

RNS Number : 1390Y

Primorus Investments PLC

29 July 2024

## **Primorus Investments plc**

("Primorus" or the "Company")

### **Interim Results for the six months ended 30 June 2024**

Primorus Investments plc (AIM: PRIM) is pleased to announce its unaudited interim results for the six months ended 30 June 2024.

#### **Overview**

The last six months continued to have an unstable investment environment within the UK and global economies. This has depressed market valuations of UK small cap market participants. 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 the investments.

Autodesk Inc. completed the acquisition of Payapps Limited ("Payapps")(the "Acquisition"), an investee company of Primorus. Primorus received cash proceeds of approximately USD\$6.1m (approximately £4.8m) as part of the Acquisition.

Following the realisation of Primorus' investment in Payapps, the Company was pleased to declare a special dividend of 1.5 pence per ordinary share, amounting to a distribution of proceeds to shareholders of approximately £2.1 million, in aggregate.

Alteration Earth PLC ("ALTE"), a special purpose acquisition company in which Primorus holds 5,000,000 ordinary shares representing approximately 28% of the issued share capital, announced that it has entered into non-binding heads of terms to acquire PRIOR1TY AI PLC.

Primorus has actively looked to increase its investment in Fresho PTY LTD ("Fresho") and acquired 829,808 additional shares during the period, taking its holding to 4,245,531 shares in Fresho representing approximately 4.32% of Fresho's issued share capital on a fully diluted basis.

The Company was excited to have the opportunity to purchase 250,000 ordinary shares in Virtualstock Holdings Limited representing approximately 1.7% of the issued share capital on a fully diluted basis.

In addition to the above investments, Primorus has placed surplus cash of £2.1m into the Goldman Sachs Sterling Liquid Reserves Fund. These funds are available on demand and included in current asset investments in the balance sheet.

Engage Technology Partners Ltd ("Engage") recently completed a significant restructuring. This has resulted in a significant dilution to the Company's holding from 4.49% to 1.97%.

## **Financial Results**

The operating profit for the six months to 30 June 2024 was £2,764,000 (30 June 2023: £512,000 loss). The net profit after tax was £2,764,000 (30 June 2023: £512,000 loss).

Total assets, including cash, at 30 June 2024 amounted to £5.98 million (30 June 2023: £7.21 million).

## **Outlook**

The Board is optimistic that clarity of elections in the UK and further afield should give more stability to the investment world. This combined with the potential for lower interest rates and increased economic growth will lead to significant opportunities for the Company going forward. The Board is continually seeking new investment opportunities whilst also monitoring its existing investments to determine when it is appropriate to materialise them.

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

29 July 2024

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**

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James Caithie / Sandy Jamieson

**Unaudited Condensed Company Statement of Comprehensive Income  
for the six months ended 30 June 2024**

<b>6 months to</b>	<b>30 June</b>	<b>6 months to</b>	<b>Year to</b>
	<b>2024</b>	<b>30 June</b>	<b>31 December</b>
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>
	<b>Notes £'000</b>	<b>£'000</b>	<b>£'000</b>

**Continuing operations**

**Revenue**

Investment income	17	40	64
Realised gain/(loss) on disposal of financial investments	3,206	(538)	(684)
Unrealised (loss)/gain on market value movement of financial investments	(42)	314	465
<b>Total gains/(losses) on financial investments</b>	<b>3,181</b>	<b>(184)</b>	<b>(155)</b>
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Operating costs	(417)	(328)	(504)
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Impairment of financial investments	-	-	(1,690)
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<b>Profit/(Loss) before tax</b>	<b>2,764</b>	<b>(512)</b>	<b>(2,349)</b>
Taxation	-	-	-
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<b>Profit/(Loss) for the period attributable to equity shareholders of the company</b>	<b>2,764</b>	<b>(512)</b>	<b>(2,349)</b>
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Other comprehensive income	-	-	-
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<b>Total Comprehensive Income for the year attributable to equity shareholders of the company</b>	<b>2,764</b>	<b>(512)</b>	<b>(2,349)</b>
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<b>Profit/(Loss) per share:</b>			
Basic profit/(loss) per share (pence) <b>3</b>	1.977	(0.366)	(1.680)
Diluted profit/(loss) per share (pence) <b>3</b>	1.977	(0.366)	(1.680)

**Unaudited Condensed Company Statement of Financial Position**  
**as at 30 June 2024**

	30 June 2024 Unaudited £'000	30 June 2023 Unaudited £'000	31 December 2023 Audited £'000
<b>Note s</b>			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial investments	2,941	5,279	2,052
	<b>2,941</b>	<b>5,279</b>	<b>2,052</b>
<b>Current assets</b>			
Investments	2,925	1,843	2,502
Trade and other receivables	15	49	12
Cash and cash equivalents	95	35	775
	<b>3,035</b>	<b>1,927</b>	<b>3,289</b>
<b>Total assets</b>	<b>5,976</b>	<b>7,206</b>	<b>5,341</b>
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital	280	280	280
Retained earnings	5,584	6,754	4,917
<b>Total equity</b>	<b>5,864</b>	<b>7,034</b>	<b>5,197</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	112	172	144
Corporation tax	-	-	-

<b>Total liabilities</b>	<b>112</b>	<b>172</b>	<b>144</b>
<b>Total equity and liabilities</b>	<b>5,976</b>	<b>7,206</b>	<b>5,341</b>

**Unaudited Condensed Company Statement of Changes in Equity**  
for the six months ended 30 June 2024

	<b>Share capital</b>	<b>Share premium</b>	<b>Retained earnings</b>	<b>Total attributable to owners of parent</b>
<b>Unaudited</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Balance at 31 December 2022</b>	280	-	7,266	7,546
Loss for the period	-	-	(2,349)	(2,349)
<b>Total comprehensive income for the period</b>	-	-	<b>(2,349)</b>	<b>(2,349)</b>
<b>Balance at 31 December 2023</b>	<b>280</b>		<b>4,917</b>	<b>5,197</b>
Profit for the period	-	-	2,764	2,764
<b>Total comprehensive income for the period</b>	-	-	<b>2,764</b>	<b>2,764</b>
Dividend paid during the period	-	-	(2,097)	(2,097)
<b>Balance at 30 June 2024</b>	<b>280</b>	-	<b>5,584</b>	<b>5,864</b>

## Unaudited Condensed Company Statement of Cash Flows

for the six months ended 30 June 2024

	6 months to 30 Jun 24 Unaudited £'000	6 months to 30 Jun 23 Unaudited £'000	Year to 31 Dec 23 Audited £'000
<b>Cash flows from operating activities</b>			
Operating profit/(loss) before tax	2,764	(512)	(2,349)
Adjustments for:			
(Profit)/Loss on disposal of financial investments	(3,206)	538	684
Fair value movement on financial investments	42	(314)	(465)
Impairment provision on unlisted investments	-	-	1,690
Decrease/(increase) in trade and other receivables	(3)	(15)	22
(Decrease)/Increase in trade and other payables	(32)	62	34
Foreign exchange loss	58	166	133
Interest income on investments	-	(40)	(64)
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	(377)	(115)	(315)
Income taxes paid	-	-	-
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<b>Net cash used in operating activities</b>	<b>(377)</b>	<b>(115)</b>	<b>(315)</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of financial investments	4,789	36	1,051
Purchase of financial investments	(2,995)	-	(75)
<b>Net cash from/(used in) investing activities</b>	<b>1,794</b>	<b>36</b>	<b>(976)</b>
Dividends	(2,097)	-	-
<b>Cash flow from financing activities</b>	<b>(2,097)</b>	<b>-</b>	<b>-</b>
<b>Net change in cash and cash equivalents</b>	<b>(680)</b>	<b>(79)</b>	<b>661</b>
Cash and cash equivalents at beginning of period	775	114	114
<b>Cash and cash equivalents at end of period</b>	<b>95</b>	<b>35</b>	<b>775</b>

## Notes to the condensed unaudited interim financial statements

### 1. General Information

The condensed interim financial information for the 6 months to 30 June 2024 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 2023 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 2023, 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 31 May 2024 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 December 2023. 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 2023 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>6 months to 30 June 2024 (Unaudited)</b>	<b>6 months to 30 June 2023 (Unaudited)</b>	<b>Year ended 31 December 2023 (Audited)</b>
	£'000	£'000	£'000
Net profit/(loss) attributable to equity holders of the company	2,764	(512)	(2,349)
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 profit/(loss) per share (pence)	1.977	(0.366)	(1.680)
Diluted profit/(loss) per share (pence)	1.977	(0.366)	(1.680)

#### **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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