

## **Primorus Investments plc**

("Primorus" or the "Company")

### **Interim Results for the six months ended 30 June 2020**

Primorus Investments plc (AIM: PRIM, AQSE: PRIM) is pleased to announce its interim results for the six months ended 30 June 2020.

#### **Overview**

Primorus has a strong balance sheet with no debt and with total assets (including cash of £676,000) as at 30 June 2020 amounting to £8.09 million (30 June 2019: £4.85 million).

The year to date has been a challenging one. In these unprecedented times, the effects of COVID-19 are still reverberating around the globe and the long-term effects on the economies of the world are still unclear. Against this backdrop, Primorus has made substantial progress in both "mark to market" value of our quoted investments, our core unlisted portfolio and, in some investments, realised gains as reflected in these accounts. Some time ago and pre-COVID-19, the Company chose to take substantial exposure to gold via its investment portfolio. This strategy has been handsomely rewarded with exceptional growth in the "mark to market" value of our primary listed investment, Greatland Gold PLC (AIM: GGP). During the period we have seen a continued surge in the USD\$ gold price and also in values of many of the large technology companies, as global consumer and work practices react and evolve to the changing social and business environment.

Through our Quarterly Reports and other news flow which we have announced this year, it can be seen why we continue to believe there is unrecognised value in our investment portfolio and we see significant short, and medium, term opportunities to realise further gains from our investments.

#### **Financial Results**

The operating profit for the six months to 30 June 2020 was £3.29 million (30 June 2019: £418,000 loss). The net profit after tax was £3.29 million (30 June 2019: £418,000 loss).

Total assets, including cash, at 30 June 2020 amounted to £8.09 million (30 June 2019: £4.85 million).

#### **Outlook**

The Board remains confident that significant opportunities exist for the Company going forward. We look forward to the remainder of 2020 being a period in which we can further demonstrate our business model by exiting some more of our investment positions, thereby realising tangible value for all shareholders.

It is the intention of the Board to resolve with our lawyers and Nomad, the ability for the Company to buy back, where appropriate, up to 10% of the issued capital in the Company via a share buy-back programme to be approved by shareholders.

We will continue to seek out further investments in line with the Company's investing strategy.

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

Jeremy Taylor-Firth  
Chairman  
25 August 2020

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

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**Unaudited Condensed Company Statement of Comprehensive Income  
for the six months ended 30 June 2020**

	6 months to 30 June 2020 Unaudited £'000	6 months to 30 June 2019 Unaudited £'000	Year to 31 December 2019 Audited £'000
<b>Continuing operations</b>			
<b>Revenue</b>			
Investment income	1	-	24
Realised gain on disposal of AFS investments	834	(136)	(62)
Unrealised gain/(loss) on market value movement of AFS investments	2,715	(18)	228
<b>Total gains on AFS investments</b>	<b>3,550</b>	<b>(154)</b>	<b>190</b>
Impairment provision on AFS investments	-	-	
Share based payments	-	-	-
Administrative costs	(258)	(264)	(591)
<b>Operating profit/(loss)</b>	<b>3,292</b>	<b>(418)</b>	<b>(401)</b>
Finance cost	-	-	-
<b>Profit/(loss) before tax</b>	<b>3,292</b>	<b>(418)</b>	<b>(401)</b>
Taxation	-	-	-
<b>Profit/(loss) for the period</b>	<b>3,292</b>	<b>(418)</b>	<b>(401)</b>
<b>Other comprehensive income</b>			
Transfer to income statement of available for sale reserve	-	-	-
<b>Total Comprehensive Income for the year attributable to the owners of the parent company</b>	<b>3,292</b>	<b>(418)</b>	<b>(401)</b>
<b><u>(Loss) per share:</u></b>			
Basic profit/(loss) per share (pence)	<b>2</b>	2.35	(0.29)
Diluted profit/(loss) per share (pence)	<b>2</b>	2.09	(0.25)

**Unaudited Condensed Company Statement of Financial Position  
as at 30 June 2020**

	30 June 2020 Unaudited £'000	30 June 2019 Unaudited £'000	31 December 2020 Audited £'000
Note s			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Available for sale assets	7,390	4,674	4,805
	<b>7,390</b>	<b>4,674</b>	<b>4,805</b>
<b>Current assets</b>			
Trade and other receivables	22	57	15
Cash and cash equivalents	676	121	45
	<b>698</b>	<b>178</b>	<b>60</b>
<b>Total assets</b>	<b>8,088</b>	<b>4,852</b>	<b>4,865</b>
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital	15,391	15,391	15,391
Share premium account	35,296	35,296	35,296
Share based payment reserve	683	683	683
Retained earnings	(43,321)	(46,630)	(46,613)
<b>Total equity</b>	<b>8,049</b>	<b>4,740</b>	<b>4,757</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	39	112	108
<b>Total liabilities</b>	<b>39</b>	<b>112</b>	<b>108</b>
<b>Total equity and liabilities</b>	<b>8,088</b>	<b>4,852</b>	<b>4,865</b>

**Unaudited Condensed Company Statement of Changes in Equity  
for the six months ended 30 June 2020**

	Share capital	Share premium	Share based payment reserve	Retained earnings	Total attributable to owners of parent
<b>Unaudited</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Balance at 31 December 2018</b>	<b>15,391</b>	<b>35,296</b>	<b>683</b>	<b>(46,212)</b>	<b>5,158</b>
Loss for the period	-	-	-	(401)	(401)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(401)</b>	<b>(401)</b>
<b>Balance at 31 December 2019</b>	<b>15,391</b>	<b>35,296</b>	<b>683</b>	<b>(46,613)</b>	<b>4,757</b>
Profit for the period	-	-	-	3,292	<b>3,292</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,292</b>	<b>3,292</b>
<b>Balance at 30 June 2020</b>	<b>15,391</b>	<b>35,296</b>	<b>683</b>	<b>(43,321)</b>	<b>8,049</b>

**Unaudited Condensed Company Statement of Cash Flows  
for the six months ended 30 June 2020**

	<b>6 months to 30-Jun-20 Unaudited £'000</b>	<b>6 months to 30-Jun-19 Unaudited £'000</b>	<b>Year to 31-Dec-19 Audited £'000</b>
<b>Cash flows from operating activities</b>			
Operating profit/(loss)	3,292	(418)	(401)
Adjustments for:			
Share based payment charge	-	-	-
Impairment provision	-	-	-
Decrease/(increase) in trade and other receivables	7	32	74
Increase/(decrease) in trade and other payables	(69)	(6)	(10)
(Increase)/decrease in AFS Investments	(2,599)	105	(26)
Taxation (paid)	-	-	-
<b>Net cash used in operating activities</b>	<b>631</b>	<b>(287)</b>	<b>(363)</b>
<b>Cash flows from investing activities</b>			
Loan advanced to related party	-	-	-
<b>Net cash (used in) investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Proceeds from share issues	-	-	-
Share issue costs	-	-	-
<b>Net cash from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in cash and cash equivalents</b>	<b>631</b>	<b>(287)</b>	<b>(363)</b>
Cash and cash equivalents at beginning of period	45	408	408
<b>Cash and cash equivalents at end of period</b>	<b>676</b>	<b>121</b>	<b>45</b>

## Notes to the condensed interim financial statements

### 1. General Information

The condensed interim financial information for the 6 months to 30 June 2020 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 2019 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 2019, 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 Report was approved by the Directors on 25 August 2020 and is available on the Company's website at [www.primorusinvestments.com](http://www.primorusinvestments.com).

### 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.

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union with the exception of International Accounting Standard ('IAS') 34 – Interim Financial Reporting. Accordingly, the interim financial statements do not include all of the information or disclosures required in the annual financial statements and should be read in conjunction with the Company's 2019 annual financial statements.

### 2. 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. The exercise price of the outstanding share options is significantly more than the average and closing share price. Therefore, as per IAS 33 the potential ordinary shares are disregarded in the calculation of EPS.

	<b>Six months to 30 June 2020 (Unaudited)</b>	<b>Six months to 30 June 2019 (Unaudited) restated</b>	<b>Year ended 31 December 2019 (Audited)</b>
	(£'000)	(£'000)	(£'000)
Net profit/(loss) attributable to equity holders of the company	3,292	(418)	(401)
Weighted average number of shares	139,830,968	139,830,968	139,830,968
Weighted average number of diluted shares	157,630,968	157,630,968	157,630,968
Basic profit/(loss) per share (pence)	2.35	(0.30)	(0.29)
Diluted profit/(loss) per share (pence)	2.09	(0.27)	(0.25)

### **3. Events after the reporting date**

There are no events after the end of the reporting date to disclose.