

Pires Investments PLC

("Pires" or the "Company")

Unaudited interim results for the six months to 30 April 2014

Highlights

- **Initial profit achieved due to performance of investments**
- **NAV at significant discount to share price**
- **Significant progress by Rame Energy plc, the initial core investment**

Chairman's Statement

I am pleased to be able to report positive progress in the six months under review, the first in which the Company's new investment focus was fully in operation. As well as being able to report investments in line with this investing policy we are able to report a modest profit of £22,500 for the six months to 30 April 2014 – resulting from a net positive performance from the Company's investments.

In February 2014, we completed a pre-IPO investment of £410,000 in Rame Energy plc at a 25% discount to the eventual IPO price; Rame was admitted to AIM in March and the Company invested a further £55,000 in the IPO. We gave much fuller details on this investment in the Final Results Statement for the year ended 31 October 2013. Since then, Rame has made significant progress – in particular, it has reached an agreement with Santander with regard to the equity financing of its next 118MW of wind projects on terms which, we believe, will enable Rame to realise sizeable profits as and when it sells completed projects or stakes therein. Rame has also acquired Beco Solar Limited, a UK-based solar engineering business, which considerably enhances its ability to undertake solar projects in Chile, the UK and internationally. It has also begun construction of its initial 15MW wind farm project in Chile as expected. We believe Rame has in some respects a near unique position and approach which gives it the potential for major capital gains in the future.

The Company has disposed of the greater part of the quoted portfolio acquired last year but now holds a number of longer term investments in accordance with its investing policy. One of these has made a significant contribution to our results for the period and we continue to review opportunities to deploy our cash resources profitably.

While the Company is not exclusively focused on renewable energy, it has, since investing in Rame, seen a number of interesting international opportunities in this area and we have established a subsidiary company to focus on the sector. We have a number of significant transactions under review and have entered into a partnership arrangement with a significant European wind consultancy/developer in relation to one of them.

We have added to our team recently through new consultancy appointments which bring additional skills and experience. We generated some very modest fees in the period under review and we are working to create further fee-earning opportunities in addition to our investing activities.

We will be approaching shareholders in the near future to propose some refocussing of our investing policy and we anticipate making additional appointments which we believe will strengthen the Company's experience and profile.

Peter Redmond
Chairman

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PIRES INVESTMENTS PLC
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
for the six months ended 30 April 2014

	Unaudited 6 months ended 30-Apr 2014	Unaudited 6 months ended 30-Apr 2013 <i>(Note 1)</i>	Audited Year Ended 31-Oct 2013
<i>Notes</i>	£	£	£
Continuing activities			
Revenue			
Investment income	1,000	2,318	4,327
Other income	5,000	25	25,050
Total revenue	6,000	2,343	29,377
Gains/(losses) on investments held at fair value through profit or loss	3 139,269	53,081	(45,939)
Operating expenses	(122,741)	(144,296)	(336,072)
Operating profit/(loss) from continuing activities	22,528	(195,034)	(352,634)
Finance costs	-	-	-
Profit/(loss) before taxation from continuing activities	22,528	(195,034)	(352,634)
Tax	-	-	-
Profit/(loss) for the period from continuing activities and total comprehensive income attributable to equity holders of the Company	22,528	(195,034)	(352,634)
Earnings/(loss) per share to equity holders			
Basic and diluted from continuing activities	4 0.001p	(0.011)p	(0.017)p

PIRES INVESTMENTS PLC
UNAUDITED STATEMENT OF FINANCIAL POSITION
as at 30 April 2014

	Unaudited	Unaudited	Audited
	As at	As at	As at
	30-Apr	30-Apr	31-Oct
	2014	2013	2013
	£	£	£
<i>Notes</i>		(Note 1)	
Non-current assets			
Property, plant and equipment	<u>1,464</u>	-	<u>1,812</u>
Total non-current assets	<u>1,464</u>	-	<u>1,812</u>
Current assets			
Investments	3 <u>754,717</u>	446,395	84,966
Trade and other receivables	<u>151,035</u>	100,289	128,588
Cash and cash equivalents	<u>614,794</u>	590,165	<u>1,195,379</u>
Total current assets	<u>1,520,546</u>	<u>1,136,849</u>	<u>1,408,933</u>
Total assets	<u>1,522,010</u>	<u>1,136,849</u>	<u>1,410,745</u>
Equity			
	5		
Issued share capital	<u>11,853,192</u>	11,353,192	11,853,192
Share premium	<u>2,904,840</u>	2,949,340	2,904,840
Retained earnings	<u>(13,594,536)</u>	(13,517,843)	(13,617,064)
Capital redemption reserve	<u>164,667</u>	164,667	<u>164,667</u>
Total equity	<u>1,328,163</u>	<u>949,356</u>	<u>1,305,635</u>
Liabilities			
Current liabilities			
Trade and other payables	<u>193,847</u>	187,493	<u>105,110</u>
Total liabilities and current liabilities	<u>193,847</u>	187,493	<u>105,110</u>
Total equity and liabilities	<u>1,522,010</u>	<u>1,136,849</u>	<u>1,410,745</u>

PIRES INVESTMENTS PLC
UNAUDITED STATEMENT OF CASH FLOWS
for the six months ended 30 April 2014

		Unaudited 6 months ended 30-Apr 2014 £	Unaudited 6 months ended 30-Apr 2013 £	Audited Year ended ended 31-Oct 2013 £
	<i>Notes</i>		<i>(Note 1)</i>	
<i>Cash flows from operating activities</i>				
Net cash absorbed by operating activities	6	<u>(51,103)</u>	<u>(153,693)</u>	<u>(372,045)</u>
<i>Cash flows from investing activities</i>				
Payments to acquire tangible fixed assets		-	-	(2,109)
Payments to acquire investments		(530,482)	(835,211)	(863,206)
Proceeds of sale of investments		-	335,736	732,302
Finance income received		1,000	2,318	4,327
Net cash (used in)/from investing activities		<u>(529,482)</u>	<u>(497,157)</u>	<u>(128,686)</u>
<i>Cash flows from financing activities</i>				
Cash from subscriptions for new shares		-	-	500,000
Expenses of share issue		-	-	(44,500)
Net cash from financing activities		<u>-</u>	<u>-</u>	<u>445,500</u>
Net increase/(decrease) in cash and cash equivalents during the period		(580,585)	(650,850)	(45,231)
Cash and cash equivalents at beginning of the period		1,195,379	1,241,015	1,240,610
Cash and cash equivalents at end of the period		<u>614,794</u>	<u>590,165</u>	<u>1,241,015</u>

PIRES INVESTMENTS PLC
Notes to the Unaudited Interim Report
for the six months ended 30 April 2014

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 interim financial statements of the Company for the six months ended 30 April 2014 are those of the Company which had no subsidiary during that period. Accordingly, the condensed interim financial statements for the six months ended 30 April 2013 are restated as those of the Company rather than the Company and its subsidiary as previously published.

The condensed 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 2013 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 condensed interim financial statements were authorised for issue on 30 July 2014.

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 2013. 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 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. INVESTMENTS

Investments held at fair value through the profit or loss

Investments at fair value at 1 November 2012	-
Purchase of investments	863,207
Investment disposals	(732,302)
Gain on disposal of investments	15,424
Movement in investment holding losses	(61,363)
Investments at fair value at 31 October 2013	<u>84,966</u>
Purchase of investments	530,482
Investment disposals	-
Gain on disposal of investments	-
Movement in investment holding gains	139,269
Investments at fair value at 30 April 2014	<u><u>754,717</u></u>

4. EARNINGS/(LOSS) PER SHARE

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

	Unaudited 6 months ended 30-Apr 2014	Unaudited 6 months ended 30-Apr 2013	Audited Year ended 31-Oct 2013
		£	£
Profit/(loss) on continuing activities after tax	22,528	(195,034)	327,634

Basic and fully diluted

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

	<i>Number of shares</i>		
Weighted average number of ordinary shares for the period	2,321,659,864	1,821,690,338	1,945,616,874
Basic earnings/(loss) per share from continuing activities (p)	0.001	(0.011)	(0.017)

Potential dilution

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. The effect is not anti-dilutive in any of these periods.

There are also 2,021,791 warrants exercisable at 119p per share (on 1 December in each year to 2013) that could have potentially reduced future earnings per share but which are anti-dilutive for each of the above periods. These warrants lapsed in December 2013.

5. STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Shares to be issued	Capital Redemption Reserve	Retained Earnings	Total
	£	£	£	£	£	£
At 1 November 2012	11,287,103	2,932,818	82,611	164,667	(13,264,430)	1,202,769
Loss for the 6 months ended 30 April 2013	-	-	-	-	(195,034)	(195,034)
Issue of shares	66,089	16,522	(82,611)	-	-	-
At 30 April 2012	11,353,192	2,949,340	-	164,667	(13,459,464)	1,007,735
Loss for the 6 months ended 31 October 2012	-	-	-	-	(157,600)	(157,600)
Issue of shares	500,000	-	-	-	-	500,000
Share issuance costs	-	(44,500)	-	-	-	(44,500)
At 31 October 2013	11,853,192	2,904,840	-	164,667	(13,617,064)	1,305,635
Profit for the 6 months ended 30 April 2014	-	-	-	-	22,528	22,528
At 30 April 2014	11,853,192	2,904,840	-	164,667	(13,594,536)	1,328,163

6. CASH ABSORBED BY OPERATIONS

	Unaudited 6 months ended 30-Apr 2014 £	Unaudited 6 months ended 30-Apr 2013 £	Audited Year ended 31-Oct 2013 £
Profit/(loss)	22,528	(195,034)	(327,634)
Depreciation	348	-	296
Realised gain on disposal of investments	-	66,416	(15,424)
Fair value movements in investments	(139,269)	(13,335)	61,363
Finance income	(1,000)	(2,318)	(4,327)
(Increase) in receivables	(22,447)	(11,268)	(64,565)
Increase/(decrease) in payables	88,737	1,846	(21,754)
Cash absorbed by operations	<u>(51,103)</u>	<u>(153,693)</u>	<u>(372,045)</u>

7. DISTRIBUTION OF INTERIM REPORT

Copies of the Interim Report for the six months ended 30 April 2014 can be obtained from the Registered Office during normal business hours and are available on the Company's website, www.piresinvestments.com.