

**HERMES PACIFIC INVESTMENTS PLC**  
**(AIM: HPAC)**

**Unaudited interim results for the six months ended 30 September 2017**

**Chairman's Statement**

I am pleased to report the results and developments at Hermes Pacific Investments plc ("HPAC" or the "Company") for the six months ended 30 September 2017. During the period under review the Company made a loss of £47,000 which is in line with the loss reported for the corresponding period in the previous year. HPAC had no revenues owing to a lack of any operating business and it continues to manage its costs effectively while bringing the spending to a minimum. The Company continues to seek investments opportunities which would fit its business strategy. At the period end the Company had net assets of £3,884,000 of which cash was £3,774,000.

**Review of the Company's activities**

Hermes Pacific Investments plc is an investing company with a focus on investing in the emerging markets of the Far East including South East Asia. An investment can be via an acquisition of an equity interest or direct interests in projects. It made no investments in the six months under review.

The period under review has been influenced by the recent unprecedented national events resulting in the devaluation of sterling further to the outcome of the EU referendum on 23 June 2016, where the UK voters' decided to leave the European economic zone, and the UK government commencing exit negotiations together with the sudden, unpredicted change of the UK government. The main impact of those changes has been a significant drop in the British currency. The devaluation of the pound against the US dollar, which is a preferred currency for overseas transactions, has affected Company's investment evaluation process by making opportunities more expensive.

Developments reflecting anti-globalisation moods have been observed not only in Europe but also North America. The sentiment encouraging "we are better off alone" movement can be seen through events such as the election of populist leaders who tend to promote isolationist policies. Since the election of Donald Trump the US has rejected the Trans Pacific Partnership which connects East Asia (excluding China) with the US, Canada, South America and Australasia in a broad-spectrum trade agreement. A similar event to the rejection by the UK of the European economic cooperation model.

This is in contrast to Asia where the trend is reversed. The Association of South East Asian Nations consisting of 10 Member States recently approved the ASEAN Economic Community with free trade and free labour movement. The company's preferred investment targets are within these emerging economies where countries leaders have recognised greater economic outcomes may be achieved by growing together rather than apart. More so, over 0.5 billion people of the Far East region experienced a drastic change in the standard of living and increased opportunities over the past decade. The region continues to grow faster than the rest of the world. The region's domestic demand and consumption is bound to be driven by its growing middle class and supported by corporate earnings and the anticipated long period of economic growth.

**Outlook**

Despite the uncertainty in the global market, the Company sees great growth potential in the higher-yielding emerging markets. Therefore, while the Company may assess other investment opportunities, Asia remains the focus of its investment strategy.

I would like to thank shareholders for their continued support.

Haresh Kanabar  
Chairman

15 December 2017

Contacts:

Hermes Pacific Investments plc  
Haresh Kanabar, Chairman

[www.hermespacificinvestments.com](http://www.hermespacificinvestments.com)  
+44 (0) 207 290 3340

WH Ireland Limited  
Mike Coe, Ed Allsopp

[www.whirelandcb.com](http://www.whirelandcb.com)  
+44 (0) 117 945 3470

## Unaudited Income Statement for the year ended 30 September 2017

	Note	Unaudited 6 months ended 30 September 2017 £'000	Unaudited 6 months ended 30 September 2016 £'000	Audited Year ended 31 March 2017 £'000
<b>Continuing activities</b>				
Revenue		-	-	-
Cost of sales		-	-	-
		<hr/>	<hr/>	<hr/>
<b>Gross loss/profit</b>				
Other operating income		-	-	-
Administrative expenses		(50)	(39)	(106)
		<hr/>	<hr/>	<hr/>
<b>Operating loss</b>				
		(50)	(39)	(106)
Finance income		3	8	11
Finance costs		-	-	-
		<hr/>	<hr/>	<hr/>
<b>Loss on ordinary activities before taxation</b>				
		(47)	(31)	(95)
Tax expense		-	-	-
		<hr/>	<hr/>	<hr/>
<b>Loss for the period from continuing activities</b>				
		(47)	(31)	(95)
<b>Other comprehensive income</b>				
Gain/(loss) arising in the year		9	-	29
		<hr/>	<hr/>	<hr/>
<b>Loss for the period</b>				
		(38)	(25)	(66)
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Basic and diluted loss per share</b>				
From continuing operations	2	(1.6)p	(1.9)p	(4.0)p
		<hr/>	<hr/>	<hr/>

## Unaudited Balance Sheet as at 30 September 2017

	Note	Unaudited 6 months ended 30 September 2017 £'000	Unaudited 6 months ended 30 September 2016 £'000	Audited Year ended 31 March 2017 £'000
<b>Assets</b>				
<b>Non-current assets</b>				
Investments		144	112	135
		<hr/> 144	<hr/> 112	<hr/> 135
<b>Current assets</b>				
Trade and other receivables		5	5	1
Cash and cash equivalents		3,774	3,873	3,814
		<hr/> 3,779	<hr/> 3,878	<hr/> 3,815
<b>Total current assets</b>				
		<hr/> 3,923	<hr/> 3,990	<hr/> 3,950
<b>Total assets</b>				
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables		(39)	(27)	(28)
		<hr/> 3,884	<hr/> 3,963	<hr/> 3,922
<b>Net assets</b>				
<b>Equity</b>				
Share capital		2,333	2,333	2,333
Deferred share capital		1,243	1,243	1,243
Share premium account		5,781	5,781	5,781
Share based payments reserves		139	139	139
Revaluation reserve		(29)	(61)	(38)
Retained losses		(5,583)	(5,472)	(5,536)
		<hr/> 3,884	<hr/> 3,963	<hr/> 3,922
<b>Equity attributable to equity holders of the parent</b>				
		<hr/> <hr/> 3,884	<hr/> <hr/> 3,963	<hr/> <hr/> 3,922

## Unaudited Statement of Changes in Equity

	Ordinary share capital	Deferred share capital	Share premium	Share based payment s reserves	Revaluation reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Six months ended 30 September 2016</b>							
At 31 March 2016	2,333	1,243	5,781	139	(67)	(5,441)	3,988
Total comprehensive gain/loss for the period	-	-	-	-	6	(31)	(25)
<b>At 30 September 2016</b>	<u>2,333</u>	<u>1,243</u>	<u>5,781</u>	<u>139</u>	<u>(61)</u>	<u>(5,472)</u>	<u>3,963</u>
<b>Period ended 31 March 2017</b>							
At 30 September 2016	2,333	1,243	5,781	139	(61)	(5,472)	3,963
Total comprehensive gain/loss for the period	-	-	-	-	23	(64)	(41)
<b>At 31 March 2017</b>	<u>2,333</u>	<u>1,243</u>	<u>5,781</u>	<u>139</u>	<u>(38)</u>	<u>(5,536)</u>	<u>3,922</u>
<b>Six months ended 30 September 2017</b>							
At 31 March 2017	2,333	1,243	5,781	139	(38)	(5,536)	3,922
Total comprehensive gain/loss for the period	-	-	-	-	9	(47)	(38)
<b>At 30 September 2017</b>	<u>2,333</u>	<u>1,243</u>	<u>5,781</u>	<u>139</u>	<u>(29)</u>	<u>(5,583)</u>	<u>3,884</u>

## Unaudited Cash Flow Statement for the Year ended 30 September 2017

	<b>Unaudited 6 months ended 30 September 2017 £'000</b>	<b>Unaudited 6 months ended 30 September 2016 £'000</b>	<b>Audited Year ended 31 March 2017 £'000</b>
<b>Note</b>			
<b>Cash outflow from operating activities</b>	(43)	(51)	(113)
<b>Net cash flow from operating activities</b>	<u>(43)</u>	<u>(51)</u>	<u>(113)</u>
<b>Cash flows from financing activities</b>			
Other income	3	8	11
<b>Net cash used in financing activities - continuing operations</b>	<u>3</u>	<u>8</u>	<u>11</u>
<b>Net cash from financing activities</b>	<u>3</u>	<u>8</u>	<u>11</u>
<b>Decrease in cash and cash equivalents</b>	(40)	(43)	(102)
<b>Cash and cash equivalents at start of the period</b>	3,814	3,916	3,916
<b>Cash and cash equivalents at end of the period</b>	<u><u>3,774</u></u>	<u><u>3,873</u></u>	<u><u>3,814</u></u>

**Notes to the unaudited consolidated interim statement for the six months ended 30 September 2017**

**1. Basis of preparation**

Hermes Pacific Investments Plc. is a public limited company incorporated and domiciled in United Kingdom. The Company is an AIM listed investment vehicle.

These Interim accounts have been prepared using the accounting policies to be applied in the annual report and accounts for the period ending 31 March 2018. These are consistent with those included in the previously published annual report and accounts for the period ended 31 March 2017, which have been prepared in accordance with IFRS as adopted by the European Union.

The preparation of the interim statement requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The interim financial statements are unaudited and do not constitute statutory accounts as defined in section 434(3) of the Companies Act 2006.

The figures for the year ended 31 March 2017 have been extracted from the audited annual report and accounts that have been delivered to the Registrar of Companies. BSG Valentine, the Company's auditors, reported on those accounts. Their report was unqualified and did not contain a statement under section 498 of that Companies Act 2006.

**2. Loss per ordinary share**

	<b>Unaudited 6 months ended 30 September 2017 £'000</b>	<b>Unaudited 6 months ended 30 September 2016 £'000</b>	<b>Audited Year ended 31 March 2017 £'000</b>
<b>Basic</b>			
Loss from continuing activities	(25)	(25)	(95)
Total loss	<u>(25)</u>	<u>(25)</u>	<u>(95)</u>
Basic loss per share (pence)			
From continuing operations	(1.07)p	(1.07)p	(4.0)p
	<u>(1.07)p</u>	<u>(1.07)p</u>	<u>(4.0)p</u>
Weighted average number of shares	<u>2,333,295</u>	<u>2,333,295</u>	<u>2,333,295</u>

There was no dilutive effect from the share options outstanding during the period.

**3. Copies of this statement will be available on the Company's website [www.hermespacificinvestments.com](http://www.hermespacificinvestments.com).**