ended 30 June 2023**

Primorus Investments plc (AIM: PRIM) is pleased to announce its unaudited interim results for the six months ended 30 June 2023.

### **Overview**

The last six months have been a difficult time for the capital markets with rising interest rates causing a general slowdown in the deployment of capital being invested. With greater uncertainties, investors are more cautious which has had a negative effect on the asset valuations for some of Primorus' investments. Despite this, we remain confident in the longer-term prospects of these investments.

Primorus has restructured the repayments due under its Convertible Loan Note with Bushveld Minerals Limited. At the date of this announcement, £307,000 has been repaid and the balance continues to accrue interest at 10% per annum.

Alteration Earth PLC, a special purpose acquisition company in which Primorus holds approximately 28% of the issued share capital, announced on 1 August 2023 its intention to acquire the entire issued share capital of Verdant Earth Resources Limited.

In addition, Primorus has exited several non-core holdings to ensure the Company remains in a healthy position to deliver the objectives set out within its investing policy.

## **Financial Results**

The operating loss for the six months to 30 June 2023 was £512,000 (30 June 2022: £847,00 loss). The net loss after tax was £512,000 (30 June 2022: £847,000 loss).

Total assets, including cash, at 30 June 2023 amounted to £7.21 million (30 June 2022: £8.23 million).

## **Outlook**

The Board remains confident that significant opportunities exist for the Company going forward. The Board is continually seeking new investment opportunities whilst also monitoring its existing investments.

The Board has screened several exciting opportunities within the period and looks forward to making further investments in the near term.

We look forward to updating shareholders as and when our existing investments mature, and new investments present themselves.

The Directors would like to take this opportunity to thank our shareholders and consultants for their continued support.

Rupert Labrum Chairman

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

## **Caution regarding forward looking statements**

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting the Company will be those that it anticipates.

### **For further information please contact:**

#### **Primorus Investments plc**

Matthew Beardmore, Chief Executive Officer +44 (0)20 8154 7907

#### **Nominated Adviser**

#### **Cairn Financial Advisers LLP**

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James Caithie / Sandy Jamieson

## **Unaudited Condensed Company Statement of Comprehensive Income for the six months ended 30 June 2023**

<b>6 months to</b>		<b>6 months to</b>	<b>Year to</b>
		<b>30 June</b>	<b>31 December</b>
		<b>2022</b>	<b>2022</b>
	<b>Notes</b>	<b>Unaudited</b>	<b>Unaudited Audited</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Continuing operations</b>			
<b>Revenue</b>			
Investment income		40	52
Realised (loss)/gain on disposal of financial investments		(538)	(300)
Unrealised gain/(loss) on market value movement of financial investments		314	(500)
<b>Total (losses)/gains on financial investments</b>		<b>(184)</b>	<b>(748)</b>
Share based payments		-	(63)
Operating costs		(328)	(36)
Impairment of financial investments		-	-
<b>(Loss)/Profit before tax</b>		<b>(512)</b>	<b>(99)</b>
Taxation		-	-
<b>(Loss)/Profit for the period attributable to equity shareholders of the company</b>		<b>(512)</b>	<b>(847)</b>
		-	-
Other comprehensive income			
<b>Total Comprehensive Income for the year attributable to equity shareholders of the company</b>		<b>(512)</b>	<b>(847)</b>
			<b>(1,484)</b>
<b>Profit/(Loss) per share:</b>			
Basic profit/(loss) per share (pence)	<b>2</b>	(0.366)	(0.605)
Diluted profit/(loss) per share (pence)	<b>2</b>	(0.366)	(0.605)

## Unaudited Condensed Company Statement of Financial Position as at 30 June 2023

	30 June 2023	30 June 2022	31 December 2022
Note s	£'000	£'000	£'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial investments	5,279	7,742	5,444
	<b>5,279</b>	<b>7,742</b>	<b>5,444</b>
<b>Current assets</b>			
Investments	1,843	20	2,064
Trade and other receivables	49	39	34
Cash and cash equivalents	35	427	114
	<b>1,927</b>	<b>486</b>	<b>2,212</b>
<b>Total assets</b>	<b>7,206</b>	<b>8,228</b>	<b>7,656</b>
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital	280	280	280
Share based payment reserve	-	76	-
Retained earnings	6,754	7,769	7,266
<b>Total equity</b>	<b>7,034</b>	<b>8,125</b>	<b>7,546</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	172	70	110
Corporation tax	-	33	-
<b>Total liabilities</b>	<b>172</b>	<b>103</b>	<b>110</b>

<b>Total equity and liabilities</b>	<b>7,206</b>	<b>8,228</b>	<b>7,656</b>
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### Unaudited Condensed Company Statement of Changes in Equity for the six months ended 30 June 2023

	Share capital £'000	Share premium £'000	Share based payment reserve £'000	Retained earnings £'000	Total attributable to owners of parent £'000
<b>Unaudited</b>					
<b>Balance at 31 December 2021</b>	280	-	13	8,616	8,909
Loss for the period	-	-	-	(1,484)	(1,484)
<b>Total comprehensive income for the period</b>	-	-	-	(1,484)	(1,484)
Share based payment expense	-	-	121	-	121
Reclassification upon cancellation of share options	-	-	(134)	134	-
<b>Balance at 31 December 2022</b>	280	-	-	7,266	7,546
Loss for the period	-	-	-	(512)	<b>(512)</b>
<b>Total comprehensive income for the period</b>	-	-	-	(512)	<b>(512)</b>

**Balance at 30 June 2023**    **280**    -    -    **6,754**    **7,034**

**Unaudited Condensed Company Statement of Cash Flows  
for the six months ended 30 June 2023**

	<b>6 months to 30-Jun-23</b>	<b>6 months to 30-Jun-22</b>	<b>Year to 31-Dec- 22</b>
	<b>Unaudited £'000</b>	<b>Unaudited £'000</b>	<b>Audited £'000</b>
<b>Cash flows from operating activities</b>			
Operating Profit/(Loss)	(512)	(847)	(1,484)
Adjustments for:			
(Profit)/Loss on disposal of financial investments	538	300	288
Fair value movement on listed investments	(314)	500	542
Impairment provision on unlisted investments	-	-	375
Decrease/(increase) in trade and other receivables	(15)	(34)	-
Increase/(decrease) in trade and other payables	62	26	66
Foreign exchange loss/(gain)	166	(132)	(112)
Interest income on investments	(40)	(52)	(93)
Share based payment	-	63	121
Income tax (credit)	-	-	(29)
	<b>(115)</b>	<b>(176)</b>	<b>(326)</b>
Income taxes paid	-	(4)	(36)
<b>Net cash used in operating activities</b>	<b>(115)</b>	<b>(180)</b>	<b>(362)</b>

## Cash flows from investing activities

Disposal proceed from sale of financial investments	36	3,026	1,937
Payment for financial investments	-	(3,360)	(2,402)
<b>Net cash from/(used in) investing activities</b>	<b>36</b>	<b>(334)</b>	<b>(465)</b>
<b>Net change in cash and cash equivalents</b>	<b>(79)</b>	<b>(514)</b>	<b>(827)</b>
Cash and cash equivalents at beginning of period	114	941	941
<b>Cash and cash equivalents at end of period</b>	<b>35</b>	<b>427</b>	<b>114</b>

## Notes to the condensed unaudited interim financial statements

### 1. General Information

The condensed interim financial information for the 6 months to 30 June 2023 does not constitute statutory accounts for the purposes of Section 434 of the Companies Act 2006 and has not been audited or reviewed. No statutory accounts for the period have been delivered to the Registrar of Companies.

The condensed interim financial information in respect of the year ended 31 December 2022 has been produced using extracts from the statutory accounts for that period. Consequently, this does not constitute the statutory information (as defined in section 434 of the Companies Act 2006) for the year ended 31 December 2022, which was audited. The statutory accounts for this period have been filed with the Registrar of Companies. The auditors' report was unqualified and did not contain a statement under Sections 498 (2) or 498 (3) of the Companies Act 2006.

The auditor's report was approved by the Directors on 15 June 2023 and is available on the Company's website at [www.primorusinvestments.com](http://www.primorusinvestments.com).

### 2. Basis of preparation and accounting

The financial information has been prepared on the historical cost basis. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement. This statement also includes a summary of the Company's financial position and its cash flows.

The financial statements have been prepared in accordance with the Companies Act 2006 and UK-adopted international accounting standards (UK-adopted IAS) and related interpretations. As permitted, this does not include IAS 34 "Interim Financial Reporting". This condensed set of financial statements has been prepared applying the accounting policies that were applied in the preparation of the Company's published financial statements for the year ended 31<sup>st</sup> December 2022. As these interim financial statements do not include all of the information or disclosures required in the annual financial statements they should be read in conjunction with the Company's 2022 annual financial statements.

### 3. Earnings per share

Earnings per ordinary share has been calculated using the weighted average number of shares in issue during the period. The weighted average number of equity shares in issue was 139,830,968. IAS 33 requires presentation of diluted EPS when a company could be called upon to issue shares that would decrease earnings per share or increase the loss per share.

<b>Six months to 30 June 2023</b>	<b>Six months to 30 June 2022</b>	<b>Year ended 31 December 2022</b>
<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>restated</b>	
<b>(£'000)</b>	<b>(£'000)</b>	<b>(£'000)</b>

Net profit/(loss) attributable to equity holders of the company	(512)	(847)	(1,484)
Weighted average number of shares	139,830,968	139,830,968	139,830,968
Weighted average number of diluted shares	139,830,968	139,830,968	139,830,968
Basic (loss)/profit per share (pence)	(0.366)	(0.605)	(1.061)
Diluted (loss)/profit per share (pence)	(0.366)	(0.605)	(1.061)

#### 4. Events after the reporting date

There are no events after the end of the reporting date to disclose that have not already been the subject of an announcement by the Company.

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