

Final Results

09 July 2008

Preliminary Results for the Year Ended 31 March 2008

St Peter Port Capital Limited ("the Company" or "St Peter Port"), the AIM listed investment company whose aim is to generate value by investing in growth companies shortly before an initial public offering ("IPO") ("pre-IPO companies"), announces its preliminary results for its first year of investment following its own successful IPO on AIM on 16 April 2007 which raised £75m in new money.

Highlights

- invested in 32 pre-IPO companies at year end
- subsequently, a further £4.3m invested in two pre-IPO companies
- NAV of 102.5p per share, up 5.1% since flotation
- Profit of £3.7m, eps of 4.9p pence
- realised more than £11m in cash from pre-IPO investments in 2008/9, generating a gain on investment of 56%
- further liquidity events expected in 2008 H2
- £25m currently available to invest in pre-IPO opportunities

Bob Morton, Chairman of St Peter Port, said:

"The Board believes that the Company's strategy is beginning to bear fruit and that the performance is creditable given the difficult market conditions. The Investment Manager's focus on sectors where profitable exits remain a good prospect and on seeking down round protection wherever possible should hold the Company in good stead. The Board views the outlook with confidence."

Tim Childs, Chief Executive of St Peter Port Investment Management Limited, said: "The Company has, over the last 3 months, made disposals of more than £11m, realising a gain of £4m and generating a return on investment cost of 56%. In addition, there are ten or more companies in the portfolio where IPOs, fund-raising at a significant premium or other similar "liquidity" events are expected by their directors in the second half of 2008. Three of these are expected in the next few weeks."

For further information:

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Notes for Editors

St Peter Port Capital Limited floated on AIM on 16 April 2007, raising £75m in new equity. The Company is a Guernsey registered closed-ended investment company. The Company's objective is to achieve returns from the uplift on or shortly after IPO, but the exit from the investment could also be a trade sale. The universe for investment is principally companies across a broad range of sectors and geography expecting to conduct an IPO in the months after the Company's investment. The initial focus is on companies targeting UK, US and Commonwealth stock markets although pre-IPO companies looking to float on other exchanges will also be considered. The Company appointed St Peter Port Investment Management Limited, a joint venture between Broughton Investments Group Limited ("Broughton"), a company in which Tim Childs is interested, and Shore Capital Limited ("Shore Capital"), the absolute return fund management specialist which currently manages approximately US \$3 billion, to act as its investment manager ("the Investment Manager").

The Investment Manager is mandated to manage the Company's portfolio actively with the aim of achieving its investment objective. Initially, whilst suitable investments are being identified, the Investment Manager is seeking to minimise cash drag by investing a significant proportion of the net proceeds of the placing in absolute return products intended to generate a positive return, principally hedge funds and funds of hedge funds.

Chairman's Statement

Introduction

I am pleased to report upon our first year of investment. The Company was incorporated on 6 March 2007 and was admitted to AIM on 16 April 2007 when it completed its fund raising of £75m before expenses. It made its first pre-IPO investments in May and these results therefore represent the outcome of about 11 months of investing.

Investment strategy

The Company's investment strategy is to build a diversified portfolio of growing small to mid-sized companies which are seeking to achieve an IPO within a reasonably short time horizon. It is intended that investments are opportunistic and not sector or regionally focused and that they are typically passive in nature. The Company may also invest in quoted companies (for example, where a company becomes a shell and is about to make a major acquisition).

Over the first year, the Company has weighted its investments principally towards three sectors: oil and gas exploration and production; mining and resources and renewable energy/ clean technology. This focus reflects two factors: the thrust of pre-IPO opportunities identified by the Investment Manager from introducers in the investment industry; and the Investment Manager's perception of what kinds of company could be expected to make it to a successful IPO when sentiment was adverse and becoming progressively more adverse.

The intention set out in the Company's admission document was to build a portfolio of investments of in the region of forty companies over twelve to eighteen months. The Investment Manager is mandated to manage the Company's portfolio actively in order to enhance returns, with an emphasis on realising gains in the medium term. The intention is to re-invest the proceeds of realisations into new pre-IPO investments. In the period before the cash is fully deployed in pre-IPO investments, the Investment Manager has been seeking to minimise cash drag by investing a significant proportion of the net proceeds of the placing in a range of absolute return products intended to generate a positive return, principally hedge funds and funds of hedge funds.

Progress to Date

In this first period, the Company has made a strong start, making investments during the period of over £52.5m in 32 pre-IPO companies. The average size of investment per company was £1.6m. The balance of its funds was invested in hedge funds (directly or in a fund of funds) or held in cash.

The investments made follow the stated strategy and represent a promising portfolio of companies, some of which have come to market and others of which are planning imminent IPOs. The Company has, over the last 3 months, made disposals of more than £11m, realising a net gain of £4m and generating a return on investment cost of 56%. In addition, there are more than ten companies in the portfolio where IPOs, fund-raising at a significant premium or other similar "liquidity" events are expected by their directors in the second half of 2008. Three of these are expected in the next few weeks. Since the period end, the Company has invested a further £4.3m in two additional pre-IPO companies. The portfolio and its prospects are discussed in the Investment Manager's Report below.

Financial Results

The Company is a Guernsey domiciled closed-ended investment company whose shares are traded on AIM. As such, it reports its results under IFRS and in particular under IPEVC, an international guideline for valuing unquoted investments. This, in contrast to BVCA guidelines which used to be commonly adopted by companies holding unquoted investments, requires the Board to attempt to determine the fair market value of each investment held and to revalue the Company's holdings to that value, whether this requires an increased or decreased valuation and irrespective of whether there has been any investment or sale by a third party which would help validate that change in the holding value. The Company is reporting using this new set of principles.

In most of the portfolio (unsurprisingly as its holdings were recently acquired) there had not by the year end been any event which would provide a fresh external indication of value. In such cases the Board decided that cost was a fair guide to market value. However, in the case of those investments made in foreign currency, their value has been adjusted to reflect differences in exchange rates between the date of investment and the year end. Where companies are already quoted, their shares have been valued at the bid price. In the case of a small number of unquoted companies, the value was increased to reflect known re-pricing (e.g. from a grey market).

The income statement for the period shows that the Company made a profit of £3.7m for the year. This reflects increased valuations as well as the small excess of finance income over operating expenses of the Company. The foreign exchange movements in relation to pre-IPO investments and changes in hedge fund values ended up more or less cancelling each other out.

The balance sheet shows pre-IPO investments (including those which at that point had a listing) of £55.9m. This represented a large reduction in the holdings of the hedge funds which were £32.0m at 30 September 2007. At the year end, £8.7m was held in hedge funds and £12.5m was represented by cash, bank commercial paper and amounts due in settlement. Total assets were £77.1m, giving a net asset value of 102.5p per share.

As at 30 June, as a result of realisations, the Company held approximately £25m in cash and other liquid assets (including hedge funds) which is available for investment into suitable pre-IPO opportunities.

Outlook

The Board believes that the Company's strategy is beginning to bear fruit and that the performance is creditable given the difficult market conditions. The Investment Manager's focus on sectors where profitable exits remain a good prospect and on seeking down round protection wherever possible should hold the Company in good stead. The Board views the outlook with confidence.

Bob Morton

Chairman

Investment Manager's Report

As stated in the Company's investment strategy at admission, the investments we have sought to make have been opportunistic rather than sectorally or regionally focused. Our principal criterion has been whether we believe that the potential investee company is a credible candidate for a successful IPO in the near future, taking into account our assessment of likely market conditions and development of the company. In this process, we are conditioned by the views of the brokerage community who bring us deals in which to invest. If they believe that, for example, oil and gas companies with exciting prospects can still successfully float in current market conditions whilst the prospects for retailers to float are currently much cloudier, then they will not bring focused retailers as pre-IPO deals and we cannot therefore select them. But we can pick and choose amongst those deals which they do bring forward and select those which we think have the best prospects.

It is for this reason that our portfolio of investments made to date is heavily weighted towards three sectors: oil and gas (including two investments in companies using novel techniques to improve recovery rates); minerals including copper, gold, nickel, uranium, iodine and rarer elements; and environmentally friendly technologies including cleaner/more efficient ways of burning conventional fuels, second generation bio fuels and hydrogen technologies. These sectors account for the great majority of investments.

Many of the investments in these sectors are outside of the UK, and a significant proportion are sourced from brokers whose main business is outside the UK. We expect many of them to list in North America (particularly Canada) or other markets rather than the UK. We have provided details of most of these investments in earlier announcements.

Since the last announcement, we have made two further investments. The first is in Celadon Mining, a company which has Chinese Government support to consolidate the coking coal sector in the principal producing area of China, in which we have invested £3.75m in two rounds the second at a 50% premium to the first. The company plans to list in Hong Kong. The other is Jordan Energy, a company with rights to extract large shale oil deposits in Jordan, in which we invested US\$1.05m.

Table 1 shows the breakdown of the pre-IPO investments by sector as at 31 March 2008:

Table 1

Investments by Sector as at 31 March 2008 (at cost)

| Sector | Number | £m | Percentage |
|------------------|--------|-------|------------|
| Oil and Gas | 8 | 16.50 | 31% |
| Mining | 13 | 17.50 | 33% |
| Technology | 2 | 3.00 | 6% |
| Renewable Energy | 4 | 7.00 | 13% |
| Other | 5 | 8.50 | 17% |
| Total | 32 | 52.50 | 100% |

Table 2 shows the same information at the date of this report.

Table 2

Investments by Sector at cost as at 30 June 2008

| Sector | Number | £m | Percentage |
|------------------|--------|-------|------------|
| Oil and Gas | 8 | 16.04 | 30% |
| Mining | 13 | 20.75 | 38% |
| Technology | 2 | 3.00 | 6% |
| Renewable Energy | 4 | 7.00 | 13% |
| Other | 5 | 7.24 | 13% |
| Total | 32 | 54.03 | 100% |

Pre IPO Investments- Detail

The following is a list of the pre-IPO Investments held at the year end.

| Company | Investment | Business |
|-------------------|--|--|
| AmLib | US\$2m subscription for ordinary shares | A Jersey based company established in May 2000 to explore for gold, diamonds and other natural resources in Liberia. AmLib holds one mineral development agreement and seven exploration licenses covering a total surface area of 3,400km ² . |
| Buried Hill | US\$850,000 subscription for and US\$2.7m acquisition of ordinary shares | An international oil and gas exploration company focused on West Africa and Central Asia which has entered into two petroleum exploration, production and development licences with the Government of The Gambia and expects to enter into a production sharing agreement with the Government of Turkmenistan. |
| CDR Minerals | US\$ 1m subscription | An early stage nickel and copper play in Quebec and copper and cobalt play in Zambia. |
| Cadogan Petroleum | £3.75m subscription | An oil & gas exploration and a development company focused on Ukraine. |
| China Molybdenum | £3m subscription | Set up to acquire several mining assets representing abundant molybdenum and nickel |

mining production opportunities in Zhangjiajie City, Hunan Province.

| | | |
|-----------------------|--|---|
| Continental Petroleum | £2.5m subscription for convertible loan stock | Currently establishing oil exploration, development and production operations in Russia and holds two oil exploration, development and production licences in Western Siberia covering an area of approximately 1,650 km ² . |
| Creso Resources | Cdn\$2.2m subscription for common stock | A natural resource company with mining exploration holdings in Mexico and Guatemala, engaged in the identification and acquisition of early stage gold and base metals properties. |
| Develica | US\$3.7m subscription for ordinary shares | A Guernsey company established to take advantage of opportunities in the prime commercial real estate market in Singapore in particular, and in the Asia Pacific region in general. |
| Dominion Minerals | US\$1.5m subscription for common shares and warrants | A US-based copper and gold exploration and development company focused on its Cerro Chorchá Copper Project in Panama and its gold and copper/gold ventures in China. |
| Eden Energy | AUS\$4.56m subscription for ordinary shares | An Australian diversified clean energy company with interests in hydrogen production, storage and transport fuel systems. |
| Emerald | £2m subscription for ordinary shares | An UK company investing in businesses in North America which utilise waste from sawmills to produce wood pellets for retail and industrial fuel. |
| Enhanced Oil | Cdn\$4m subscription for common stock and warrants | A Houston-based enhanced oil recovery resources company which controls the largest undeveloped natural helium/CO ₂ resource in North America. Enhanced Oil is acquiring depleted oilfields where significant enhanced oil recovery resources remain. |
| Gourmet Express | US\$3m subscription | A leading consumer products company specialising in the production, distribution and marketing of a wide variety of frozen food products, in particular the frozen skillet meal category. |

| | | |
|------------------|--|---|
| Homeland Uranium | Cdn\$2.2m subscription for common stock and warrants | A Canadian company with interests in long-term energy production and development of uranium projects in Niger, southern Africa and the United States. |
| Ilika | £2.5m subscription for ordinary shares | A company spun out of the University of Southampton which specialises in the development and application of high throughput, combinatorial R&D techniques for the discovery of new materials. |
| Iofina | £1m subscription | Has more than 30,000 acres of prospective acreage in Northern Montana, which should enable the company to become one of the leading Iodine producers in the US within 5 years. This holding has been fully realised since the year end. |
| iQur | £0.5m subscription for ordinary shares | A medical research company that specialises in the treatment and monitoring of Hepatitis C and other liver diseases. |
| Midas Capital | £450,000 subscription for ordinary shares | An AIM quoted company encompassing fund management, wealth management and corporate services. |
| MinCore | Cdn\$2.025m subscription | Has large deposits in Central America - molybdenum deposit in Venado and a second mineral deposit of Cu-Mo in Pico Prieto. |
| Nviro | £500,000 subscription for ordinary shares | A leader in commercialising "clean" technologies, building them from the innovation stage to industrial scale, creating shareholder value in parallel with environmental benefits. |
| Panceltica | two subscriptions of US\$ 5m and US\$ 2.5m respectively, now ordinary shares | A specialist construction company based in Qatar, which uses a steel structure framework system. |
| Petaquilla | Cdn\$8m subscription | A Vancouver-based exploration company developing the Minera Petaquilla copper/gold deposit in Cocle Province, east central Panama, in joint venture with Teck Cominco Limited |

and the [Inmet Mining](#) Corporation.

| | | |
|-----------------------|---|---|
| Quetzal | Cdn\$2.1m subscription for common shares and warrants | A Canadian company with interests in petroleum producing assets in Guatemala. |
| RAM | US\$2m subscription for ordinary shares | A Jersey-based mineral and asset development company which controls a 100% owned iron ore mining property in the Kurgan region of Russia. |
| River Diamonds | £0.5m subscription for ordinary shares | A UK-based mining company with, at the point of investment, a 12.5% stake in Viso Gero International Inc which itself indirectly has a 94% interest in the mining rights and associated assets of the Emperor Gold Mine in Fiji. This holding has been realised since the year end. |
| Royal Nickel | Cdn\$ 4m subscription | Controls what is thought to be the largest single nickel deposit in the world. |
| Rock Well Petroleum | US\$7.5m subscription for common shares | A rapidly-growing independent North American oil and gas production company which uses a gravity drainage technique to extract oil at low cost from reservoirs that have become sub-economic for conventional extraction. |
| STV | US\$2m subscription for common shares | A vertically integrated ethnic media and entertainment company in Philadelphia. |
| Sharon Energy | Cdn\$2.1m subscription for common stock and warrants | An oil and gas company conducting active natural gas exploration programs in Texas and Alberta. |
| Sumatra Copper & Gold | £1m subscription | The company controls nearly 18,000km ² of land in Sumatra, Indonesia with advanced resources of gold, silver and copper. |
| TMO Renewables | £2.5m subscription for ordinary shares | A world leader in novel ethanol fermentation technology which produces bio-ethanol from low-grade sugar by means of a new fermentation technique with significantly higher yields |

and lower investments.

| | | |
|---------------|---|---|
| Torbanite One | US\$2m subscription for ordinary shares | Set up to exploit South Africa's large and undervalued Torbanite deposit. Torbanite is a high grade 'oil shale' that produces oil on heating. |
|---------------|---|---|

Investment Structuring- Down- Round Protection and Investment Size

In structuring investments, we have been very aware of the difficult stock market conditions affecting smaller companies since we began investing. For this reason, we have given strong emphasis to protections as a condition of our investment, principally by investing in convertible loans whose pricing is at a pre-set discount to the IPO price, often with a ratchet to increase the discount if the IPO is delayed. In some cases, we have also obtained fuller down-round protections. In others, particularly where the pre-IPO placing is in strong demand we have not obtained such protections, but we believed in those cases that a successful IPO at a substantial uplift was a highly likely event.

In general, we have also sought to ensure that our size of investment was tailored to the size of the company in which we invested, the size of the pre-IPO placing and the likely size of the IPO.

Hedge Funds

Our strategy has been to hold a large proportion of the Company's assets not yet committed to pre-IPO investments in hedge funds. The aim was to enhance return and avoid cash drag. However, as a result of turbulent markets and underperformance from equity market neutral funds, the funds have performed below expectations and during the period generated a small loss. Since the period end performance has improved and since the Company launched, these holdings have approximately broken even. As the portfolio of pre-IPO investments has grown we have reduced our holdings of hedge funds.

Pipeline

We continue to benefit from a strong flow of pre-IPO deals being offered to us. In the light of the difficult markets we have raised our threshold for approving an investment. We expect to continue to invest over the next few months, both follow-on investments and in new companies.

Pre IPO to IPO - Investment Progress

The Company has, over the last 3 months, made disposals of more than £11m, realising a gain of £4m and generating a return on investment cost of 56%. In addition, there are ten or more companies in the portfolio where IPOs, fund-raising at a significant premium or other similar "liquidity" events are expected by their directors in the second half of 2008. Three of these are expected in the next few weeks.

Tim Childs

St Peter Port Investment Management Limited

St Peter Port Capital Limited

Balance Sheet

As at 31 March 2008

| | As at |
|--|---------------|
| | 31 March 2008 |
| | £ 000's |
| Assets | |
| Financial assets designated at fair value through profit or loss | 64,683 |
| Trade and other receivables | 4,866 |
| Cash and cash equivalents | 7,499 |
| Total assets | 77,048 |
| Equity | |
| Capital and reserves attributable to equity | |

| | |
|---|--------|
| holders of the company | |
| Share capital | - |
| Share premium | - |
| Special reserve | 73,148 |
| Retained earnings | 3,689 |
| | |
| Total Equity | 76,837 |
| | |
| Liabilities | |
| | |
| Current liabilities | |
| Trade and other payables | 211 |
| | |
| Total current liabilities | 211 |
| | |
| Total liabilities | 211 |
| | |
| Total equity and liabilities | 77,048 |
| | |
| Net asset value per share (pence per share) | 102.45 |

St Peter Port Capital Limited

Income Statement

For the period from 6 March 2007 to 31 March 2008

| | 6 March 2007 to 31 March 2008 £ 000's |
|---|---|
| Net changes in fair value on financial assets | 4,566 |
| Unrealised gain on foreign exchange | 154 |
| Interest income | 554 |
| Net investment income | 5,274 |
| Administrative expenses | (1,583) |
| Net income from operations before finance costs | 3,691 |
| Interest expense | (2) |
| Total finance costs | (2) |
| Profit for the period | 3,689 |
| Basic and diluted return per Ordinary Share (pence) | 4.92p |

St Peter Port Capital Limited

Statement of Changes in Equity

For the period from 6 March 2007 to 31 March 2008

| | Share Premium £ 000's | Special Reserve £ 000's | Revenue Reserve £ 000's | Total £ 000's |
|--|-----------------------------|-------------------------------|-------------------------------|------------------|
| Profit for the period | - | - | 3,689 | 3,689 |
| Total recognised profit for the period from 6 March 2007 to 31 March 2008 | - | - | 3,689 | 3,689 |
| Proceeds from shares issued | 75,000 | - | - | 75,000 |
| Expenses of share issues | (1,852) | - | - | (1,852) |
| Transfer to special reserve | (73,148) | 73,148 | - | - |
| Balance at 31 March 2008 | - | 73,148 | 3,689 | 76,837 |

St Peter Port Capital Limited

Cash Flow Statement

For the period from 6 March 2007 to 31 March 2008

£ 000's

Cash flows from operating activities

| | |
|--|---------|
| Interest received | 554 |
| Interest paid | (2) |
| Operating expenses paid | (1,344) |
| Net cash (used in)/generated from operating activities | (792) |

Cash flows from investing activities

| | |
|--------------------------------------|----------|
| Sales of investments | 34,755 |
| Purchases of investments | (99,612) |
| Cash flows from investing activities | (64,857) |

Cash flows from financing activities

| | |
|--------------------------------------|---------|
| Issue of shares | 75,000 |
| Expenses of share issues | (1,852) |
| Cash flows from financing activities | 73,148 |

Cash and cash equivalents 7,499

1. General Information

St Peter Port Capital Limited (the "Company") is a Guernsey registered, closed ended investment company. The Company has been established with the aim of generating value for Shareholders by investing in growth companies, which are seeking to achieve an initial public offering ("IPO") within a reasonably short time horizon. Investments will be made across a broad range of sectors and geography.

The company's website is www.stpeterportcapital.gg.

The Fund is listed on the London Stock Exchange, Alternative Investment Market (AIM).

2. Financial Information

The report on the full financial statements for the period ended 31 March 2008 is yet to be signed and accordingly the information presented in this preliminary announcement is unaudited. In addition, whilst the financial information included in this preliminary announcement has been computed in accordance with IFRS, this announcement does not itself contain sufficient information to comply with IFRS. The Company expects to publish full financial statements that comply with IFRS within the next 30 days. The accounting policies used in arriving at the

preliminary figures are consistent with those which will be published in the full financial statements.

3. Earnings Per Share

The calculation of basic earnings per share is based on the net profit from continuing operations for the period and on 75,000,000 shares being the weighted average number of shares in issue during the period. There is no difference between basic earnings per share and diluted earnings per share.

4. Net Asset Value per Share

31 March 2008

£ 000's

| | |
|--|--------|
| Net Asset Value | 76,837 |
| Average number of Ordinary Shares in issue | 75,000 |
| Net Asset Value per Ordinary Share (pence per share) | 102.45 |

5. Taxation

The income tax rate applicable to the Company in Guernsey is nil (0%). With effect from 1 January 2008 the standard rate of income tax of Guernsey companies has changed. Previously, the Company in Guernsey held a tax exempt status under the provision of The Income Tax (Exempt Bodies)(Guernsey) Ordinance 1989.

6. 2008 Report and Accounts

Copies of the 2008 accounts will be posted to shareholders in due course. Copies of this announcement are available from the Company at PO Box 119, Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB.

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