

Tricor PLC

Half Yearly Report

RNS Number : 8510V

Tricor PLC

18 December 2013

TRICOR PLC ("Tricor" or the "Company")

Unaudited Interim Results for the six months ended 30 September 2013

Tricor (AIM: TRIC), the investment company focussed on the resources sector with investments in iron sand and sand trading operations in the Philippines, today announces its unaudited interim results for the six months ended 30 September 2013.

Highlights

	Unaudited six months to 30 Sept 2013 £'000s	Unaudited six months to 30 Sept 2012 £'000s
Revenue	1,464	-
Gross Profit	70	-
Loss before Tax	(1,100)	(232)
Cash Balance at 30.09.13	625	14

- Tricor Environmental Pte Ltd's ('TEPL') sand trading operations from its Porac site commenced, generating revenue of £1.5m during the period;
- Investment made in Tricor Minerals Pte Ltd ('TM'), a high margin iron sand trading business that offers rapid growth and profit potential for the Company;
- Sea Wind Group Ltd, a wholly owned subsidiary of TEPL, granted exclusive rights to the Bangan Site, which contains abundant resource of iron sand and sand and is located at the Bucao River, Province of Zambales, Philippines, adjacent to TEPL's Porac site; total number of sites on which TEPL holds exclusive rights increased to three;
- Purchase of first iron sand separation plant by TM, to be located at the Porac site; commercial production commenced.

Chan Fook Meng, Executive Chairman, commented:

"Tricor has made great progress recently, which is not fully reflected in this set of results. Our investments are coming to fruition with multiple sites secured that contain abundant, replenishable quantities of sand and iron sand. TEPL's sand operation commenced from March of this year and TM's iron sand operations have just commenced commercial production. With investments now starting to generate cash, Tricor has a very strong platform on which to build.

"I am excited about the Company's prospects and look to the future with confidence and optimism."

Enquiries:

Tricor Plc:

Chan Fook Meng
Chairman/CEO
Tel +65 62362985

Nominated Adviser and Joint Broker

Allenby Capital Ltd
Jeremy Porter
Nick Naylor
James Reeve
Tel +44 20 3328 5656

Joint Broker

XCAP Securities plc
Jon Belliss
Adrian Kirk
Tel +44 20 71017070

Blythe Weigh Communications

Paul Weigh
Halimah Hussain
Tel +44 20 71383204

TRICOR PLC (the "Company")

Unaudited Interim Results for the six months ended 30 September 2013

CHAIRMAN'S STATEMENT

Introduction

I am pleased to present the interims results for Tricor, a period that has seen significant progress for the Company. Tricor has strengthened its balance sheets and has invested in new businesses - Tricor Environmental Pte Ltd ("TEPL"), Tricor Minerals Pte Ltd ("TM") and Tricor Resources Trading Pte Ltd ("TRT"). Our investments are beginning to perform and there is much hope for the future. If Tricor's investments perform as we currently expect, the Board believes they will generate profitable returns in calendar year 2014.

Investments

Tricor Environmental Pte Ltd

Following the investment made by the Company in TEPL in March of this year, encouraging progress has been made with respect to TEPL's sand operations. Sand sales commenced slowly in March but picked up in April and May 2013. Sand production was slow in June 2013 as, given the onset of the monsoon season, TEPL did not then have the required equipment to load sand onto barges during rough seas. As expected, the annual monsoon season resulted in negligible operations between July and October of this year, as will be the case every year, with operations resuming in November. The performance of TEPL's sand operations in December 2013 indicates that, barring unforeseen circumstances, it is possible for TEPL to deliver revenue of up to £1 million per month during non-monsoon months from the Porac site alone.

Tricor Minerals Pte Ltd

TM, of which Tricor is a 72% shareholder, has made significant progress with its inaugural iron sand plant, which has been purchased and commissioned. The plant, which has an expected annual production capacity of approximately 200,000 metric tonnes, has started commercial production and is expected to operate at full capacity from March 2014 onwards. TM intends to order its second iron sand plant sometime in 2014. TM intends to continue to progress its strategy of operating multiple iron sand plants on each of the three concession areas that are controlled by TEPL. It has initially focussed on the Porac site and will develop the other sites in due course, once optimal capacity has been achieved at Porac.

Iron sand production is a high margin business that offers rapid and exciting growth and profit potential for Tricor. Therefore, with TM's management now getting its iron sand business operational, it will soon focus on plans to add further plants throughout the course of 2014 and 2015.

New site

The addition of the third site at Bangan in September 2013 has secured a further significant source of sand and iron sand for our investments. Both TEPL and TM will develop operations at Bangan in line with the experiences learnt from Porac, and these are expected to commence sometime in 2014.

Tricor Resources Trading Pte Ltd

TRT has not started business but is expected to do so sometime in 2014.

Other investments and strategy

The Company continues to look at and evaluate investments which may fall within its investing policy.

Results

The Group's revenue in the period was £1,464,000 (2012 : nil) which was all derived from the sand operations in TEPL, of which Tricor is the 100% shareholder. This activity delivered a gross profit of £70,000 (2012: nil).

Administrative expenses of £1,210,000 led to a Group operating loss of £1,140,000.

The Company's cash balance at period end was £625,000, an increase of £52,000 from the position at 31 March 2013.

VAT Claim

The Company is expecting the final outcome from the VAT Tribunal regarding its claim for £1.8 million soon, but now not before the end of the calendar year; the final hearing was concluded in September 2012.

Outlook

The Company has made great progress recently, which is not fully reflected in this set of results. Our investments are coming to fruition with multiple sites secured that contain abundant, replenishable quantities of sand and iron sand. TEPL's sand operation commenced in March of this year and TM's iron sand operations have just commenced commercial production. With investments now starting to generate cash, Tricor has a very strong platform on which to build.

I am excited about the Company's prospects and look to the future with confidence and optimism.

Chan Fook Meng
Executive Chairman

18 December 2013

TRICOR PLC

Consolidated Statement of Comprehensive Income for the six months ended 30 September 2013

Six months to 30 September 2013	Six months to 30 September 2012	Year ended 31 March 2013
Unaudited £'000s	Unaudited £'000s	Audited £'000s

Turnover	1,464	-	207
Cost of sales	(1,394)	-	(76)
	<hr/>	<hr/>	<hr/>
Gross Profit	70	-	131
Administrative expenses	(1,210)	(232)	(635)
Impairment of Quoted Investments	-	-	(40)
InvestkeQQuotedquotedinvestments			
	<hr/>	<hr/>	<hr/>
Operating Loss	(1,140)	(232)	(544)
Other income	2	-	-
Debt waiver	-	-	(759)
Exchange differences - non cash	38	-	(3)
	<hr/>	<hr/>	<hr/>
Loss before Tax	(1,100)	(232)	(1,306)
Income tax charges	-	-	-
	<hr/>	<hr/>	<hr/>
Loss for the period	(1,100)	(232)	(1,306)
	<hr/>	<hr/>	<hr/>
Loss attributable to:			
Owners of the parent	(1,095)	(232)	(1,306)
Non-controlling interest	(5)	-	-
	<hr/>	<hr/>	<hr/>
	(1,100)	(232)	(1,306)
	<hr/>	<hr/>	<hr/>
Loss per share	(1.19p)	(32.41p)	(25.72p)
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There were no recognised gains or losses other than those recognised in the income statement above.

TRICOR PLC**Consolidated Statement of Financial Position
as at 30 September 2013**

	30 September 2013 Unaudited £'000s	30 September 2012 Unaudited £'000s	31 March 2013 Audited £'000s
Assets			
Non-current assets			
Intangible assets	79	-	-
Property, Plant & Equipment	984	8	471
Non-current other receivables	11	-	-
	<hr/>	<hr/>	<hr/>
	1,074	8	471
	<hr/>	<hr/>	<hr/>
Current assets			
Quoted investments	-	-	360
Trade and other receivables	1,346	1,464	1,552
Cash and cash equivalents	625	14	573
	<hr/>	<hr/>	<hr/>
	1,971	1,478	2,485
	<hr/>	<hr/>	<hr/>
Current liabilities			
Trade and other payables	(667)	(1,251)	(346)
Convertible loan notes	-	(1,094)	-
	<hr/>	<hr/>	<hr/>
	(667)	(2,345)	(346)
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Net current assets/(liabilities)	1,304	(867)	2,139
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Non current liabilities			
Non-interest bearing loans	(120)	(1,166)	(775)
Interest bearing loans	(1,394)	-	(493)
	<hr/>	<hr/>	<hr/>
	(1,514)	(1,166)	(1,268)
	<hr/>	<hr/>	<hr/>
Total assets/(liabilities)	864	(2,025)	1,342
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Equity and liabilities			
Capital and reserves			
Share capital	3,719	3,718	3,718
Share premium	55,423	50,017	54,859
Merger reserve	324	324	324
Share based payment reserve	124	63	107
Non-interest bearing loan	-	650	205
Retained earnings	(58,965)	(56,797)	(57,871)
	<hr/>	<hr/>	<hr/>
Equity attributable to owners of the Company	625	(2,025)	1,342
Non-controlling interest	239	-	-
	<hr/>	<hr/>	<hr/>
Total equity	864	(2,025)	1,342
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TRICOR PLC**Consolidated Statement of Cash Flows
for the six months ended 30 September 2013**

		Six months to 30 September 2013 Unaudited £'000	Six months to 30 September 2013 Unaudited £'000	Year ended 31 March 2013 Audited £'000
	Note Note			
Net cash utilised by operating activities	4	(545)	(123)	(621)
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Investing activities				
Purchases of plant and equipment		(513)	-	(476)
Purchases of intangible assets		(79)	-	-
Disposal of quoted investments		360	-	-
<hr/>				
Net cash from investing activities		(232)	-	(476)
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Cash flows from financing activities				
New loan		929	120	1,593
Loan repayment		(360)	-	-
Proceeds on issue of shares		260	-	60
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Net cash from financing activities		829	120	1,653
<hr/>				
Net cash inflow/(outflow)		52	(3)	556
<hr/>				
Cash and cash equivalents at start of period		573	17	17
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Cash and cash equivalents at end of period		625	14	573
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

TRICOR PLC**Consolidated Statement of Changes in Equity
for the six months ended 30 September 2013**

	Six months to 30 September 2013 Unaudited £'000s	Six months to 30 September 2012 Unaudited £'000s	Year ended 31 March 2013 Audited £'000s
At beginning of period	1,342	(2,073)	(2,073)
Deficit for the period	(1,095)	(232)	(1,306)
Issue of share capital	50	30	5,122
Conversion of loan notes	500	220	-
Encashment of warrants	16	30	-
Non-interest bearing loans	(205)	-	(445)
Share based payment charge	17	-	44
Non-controlling interest	239	-	-
At end of period	864	(2,025)	1,342

TRICOR PLC**Notes to the Interim Report****1. Significant Accounting Policies**

These accounts have been prepared in accordance with International Financial Reporting Standards and on the historical cost basis, using generally recognised accounting principles, and consistent with those used in the annual report and accounts for the year ended 31 March 2013.

This interim report for the six months to 30 September 2013, was approved by the Board on 18 December 2013.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2013, as described in those annual financial statements.

There are no IFRS, IFRIC interpretations or amendments that have been issued and effective for the first time in this financial period that have had a material impact on the Group.

There are no IFRS or IFRIC interpretations and amendments that are not yet effective that would be expected to have a material impact on the Group.

TRICOR PLC

Notes to the Interim Report (continued...)

2. Segmental Analysis

<u>For the six months to 30 September 2013</u>	UK £'000	SE Asia £'000	Total £'000
<i>Segment revenue and results</i>			
Reportable revenue	-	1,464	1,464
	<hr/>	<hr/>	<hr/>
Revenue from external customers	-	1,464	1,464
	<hr/>	<hr/>	<hr/>
Reportable segment results			
Profit on disposal of asset	1	-	1
		-	(55)
Listing expenses	(55)		
		-	(17)
Share-based payment expenses	(17)		
Finance costs	-	(417)	(417)

			(2,076)
Unallocated corporate income and expenses	(250)	(1,826)	
			<hr/>
Loss before taxation			(1,100)
			<hr/>
<i>Segment assets and liabilities</i>			
<u>Segment assets</u>			
Reportable segment assets	1,346	1,699	3,045
			<hr/>
Consolidated total assets			3,045
			<hr/>
<u>Segment liabilities</u>			
		(561)	(787)
Reportable segment liabilities	(226)		
Issued loan notes	-	(1,394)	(1,394)
			<hr/>
Consolidated total liabilities			(2,181)
			<hr/>
<i>Other segment information</i>			
Capital expenditure	-	592	592
	<hr/>	<hr/>	<hr/>

Information about customers

For the six months to 30 September 2013, all sales from the South East Asia segment were made to one external customer.

Non-current assets

The non-current assets as disclosed in the consolidated statement of financial position were all located in South East Asia.

TRICOR PLC**Notes to the Interim Report (continued...)****2. Segmental Analysis (continued)****For the year ended 31 March 2013**

	UK £'000	SE Asia £'000	Total £'000
<i>Segment revenue and results</i>			

Reportable revenue	-	207	207
Revenue from external customers	-	207	-
Reportable segment results			
Profit on disposal of asset	(7)	-	(7)
Listing expenses	(38)	-	(38)
Share-based payment expenses	(44)	-	(44)
Finance costs	-	(22)	(22)
Impairment on listed investment	(40)	-	(40)
Unallocated corporate income and expenses	(1,112)	(250)	(1,362)
Loss before taxation			(1,306)
<i>Segment assets and liabilities</i>			
<u>Segment assets</u>			
Reportable segment assets	1,711	774	2,485
Consolidated total assets			2,485
<u>Segment liabilities</u>			
Reportable segment liabilities	896	225	1,121
Issued loan notes	-	493	493
Consolidated total liabilities			1,614
<i>Other segment information</i>			
Depreciation of property, plant and equipment	1	8	9
Capital expenditure	-	720	720

Information about customers

For the year ended 31 March 2013, all sales from the South East Asia segment were made to one external customer.

Non-current assets

The non-current assets as disclosed in the consolidated statement of financial position were all located in South East Asia.

For the six months to 30 September 2012

The geographical segment for the six months to 30 September 2012 consisted of United Kingdom only and there was also no segmental area of operations.

TRICOR PLC**Notes to the Interim Report (continued...)**

3. Loss per Share

The loss per ordinary share is based on the group's loss for the period of £1,100,000 (30 September 2012 - £232,000; 31 March 2013 - £1,306,000) and a basic and diluted weighted average number of shares in issue of 92,720,040 (30 September 2012 - 715,905; 31 March 2013 - 5,077,927 (comparatives adjusted for CVA)).

4. Reconciliation of operating loss to net cash outflow from operating activities.

	Six months to 30 September 2013 Unaudited £'000	Six months to 30 September 2012 Unaudited £'000	Year ended 31 March 2013 Audited £'000
Loss for the period	(1,100)	(232)	(547)
Adjustments for :			
Depreciation of property, plant and equipment	-	1	7
Tangible fixed assets scrapped	-	-	7
Amortisation of intangible fixed assets	-	-	-
Impairment of investments	-	-	40
(Profit) / loss on disposal of investment	(1)	-	-
Foreign exchange difference	(59)	-	-
Share based payments	67	-	44
Operating cash flow before movement in working capital	(1,093)	(231)	(449)
(Increase)/decrease in short term investments	360	-	(400)
(Increase)/decrease in receivables	(195)	(7)	(155)
Increase/(decrease) in payables	88	115	383
Conversion of debt to equity	295	-	-
Cash generated/ (Net cash outflow) from operating activities	(545)	(123)	(621)

5. Called up Share Capital

The issued share capital as at 31 March 2013, per the audited accounts was 26,284,201 Ordinary Shares of 0.001p each.

On 5 April 2013, £1,050 of convertible loan notes were converted into 200,000 Ordinary Shares of 0.001p each at a conversion price of 0.525p per share.

On 16 April 2013, £3,675 of convertible loan notes were converted into 700,000 Ordinary Shares of 0.001p each at a conversion price of 0.525p per share.

On 16 April 2013, 600,000 Ordinary Shares of 0.001p each were issued 0.5p each on encashment of warrants.

TRICOR PLC**Notes to the Interim Report (continued...)****5. Called up Share Capital (continued...)**

On 31 May 2013, £495,275 of convertible loan notes were converted into 94,338,095 Ordinary Shares of 0.001p each at a conversion price of 0.525p per share.

On 31 May 2013, 2,500,000 Ordinary Shares of 0.001p each were issued 0.5p each on encashment of warrants.

On 22 August 2013, 625,000 Ordinary Shares of 0.001p each was issued to J Case & R Andrews as consideration for professional fees for Tribunal at 8p per share.

6. Convertible loan notes

Conversion of loan notes took place as follows:

5 April 2013 - £1,050 for 200,000 ordinary shares;
 16 April 2013 - £3,675 for 700,000 ordinary shares; and
 21 May 2013 - £495,275 for 94,338,095 ordinary shares.

As at the period end the Group's loan notes had been fully converted with the equity portion reclassified to share capital.

7. Business combinations and investments

The Group has made investments during the period in Tricor Minerals Pte Ltd ("TM") and Tricor Resources Trading Pte Ltd ("TRT"). Both invested companies were newly incorporated and registered in Singapore.

In return for facilitating the new ventures and a nominal investment, the Group holds 72% in each of TM and TRT with non-controlling interests subscribing in cash for the remainder of issued share capital.

Name of Company	Place of incorporation and operation	Issued share capital	Attributable equity interest	Principal activities
Tricor Minerals Pte Ltd	Singapore	SG\$372,820	72%	Iron sand extraction
Tricor Resources Trading Pte Ltd	Singapore	SG\$124,820	72%	Iron sand distribution

8. The unaudited results for period ended 30 September 2013 do not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. The comparative figures for the year 31 March 2013 are extracted from the statutory financial statements which have been filed with the Registrar of Companies and which contain an unqualified audit report with an emphasis of matter paragraph on the going concern basis of accounting and did not contain statements under Section 498 to 502 of the Companies Act 2006.

9. Copies of this interim statement are available from the Company at its registered

office at Finsgate, 5-7 Cranwood Street, London, EC1V 9EE. The interim statement will also be available on the company website www.tricor-plc.org.uk.