

VERDES MANAGEMENT PLC

INTERIM RESULTS

FRIDAY 23 MAY 2014

Verdes Management Plc (“Verdes” or “the Company”) announces its half year results for the period ended 31 March 2014.

Financial

In the half year to 31 March 2014 the Company reported turnover of £NIL (2013: £NIL) and a loss before tax of £324,280 (2013: Loss £162,546).

Strategy

I joined the board of Verdes Management plc on 26 March 2014 as non-executive chairman. My thanks go to my predecessor as chairman, Daan van den Noort, and also to non-executive director Joep van den Aker, both of whom resigned on 26 March 2014.

The six months to 31 March 2014 were a period of change for the Company, the key events having been detailed in the former chairman’s statement which was published on 19 March 2014 as part of the Annual Report & Accounts. From September 2013 the Company embarked on a project to develop as a strategic investment company. However, the financing associated with this project failed to arrive and therefore the Company was unable to pursue this endeavour further, resulting in suspension of trading of the Company’s shares on AIM on 30 January 2014.

Abortive and one-off costs in the six months in relation to this unsuccessful project amounted to approximately £256,000.

On 4 March 2014 the Company announced its new investing policy, Mr David Breith’s purchase of a significant shareholding and also the placing of new shares which raised £750,000 in working capital. This enabled the restoration of admission of the Company’s shares to AIM with the previous financial uncertainty lifted.

Prior to Mr David Breith’s investment in the Company and the private placing detailed above, the Board was able to secure voluntary reductions in the amounts due to a number of its creditors.

Subsequently, agreement was also reached with our broker SI Capital to cancel its previous warrant agreement with the Company and to replace it with a new agreement more closely aligned with the Company’s current position. I would like to thank all our creditors and SI Capital for their support during this period.

Furthermore I am pleased to announce that on 20 March 2014 the Company gained approval for its new investing policy. On 9 May 2014 it also welcomed Mr David Mends to the Board as a non-executive director.

Outlook

At 31 March 2014 the Company had £400,000 of cash available leaving it well positioned to embark on its investing strategy when a suitable opportunity has been identified.

Verdes Management plc
Statement of Comprehensive Income

	Note	6 months ended 31 March 2014 (unaudited) £	6 months ended 31 March 2013 (unaudited) £	Year ended 30 September 2013 (audited) £
Revenue		-	-	-
Cost of Sales		-	-	-
		<hr/>	<hr/>	<hr/>
Gross Profit		-	-	-
Administrative expenses		(324,316)	(162,968)	(412,968)
		<hr/>	<hr/>	<hr/>
Operating (Loss)		(324,316)	(162,968)	(412,968)
Finance income		319	422	422
Finance costs		(283)	-	(500)
(Loss) on ordinary activities before taxation		(324,280)	(162,546)	(412,968)
Income tax expense		-	-	-
		<hr/>	<hr/>	<hr/>
(Loss) attributable to shareholders of the company		<u>(324,280)</u>	<u>(162,546)</u>	<u>(412,968)</u>
(Loss) per share attributable to the equity holders of the company:				
Basic (loss) per ordinary share	3.	<u>(0.04 pence)</u>	<u>(0.03 pence)</u>	<u>(0.07 pence)</u>
Diluted (loss) per ordinary share	3.	<u>(0.04 pence)</u>	<u>(0.03 pence)</u>	<u>(0.07 pence)</u>

Verdes Management plc
Statement of Financial Position

	31 March 2014	31 March 2013	30 September 2013
	(unaudited) £	(unaudited) £	(audited) £
Assets			
Non-current assets			
Property, plant and equipment	540	1,121	836
Investments	-	500	-
	<u>540</u>	<u>1,621</u>	<u>836</u>
Current assets			
Trade and other receivables	41,224	144,825	47,028
Cash and cash equivalents	400,100	103,352	37,619
	<u>441,324</u>	<u>248,177</u>	<u>84,647</u>
Total assets	<u><u>441,864</u></u>	<u><u>249,798</u></u>	<u><u>85,483</u></u>
Liabilities and Equity			
Current liabilities			
Trade and other payables	91,882	162,535	248,721
Total liabilities	<u>91,882</u>	<u>162,535</u>	<u>248,721</u>
Equity			
Called-up equity share capital	3,365,791	3,333,063	3,333,063
Share premium account	2,925,448	2,120,676	2,120,676
Accumulated losses	(5,941,257)	(5,366,476)	(5,616,977)
Total Equity	<u>349,982</u>	<u>87,263</u>	<u>(163,238)</u>
Total Liabilities and Equity	<u><u>441,864</u></u>	<u><u>249,798</u></u>	<u><u>85,483</u></u>

Verdes Management plc
Statement of Changes in Equity as at 31st March 2014

	Share Capital	Share Premium	Retained Earnings	Total Equity
	£	£	£	£
Balance at 1 October 2012	3,158,063	2,120,676	(5,203,930)	74,809
Issue of shares	175,000	-	-	175,000
Share issue costs	-	-	-	-
Loss for period	-	-	(162,546)	(162,546)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2013	3,333,063	2,120,676	(5,366,476)	87,263
Loss for period	-	-	(250,501)	(250,501)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2013	3,333,063	2,120,676	(5,616,977)	(163,238)
Issue of shares	32,727	842,273	-	875,000
Share issue costs	-	(37,500)	-	(37,500)
Loss for period	-	-	(324,280)	(324,280)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2014	<u>3,365,790</u>	<u>2,925,449</u>	<u>(5,941,257)</u>	<u>349,982</u>

Verdes Management plc
Statement of Cash Flows

	6 months ended 31 March 2014 (unaudited) £	6 months ended 31 March 2013 (unaudited) £	Year ended 30 September 2013 (audited) £
Net cash used in operating activities	(350,055)	(200,266)	(265,999)
Investing activities			
Interest paid	(283)	-	-
Interest received	319	422	422
Net cash flow before financing activities	<u>(350,019)</u>	<u>(199,844)</u>	<u>(265,577)</u>
Financing activities			
Net proceeds from issue of equity shares	712,500	175,000	175,000
Net cash from financing activities	<u>712,500</u>	<u>175,000</u>	<u>175,000</u>
Net increase/(decrease) in cash and cash equivalents	362,481	(24,844)	(90,577)
Opening net cash and cash equivalents	37,619	128,196	128,196
Closing net cash and cash equivalents	<u><u>400,100</u></u>	<u><u>103,352</u></u>	<u><u>37,619</u></u>
Reconciliation of operating loss to net cash (outflow)/inflow from operating activities	6 months ended 31 March 2014 (unaudited) £	6 months ended 31 March 2013 (unaudited) £	Year ended 30 September 2013 (audited) £
Operating (Loss) from continuing activities	(324,316)	(162,968)	(412,968)
Depreciation	296	297	582
Operating cash flows before movements in working capital	<u>(324,020)</u>	<u>(162,671)</u>	<u>(412,386)</u>
Decrease/(increase) in receivables	5,804	(128,562)	(30,764)
Increase/(decrease) in payables	(31,839)	90,967	177,151

Net movement in working capital	<u>(26,035)</u>	<u>(37,595)</u>	<u>146,387</u>
Net movement in cash flow	(350,055)	(200,266)	(265,999)
Income taxes paid	-	-	-
Net cash (outflow)/inflow from operating activities	<u>(350,055)</u>	<u>(200,266)</u>	<u>(265,999)</u>

Notes to the unaudited financial statements

1. Basis of preparation

The financial information included in this report does not constitute statutory accounts as defined in section 435 of the Companies Act 2006. The interim financial statements for the six months ended 31 March 2014 have been prepared under applicable International Financial Reporting Standards adopted by the European Union ("IFRS"). The financial information for the period ended 30 September 2013 has been extracted from the statutory accounts for that period. The auditors' report on the full statutory accounts for the period ended 30 September 2013 included an Emphasis of Matter paragraph in regard to Going Concern and Subsequent Events. The financial information for the six months ended 31 March 2013 and 31 March 2014 has not been audited.

2. Principal Accounting Policies

The principal accounting policies adopted are consistent with those of the annual financial statements for the year ended 30 September 2013 and are those expected to be applied for the year ending 30 September 2014.

3. Earnings/Loss per Share

The earnings per ordinary share have been calculated on the loss on ordinary activities after taxation of -£324,280 (31 March 2013: -£162,546, 30 September 2013: -£413,046) using the weighted average number of ordinary shares in issue during the period being 744,313,104 (31 March 2013: 598,395,022, 30 September 2013: 632,631,421). The weighted average number of diluted ordinary shares in issue during the period was 744,313,104 (31 March 2013: 598,395,022, 30 September 2013: 632,631,421).

4. Availability

Copies of this Interim Report are available from the Company Secretary, Third Floor, Cardinal House, 39/40 Albemarle Street, London W1S 4TE and on the Company's website www.verdes-group.com

For further information please contact:

Verdes Management PLC

Gillian Leates - Chairman 0208 133 2782

SPARK Advisory Partners Limited

Nominated Adviser
Neil Baldwin 0113 370 8974
Mark Brady

SI Capital Limited

Broker
Andy Thacker 01483 413510
Nick Emerson