Energiser Investments plc
Consolidated interim financial statements for the period ended 30 June 2013

Chairman's Statement

I present my report to shareholders on the results for the half year ended 30 June 2013 and the financial position at that date. The economic climate in the south east of England has shown signs of improvement and the Group's principal property asset located in Wellingborough, Northamptonshire, has in recent months seen a modest increase in annualised gross rental income.

Results

Our residential development in Wellingborough generated gross rental income of £74,000 (2012: £74,000) and after associated operating costs resulted in net rental income of £55,000 (2012 £56,000). The Group wrote off a further £18,000 invested in the prototype high powered motor project. Administrative expenses have reduced to £29,000 (2012: £38,000) due to a reduction in professional fees and after finance costs of £50,000 (2012: £56,000) the loss before and after taxation was £33,000 (2012: £38,000) resulting in a loss per share of 0.08p (2012: 0.09p).

The net assets of the Group have reduced to £136,000 (2012: £302,000) representing net asset value per share of 0.31p (2012: 0.69p).

The directors do not recommend the payment of a dividend.

The Group's largest shareholder, Stephen Wicks has agreed to provide further financial support to the Group for the foreseeable future, if required. As at 30 June 2013 there were no loans due to Mr Wicks.

Operations

The development of 20 residential properties in Wellingborough is currently fully let, generating a gross annual rental income of £151,000. The Board's intention is still to sell these properties once the property market has recovered to an extent that the properties reach the Board's valuation aspirations and consequently they continue to be let on short term tenancies.

The Directors believe that the carrying value of this property portfolio has remained at a similar level to that recorded at 31 December 2012. The Group is continuing to look for potential small development sites and is hopeful to secure a transaction in the near future.

The Board has also decided not to invest any further resources in the production of a concept prototype motor and the development of a pre-production version due to difficulties encountered at a technical level and the resulting uncertainty over its potential success.

Outlook

The Board continues to seek new investment opportunities whilst continuing to maximise the rental income from the Group's property portfolio.

Simon Bennett
Chairman
30 September 2013

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Group statement of comprehensive income

	Note	**Unaudited 6 months to 30 June 2013 £'000**	Unaudited 6 months to 30 June 2012 £'000	Audited year to 31 December 2012 £'000
Continuing operations				
Revenue arising in the course of ordinary activities	5	**74**	74	149
Development costs	5	**(18)**	—	(116)
Cost of sales	5	**(19)**	(18)	(32)
Gross Profit		**37**	56	1
Administrative expenses	5	**(29)**	(38)	(84)
Operating profit/(loss)		**8**	18	(83)
Finance costs		**(50)**	(56)	(100)
Finance income		**9**	—	12
Loss before taxation		**(33)**	(38)	(171)
Taxation		**—**	—	—
Loss for the period attributable to shareholders of the Company		**(33)**	(38)	(171)
Loss per share				
Basic and diluted loss per share from total and continuing operations	4	**(0.08)p**	(0.09)p	(0.39)p

Diluted earnings per share is taken as equal to basic earnings per share as the Group's average share price during the period is lower than the exercise price and therefore the effect of including share options is anti-dilutive.

Group statement of financial position

	Note	**Unaudited as at 30 June 2013**	Unaudited as at 30 June 2012	Audited as at 31 December 2012
		£'000	£'000	£'000
ASSETS				
Non-current assets				
Financial assets at fair value through profit and loss	6	**1**	62	1
Current assets				
Inventories		**2,567**	2,550	2,566
Trade and other receivables		**15**	17	14
Cash and cash equivalents		**4**	23	7
		2,586	2,590	2,587
Total assets		**2,587**	2,652	2,588
LIABILITIES				
Current liabilities				
Trade and other payables		**327**	303	333
Short term borrowings		**879**	744	815
		1,206	1,047	1,148
Non-current liabilities				
Long term borrowings		**1,221**	1,259	1,239
Financial liabilities held at fair value through profit or loss		**24**	44	32
		1,245	1,303	1,271
Total liabilities		**2,451**	2,350	2,419
Net assets		**136**	302	169
EQUITY				
Share capital		**2,312**	2,312	2,312
Share premium account		**5,747**	5,747	5,747
Convertible loan		**88**	88	88
Merger reserve		**1,012**	1,012	1,012
Retained earnings		**(9,023)**	(8,857)	(8,990)
Total equity		**136**	302	169

Group statement of changes in equity

	Share capital £'000	Share premium account £'000	Convertible loan £'000	Merger reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2012	2,312	5,747	88	1,012	(8,819)	340
Total comprehensive income	—	—	—	—	(38)	(38)
Balance at 30 June 2012	**2,312**	**5,747**	**88**	**1,012**	**(8,857)**	**302**
Total comprehensive income	—	—	—	—	(133)	(133)
Balance at 31 December 2012	**2,312**	**5,747**	**88**	**1,012**	**(8,990)**	**169**
Total comprehensive income	—	—	—	—	(33)	(33)
Balance at 30 June 2013	**2,312**	**5,747**	**88**	**1,012**	**(9,023)**	**136**

Group statement of cash flows

	Unaudited 6 months to 30 June 2013 £'000	Unaudited 6 months to 30 June 2012 £'000	Audited year to 31 December 2012 £'000
Cash flows from operating activities			
Loss before and after taxation	**(33)**	(38)	(171)
Adjustments for:			
Interest expense	**50**	56	100
Increase in trade and other receivables	**(1)**	(1)	—
(Decrease)/increase in trade payables	**(34)**	1	22
Fair value gain on financial liabilities recognised in profit or loss	**—**	—	(12)
Increase in inventories	**—**	—	(16)
Net cash (used in)/generated from operating activities	**(18)**	18	(77)
Cash flows from investing activities			
Purchase of investments	—	(61)	—
Used in investing activities	—	(61)	—
Cash flows from financing activities			
Proceeds from borrowings	**64**	—	71
Re-payment of borrowings	**(18)**	(11)	(31)
Interest paid	**(31)**	(34)	(67)
Net cash generated from/(used in) financing activities	**15**	(45)	(27)
Net decrease in cash and cash equivalents	**(3)**	(88)	(104)
Cash and cash equivalents at beginning of period	**7**	111	111
Cash and cash equivalents at end of period	**4**	23	7

1. Nature of operations and general information

The principal activity of the Group is as an investment company investing in quoted and unquoted companies to achieve capital growth. The Group also holds a property development acquired by way of its principal activity. The properties are held for sale with rental income arising from short term lets.

Energiser Investments plc is the Group's ultimate parent company. It is incorporated and domiciled in Great Britain. The address of Energiser Investments plc's registered office, which is also its principal place of business, is 2 Anglo Office Park, 67 White Lion Road, Amersham, Bucks, HP7 9FB.

Energiser Investments plc's shares are quoted on AIM, a market operated by the London Stock Exchange. This consolidated interim statement has been approved for issue by the Board of Directors on 30 September 2013.

The financial information set out in this interim statement does not constitute statutory accounts as defined in Sections 434(3) and 435(3) of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2012 have been filed with the Registrar of Companies and are available at www.energiserinvestments.co.uk. The auditor's report on those financial statements was unqualified and did not contain any statement under Section 498(2) or Section 498(3) of the Companies Act 2006.

2. Basis of preparation

This consolidated interim statement has been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting.

The consolidated interim statement should be read in conjunction with the annual financial statements for the year ended 31 December 2012, which have been prepared in accordance with IFRS as adopted by the European Union.

3. Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2012, as described in those financial statements

4. Loss per ordinary share

The loss per ordinary share is based on the weighted average number of ordinary shares in issue during the period of 43,787,956 ordinary shares of 0.1p (2012: 43,787,956 ordinary shares of 0.1p) and the following figures:

	Unaudited 6 months to 30 June 2013	Unaudited 6 months to 30 June 2012	Audited year to 31 December 2012
Loss attributable to equity shareholders £'000	**(33)**	(38)	**(171)**
Loss per ordinary share	**(0.08)p**	(0.09)p	**(0.39)p**

Diluted earnings per share is taken as equal to basic earnings per share as the Group's average share price during the period is lower than the exercise price and therefore the effect of including share options is anti-dilutive.

5. Income and segmental analysis

	Unaudited 6 months to 30 June 2013	Unaudited 6 months to 30 June 2012	Audited year to 31 December 2012
	£'000	£'000	£'000
Segment result			
Investment activities:			
Development costs	**(18)**	—	(116)
Administrative expenses	**(29)**	(38)	(83)
	(47)	(38)	(199)
Rental activities:			
Net Rental income	**55**	56	117
Administrative expenses	**—**	—	(1)
	55	56	116
Operating profit	**8**	18	(83)
Finance costs	**(50)**	(56)	(100)
Fair value adjustment on interest rate swap	**9**	—	12
Loss before tax	**(33)**	(38)	(171)

	Unaudited as at 30 June 2013	Unaudited as at 30 June 2012	Audited as at 31 December 2012
	£'000	£'000	£'000
Segment assets			
Investment activities:			
Non-current assets	**1**	62	1
Current assets	**11**	13	4
	12	75	5
Rental:			
Current assets – inventories	**2,567**	2,550	2,566
Current assets – other	**8**	27	17
	2,575	2,577	2,583
Total assets	**2,587**	2,652	2,588
Segment liabilities			
Investment activities:			
Current liabilities	**859**	722	806
	859	722	806
Rental:			
Current liabilities	**347**	325	342
Non-current liabilities	**1,245**	1,303	1,271
	1,592	1,628	1,613
Total liabilities	**2,451**	2,350	2,419
Total assets less total liabilities	**136**	302	169

The activity of both the investments and rentals arose wholly in the United Kingdom. No single customer accounts for more than 10% of revenue.

6. Investments

In accordance with IFRS 7, financial instruments are measured by level of the following fair value measurement hierarchy:

- Level 1: quoted prices in an active market for identical assets or liabilities. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing price on the last day of the financial year of the Group. These instruments are included in level 1 and comprise FTSE and AIM listed investments classified as held at fair value through profit and loss.

- Level 2: the fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The Group holds no such instruments in the current or prior year.

- Level 3: the fair value of financial instruments that are not traded in an active market (for example, investments in unquoted companies) is determined by using valuation techniques such as earnings multiples. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

All items held at fair value through profit and loss were designated as such upon initial recognition. Movements in investments at fair value through profit or loss are summarised as follows:

	Level 1 Quoted equity investments £'000	**Level 3 Unquoted financial instruments £'000**	**Total investments £'000**
Cost			
At 1 January 2012	(11)	4,907	4,896
Additions	—	61	61
At 30 June 2012	(11)	4,968	4,957
Fair value losses			
At 1 January 2012	12	(4,907)	(4,895)
At 30 June 2012	12	(4,907)	(4,895)
Fair value			
At 30 June 2012	**1**	**61**	**62**
Cost			
At 1 July 2012	(11)	4,968	4,957
Additions	**—**	(61)	**(61)**
At 31 December 2012	(11)	4,907	4,896
Fair value losses			
At 1 July 2012	12	(4,907)	(4,895)
At 31 December 2012	12	(4,907)	(4,895)
Fair value			
At 31 December 2012	**1**	**—**	**1**
Cost			
At 1 January 2013	(11)	4,907	4,896
Additions	—	—	—
At 30 June 2013	**(11)**	**4,907**	**4,896**
Fair value losses			
At 1 January 2013	12	—	—
At 30 June 2013	**12**	**(4,907)**	**(4,895)**
Fair value			
At 31 December 2012	**1**	**—**	**1**