

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

Unaudited interim results for the six months to 30 April 2013

**Chairman's Statement**

Pires Investments plc, the investing company focussing on the resources and energy sectors, announces its interim results for the six months ended 30 April 2013.

During the period under review, Pires has continued to consider investment and reverse takeover opportunities in line with its stated investment policy and has made a number of investments in quoted and unquoted securities to implement this policy as required by Rule 15 of the AIM Rules. The Group balance sheet, which shows investments of £446,395, reflects this.

Since the year end, the Company has realised this portfolio in part and in view of the recent Stock Market performance of the sectors in which it has invested the Directors are keeping the Company's remaining investments under regular review.

On 30 July 2013, the Company announced a placing of £500,000 through the issue of new ordinary shares at par. This represents a significant premium both to the present share price and to net asset value and reflects the confidence of new investors that Pires will deliver value to shareholders in the long run through the implementation of its investing policy.

The Board has now reached the conclusion, in view of the present market sentiment towards the resource sector, that this should no longer be the sole focus of the Company although there remain, the Directors believe, some good resource opportunities. The Board is now seeing a broader range of potentially attractive opportunities, some of which are now under active review. The Board believes that it will be beneficial to invest in a series of such opportunities either at or shortly prior to their coming to market.

The Board will seek shareholder approval for an amended investing policy at a general meeting to be convened in the near future. The Board believes that it can then move forward fairly rapidly in evaluating and hopefully completing on a material transaction and so build shareholder value.

Peter Redmond  
Chairman

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**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
for the six months ended 30 April 2013

		Unaudited 6 months ended 30-Apr 2013	Unaudited 6 months ended 30-Apr 2012	Audited Year Ended 31-Oct 2012
		£	£	£
<b>Continuing activities</b>				
	<b>Notes</b>			
Revenue		-	-	-
Administrative expenses		(197,377)	(184,860)	(382,600)
Exceptional credit resulting from CVA		-	1,536,191	1,526,949
<b>Operating (loss)/profit from continuing activities</b>		<b>(197,377)</b>	<b>1,351,331</b>	<b>1,144,349</b>
Finance income		2,343	-	835
Finance costs		-	(50,653)	(50,789)
<b>(Loss)/profit before taxation from continuing activities</b>		<b>(195,034)</b>	<b>1,300,678</b>	<b>1,094,395</b>
Tax		-	-	-
<b>(Loss)/profit for the period from continuing activities</b>		<b>(195,034)</b>	<b>1,300,678</b>	<b>1,094,395</b>
Loss from discontinued activities		-	<b>(254,537)</b>	<b>(312,919)</b>
<b>(Loss)/profit for the period attributable to equity holders of the Company</b>		<b>(195,034)</b>	<b>1,046,141</b>	<b>781,476</b>
<b>Basic (loss)/earnings per share</b>	<b>3</b>			
Equity holders				
From continuing activities		<b>(0.01)p</b>	<b>0.85p</b>	<b>0.11p</b>
From continuing and discontinued activities		<b>(0.01)p</b>	<b>0.68p</b>	<b>0.08p</b>
<b>Diluted (loss)/earnings per share</b>	<b>3</b>			
Equity holders				
From continuing activities		<b>N/A</b>	<b>0.83p</b>	<b>0.11p</b>
From continuing and discontinued activities		<b>N/A</b>	<b>0.67p</b>	<b>0.08p</b>

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 30 April 2013**

	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>30-Apr</b>	<b>30-Apr</b>	<b>31-Oct</b>
	<b>2013</b>	<b>2012</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Notes</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	-	167,300	-
Investments	446,395	-	-
<b>TOTAL NON CURRENT ASSETS</b>	<b>446,395</b>	<b>167,300</b>	<b>-</b>
<b>CURRENT ASSETS</b>			
Trade and other receivables	100,289	33,375	86,794
Cash and cash equivalents	590,165	1,582,188	1,241,015
<b>TOTAL CURRENT ASSETS</b>	<b>690,454</b>	<b>1,615,563</b>	<b>1,327,809</b>
<b>TOTAL ASSETS</b>	<b>1,136,849</b>	<b>1,782,863</b>	<b>1,327,809</b>
<b>EQUITY</b>			
Called up share capital	11,353,192	11,287,103	11,287,103
Share premium account	2,949,340	2,932,818	2,932,818
Equity share capital to be issued (including premium)	-	-	82,611
Retained earnings	(13,517,843)	(13,077,356)	(13,322,809)
Capital redemption reserve	164,667	164,667	164,667
<b>TOTAL EQUITY</b>	<b>4 949,356</b>	<b>1,307,232</b>	<b>1,144,390</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Borrowings	-	167,300	-
Trade and other payables	187,493	308,331	183,419
<b>TOTAL CURRENT LIABILITIES</b>	<b>187,493</b>	<b>475,631</b>	<b>183,419</b>
<b>TOTAL LIABILITIES</b>	<b>187,493</b>	<b>475,631</b>	<b>183,419</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,136,849</b>	<b>1,782,863</b>	<b>1,327,809</b>

**UNAUDITED CONSOLIDATED CASH FLOW STATEMENT**  
**For the six months ended 30 April 2013**

		Unaudited 6 months ended 30-Apr 2013 £	Unaudited 6 months ended 30-Apr 2012 £	Audited Year ended 31-Oct 2012 £
	<i>Notes</i>			
<b><i>Cash flows from operating activities</i></b>	<b>5</b>	<b><u>(153,640)</u></b>	<b><u>46,823</u></b>	<b><u>(295,049)</u></b>
<b><i>Cash flows from investing activities</i></b>				
Payments to acquire investments		(835,211)	-	-
Proceeds of disposal of fixed assets		-	21,667	21,667
Proceeds of sale of investments		335,736	-	-
Finance income received		2,265	-	835
<b>Net cash (used in)/from investing activities</b>		<b><u>(497,210)</u></b>	<b><u>21,667</u></b>	<b><u>22,502</u></b>
<b><i>Cash flows from financing activities</i></b>				
Net repayments on loans and overdrafts		-	(51,698)	(51,698)
Cash from subscriptions for new shares		-	1,700,000	1,700,000
Expenses of share issue		-	(85,000)	(85,000)
Finance costs paid		-	(50,653)	(50,789)
<b>Net cash from financing activities</b>		<b><u>-</u></b>	<b><u>1,512,649</u></b>	<b><u>1,512,513</u></b>
<b>Net increase/(decrease) in cash and cash equivalents during the period</b>		<b>(650,850)</b>	<b>1,581,139</b>	<b>1,239,966</b>
Cash and cash equivalents at beginning of the period		1,241,015	1,049	1,049
<b>Cash and cash equivalents at end of the period</b>		<b><u>590,165</u></b>	<b><u>1,582,188</u></b>	<b><u>1,241,015</u></b>

## **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 Morrison & Foerster, CityPoint, One Ropemaker Street, London EC2Y 9AW. The condensed consolidated interim financial statements of the Company for the six months ended 30 April 2013 is that of the Company and its subsidiary (together referred to as the "Group").

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 2012 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 2012 and 2013 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 30 July 2013.

### **2. BASIS OF ACCOUNTING**

The consolidated 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 2012. 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. LOSS PER SHARE

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

	<b>Unaudited 6 months ended 30-Apr 2013 £</b>	<b>Unaudited 6 months ended 30-Apr 2012 £</b>	<b>Audited Year ended 31-Oct 2012 £</b>
(Loss)/profit on continuing activities after tax	(195,034)	1,300,678	1,094,395
(Loss)/profit on continuing and discontinued activities after tax	(195,034)	1,046,141	781,476

#### **Basic**

Basic loss/(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	1,821,690,338	153,922,503	954,477,964
Basic (loss)/earnings per share from continuing activities (p)	(0.01)	0.85	0.11
Basic (loss)/earnings per share from continuing and discontinued activities (p)	(0.01)	0.68	0.08

#### **Diluted**

The dilution which might potentially arise from the exercise of warrants outstanding entitling the holders to subscribe new ordinary shares representing 6% of the issued ordinary share capital of the Company from time to time has been considered for the relevant periods and diluted earnings per share have been computed where the effect is not anti-dilutive using the following data:

	<i>Number of shares</i>		
Weighted average number of ordinary shares for the period	N/A	156,490,201	966,300,516
Diluted (loss)/earnings per share from continuing activities (p)	N/A	0.83	0.11
Diluted (loss)/earnings per share from continuing and discontinued activities (p)	N/A	0.67	0.08

There are also 2,021,791 warrants exercisable at 119p per share on 1 December 2013 that could potentially reduce future earnings per share but which are anti-dilutive for each of the above periods.

In addition, there were 91,428 shares that could have been issued upon exercise of outstanding share options which lapsed during the year ended 31 October 2012 and which would have been anti-dilutive.

#### 4. STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Shares to be issued	Capital Redemption Reserve	Retained Earnings	Total
	£	£	£	£	£	£
<b>At 1 November 2011</b>	<b>9,587,103</b>	<b>3,017,818</b>	-	<b>164,667</b>	<b>(14,123,497)</b>	<b>(1,353,909)</b>
Profit for the 6 months ended 30 April 2012	-	-	-	-	1,046,141	1,046,141
Issue of shares	1,700,000	(85,000)	-	-	-	1,615,000
<b>At 30 April 2012</b>	<b>11,287,103</b>	<b>2,932,818</b>	-	<b>164,667</b>	<b>(13,077,356)</b>	<b>1,307,232</b>
Loss for the 6 months ended 31 October 2012	-	-	-	-	(264,665)	(264,665)
Shares to be issued	-	-	82,611	-	-	82,611
Cost of share based payments	-	-	-	-	19,212	19,212
<b>At 31 October 2012</b>	<b>11,287,103</b>	<b>2,932,818</b>	<b>82,611</b>	<b>164,667</b>	<b>(13,322,809)</b>	<b>1,144,390</b>
Loss for the 6 months ended 30 April 2013	-	-	-	-	(195,034)	(195,034)
Issue of shares	66,089	16,522	(82,611)	-	-	-
<b>At 30 April 2013</b>	<b>11,353,192</b>	<b>2,949,340</b>	-	<b>164,667</b>	<b>(13,517,843)</b>	<b>949,356</b>

#### 5. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

	Unaudited 6 months ended 30-Apr 2013 £	Unaudited 6 months ended 30-Apr 2012 £	Audited Year ended 31-Oct 2012 £
<b>Cash flow from operations</b>			
<b>(Loss)/profit</b>	<b>(195,034)</b>	<b>1,046,141</b>	<b>781,476</b>
Depreciation	-	6,706	6,706
Realised and unrealised loss on investments	53,081	-	-
Loss on disposal of fixed assets	-	6,714	6,714
Loss on disposal of discontinued activities	-	283,755	283,755
Extraordinary credit from CVA	-	(1,536,191)	(1,526,949)
Share based payments	-	-	19,212
Finance income	(2,265)	-	(835)
Finance costs	-	50,789	50,789
Decrease/(increase) in inventories	-	10,597	10,597
Decrease/(increase) in receivables	(11,268)	(17,552)	(70,971)
Increase/(decrease) in payables	1,846	195,864	144,457
<b>Cash flow from operations</b>	<b>(153,640)</b>	<b>46,823</b>	<b>(295,049)</b>

#### 6. DISTRIBUTION OF INTERIM REPORT

Copies of the Interim Report for the six months ended 30 April 2013 can be obtained from the Registered Office during normal business hours and are available on the Company's website, [www.piresinvestments.com](http://www.piresinvestments.com).