

("Port Erin" or the "Company")

Interim Results for the six month period ending 31 December 2014

The Board of Port Erin, the AIM quoted company focussed on investing in the biotechnology and biopharmaceutical sectors, is pleased to announce its interim results for the six month period ending 31 December 2014.

The interim financial statements are expected to be available from 30 March 2015 on the Company's website http://www.porterinbiopharma.com/financial_reports.php.

Financial Highlights

As at 31 December 2014

Shareholders' Funds	£4,838,038
Ordinary Shares in Issue	33,864,836
Net Asset Value per share	14.3 pence
Share Price *	11.0 pence
Share Price Discount	(30.0%)

* Mid-market closing price as at 25 March 2015.

Commenting on the results, Jim Mellon, Non-Executive Chairman of Port Erin, said: "The Company's three significant investments continue to show substantial growth potential for the remainder of 2015 and beyond. In addition, your board is currently considering a number of exciting options which show considerable promise in line with the investing policy adopted on 11 November 2013."

For further information, please contact:-

Port Erin Biopharma Investments Limited

Denham Eke (+44) (0) 1624 639396

Beaumont Cornish Limited

Roland Cornish / James Biddle (+44) (0) 207 628 3396

Peterhouse Corporate Finance Limited

Lucy Williams (+44) (0) 20 7469 0936

Chairman's statement

Introduction

I am pleased to present the Interim Results for Port Erin Biopharma Investments Limited (the "Company") for the six month period ending 31 December 2014.

The results should be viewed against the backdrop of facilitating the tender offer, as announced on 14 January 2015, which gave shareholders the opportunity to sell a proportion of their holding back to the Company at the implicit value rather than the historically discounted market price (the "Tender Offer"). Shareholders will recall that this was one of the steps identified to allow access to the true value of the proportion of their holding represented by the investment in the Magna Biopharma Income Fund ("MBIF"), following a strategic review to help eliminate the significant discount to Net Asset Value implicit in the Company's share price.

Following the successful completion of the tender offer in February 2015 which saw a shareholder uptake of 50.68 per cent., the Company still retains a significant investment in MBIF whose investment objective is to seek growing income distributions with capital appreciation potential in the long term by investing in a diversified portfolio of biopharma sector securities. The investment prospects for MBIF remain compelling and the share price has already grown by over 10 per cent. during the first two months of 2015.

Aside from MBIF, the Company has two other significant investments, namely Plethora Solutions Holdings plc ("Plethora") and Summit Corporation plc ("Summit"). Plethora reported on 11 November 2014 that it continues to make good progress in commercialising FORTACIN™, a treatment and management for urological disorders, and expects to complete the New Drug Application filing and potential approval during Q4 2015. Based on estimated market sizes, pricing input from its US marketing consultant and other internal estimates, the Directors of Plethora believe forecast peak prescription sales (end user sales) could reach in excess of US\$1 billion per annum for FORTACIN™.

Summit is an international biopharmaceutical company focussed on the discovery and development of innovative medicines to treat the fatal muscle wasting disease Duchenne Muscular Dystrophy ("DMD") and infections caused by the bacteria *C. difficile* ("CDI"). Summit is seeking to rapidly advance the development of its lead product candidates, SMT C1100 for DMD and SMT19969 for CDI, through patient clinical trials with the goal of seeking to maximise the commercial opportunity for each of these candidates, including potentially by entering into collaborative arrangements with third parties or by retaining commercialisation rights for itself.

Financial Review

The Company recorded a net loss of £143,388 for the half-year interim period (31 December 2013: profit of £1,787,086). During the period, our investment income including dividends, net realised gains on sales, and net unrealised gains was £83,835 (31 December 2013: £2,340,447). In the prior period significant unrealised gains were booked against the investments of Summit and Plethora following the initial acquisition which were not repeated in the current period. Operating expenses were £227,223 (31 December 2013: £553,384). The prior period included a performance fee due of £379,057 following the uplift in net assets. No performance fee has been accrued in the current period.

The net loss of £143,388 for the period was reflected in the basic and diluted loss per share of 0.42 pence (31 December 2013: earnings of 5.28 pence).

Our invested assets at fair value at 31 December 2014 were £4,468,412 (30 June 2014: £4,830,908), and cash and equivalents were £431,744 (30 June 2014: £526,503). Including receivables of £13,739 (30 June 2014: £24,997) less payables of £75,857 (30 June 2014: £400,982), our total net assets stood at £4,838,038 (30 June 2014: £4,981,426). Thus as a result of the loss of £143,388 for the period the net asset value of the Company has decreased, and this is reflected in the net asset value per share at 31 December 2014 of 14.3 pence (30 June 2014: 14.7 pence).

Post period end and as a result of the Tender Offer, the Company completed the sale and transfer of 163,341,177 MBIF shares (representing 50.38 per cent. of the Company's total holding of MBIF shares). The net proceeds, after expenses, from the sale of 116,635,177 MBIF shares amounted to £1,202,269 being distributed to Shareholders in cash, with the remaining 46,706 MBIF shares to be distributed *in specie* to Shellbay Investments Limited by way of consideration.

Strategy and Outlook

Whilst the results for the present period have reported losses, positive steps have been taken in addressing the significant discount to Net Asset Value implicit in the Company's share price mentioned above which we firmly believe will enhance shareholder value in the future.

The Company's three significant investments continue to show substantial growth potential for the remainder of 2015 and beyond. In addition, your board is currently considering a number of exciting options which show considerable promise in line with the investing policy adopted on 11 November 2013.

Jim Mellon
Chairman

Condensed statement of comprehensive income

	<i>Notes</i>	Period ended 31/12/2014 (unaudited) £	<i>Period ended 31/12/2013 (unaudited) £</i>
Investment Income	2	83,835	2,340,447
Operating expenses			
Performance fee	3	-	(379,057)
Other costs	4	(269,234)	(100,509)
Foreign exchange gains/(losses)		42,011	(73,818)
Operating (loss)/profit		(143,388)	1,787,063
Interest received		-	23
(Loss)/profit before taxation		(143,388)	1,787,086
Taxation		-	-
(Loss)/profit for the period		(143,388)	1,787,086
Other comprehensive income		-	-
Total comprehensive (loss)/income for the period		(143,388)	1,787,086
Basic and diluted (loss)/earnings per share for (loss)/profit attributable to the equity holders of the Company during the period (pence)	5	(0.42)	5.28

Condensed statement of financial position

	<i>Notes</i>	31/12/2014 (unaudited) £	<i>30/06/2014 (audited) £</i>
Current assets			
Financial assets at fair value through profit or loss	6	4,468,412	4,830,908
Trade and other receivables		13,739	24,997
Cash and cash equivalents		431,744	526,503
Total assets		4,913,895	5,382,408
Equity			
Called up share capital		34	34
Share premium		2,759,551	2,759,551
Distributable reserves		2,078,453	2,221,841

Total equity		4,838,038	4,981,426
Current liabilities			
Trade and other payables	7	75,857	400,982
Total liabilities		75,857	400,982
Total equity and liabilities		4,913,895	5,382,408

Condensed statement of changes in equity

	Notes	Share capital £	Share premium £	Distributable reserves £	Total £
Balance at 01 July 2013 (audited)		34	2,759,551	840,366	3,599,951
Total comprehensive income for the period:					
Profit for the period		-	-	1,787,086	1,787,086
Other comprehensive income		-	-	-	-
Balance at 31 December 2013 (unaudited)		34	2,759,551	2,627,452	5,387,037
Balance at 01 July 2014 (audited)		34	2,759,551	2,221,841	4,981,426
Total comprehensive income for the period:					
Loss for the period		-	-	(143,388)	(143,388)
Other comprehensive income		-	-	-	-
Balance at 31 December 2014 (unaudited)		34	2,759,551	2,078,453	4,838,038

Condensed statement of cash flows

	Notes	Period ended 31/12/ 2014 (unaudited) £	Period ended 31/12/2013 (unaudited) £
Cash flows from operating activities			
(Loss)/profit for the period		(143,388)	1,787,086
Adjusted for:			
Interest received		-	(23)
Realised and unrealised gains	2	(83,835)	(2,338,021)
Performance fee settled by transfer of investment		379,053	-
Changes in working capital:			
Decrease in receivables		11,258	2,691

(Decrease)/increase in payables	(325,125)	379,515
Cash flows from operations	(162,037)	(168,752)
Cash flows from investing activities		
Purchase of investments	-	(3,395,510)
Proceeds from sale of investments	67,278	3,659,356
Interest received	-	23
Net cash generated from investing activities	67,278	263,869
(Decrease)/increase in cash and cash equivalents	(94,759)	95,117
Cash and cash equivalents at beginning of period	526,503	707,624
Cash and cash equivalents at the end of period	431,744	802,741

Notes to the financial statements

1 Significant accounting policies

The accounting policies adopted by the Company in the preparation of these condensed interim financial statements are the same as those applied by the Company in its financial statements as at and for the year ended 30 June 2014. No new accounting policies were adopted during the period.

The interim financial statements are unaudited. The audited financial statements of the Company as at and for the year ended 30 June 2014 are available at the Company's website below:

http://www.porterinbiopharma.com/financial_reports.php

2 Investment income

	31/12/2014 (unaudited) £	31/12/2013 (unaudited) £
Dividend income	-	2,426
Net realised gains on sale of investments	34,961	966,330
Net unrealised gains on investments	48,874	1,371,691
Total investment income	83,835	2,340,447

3 Performance fee

	31/12/2014 (unaudited) £	31/12/2013 (unaudited) £
Performance fee	-	379,057

Shellbay Investments Limited ("Shellbay") receive performance fees for the provision of Mr James Mellon, Non-Executive Chairman of the Company, in respect of investment advisory services. The fees are calculated at 15 per cent. of any increase in the net asset value of the Company over each quarterly period (excluding MBIF), subject to an initial high watermark of 10 pence per share. The calculation base excludes the MBIF investment as Shellbay do not provide any investment advice in relation to that holding. No fees were payable for the current period (31 December 2013: £379,057).

4 Other costs

	31/12/2014 (unaudited) £	31/12/2013 (unaudited) £

Directors' fees	2,810	7,233
Auditors' remuneration for the current period	7,500	8,625
Bank charges	104	209
Insurance	2,690	3,193
Marketing	-	3,575
Professional fees	253,581	77,299
Sundry expenses	2,549	375
Total other costs	269,234	100,509

5 Basic and diluted earnings per share

The calculation of basic earnings per share of the Company is based on the loss for the period of £143,388 (31 December 2013: profit of £1,787,086) and the weighted average number of shares of 33,864,836 (31 December 2013: 33,864,836) in issue during the period.

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares such as warrants and options. There is no dilutive effect in the current or prior period as there were no outstanding warrants or options.

6 Financial assets at fair value through profit or loss

	31/12/2014 (unaudited) £	30/06/2014 (audited) £
Quoted	4,060,987	4,454,788
Unquoted	407,425	376,120
Total financial assets at fair value	4,468,412	4,830,908
Equities	4,293,174	4,684,117
Warrants	175,238	146,791
Total financial assets at fair value	4,468,412	4,830,908

7 Trade and other payables

	31/12/2014 (unaudited) £	30/06/2014 (audited) £
Provision for audit fee	7,500	15,000
Related party - Shellbay	-	379,057
Other	68,357	6,925
Total trade and other payables	75,857	400,982

8 Related party transactions

Under an agreement dated 1 December 2011, Burnbrae Limited, a company related to both Mr James Mellon and Mr Denham Eke, provide certain services, principally accounting and administration, to the Company. This agreement may be terminated by either party on three months' notice. The Company incurred a total cost of £18,000 (31 December 2013: £18,000) during the period under this agreement of which £nil was outstanding as at the period end (30 June 2014: £nil).

Under an agreement dated 6 May 2011 Shellbay, a company related to both Mr James Mellon and Mr Denham Eke, provide the services of Mr James Mellon as Non-Executive Chairman of the Company (see note 3). The charge for services provided in the period was £nil (31 December 2013: £379,057), of which £nil was outstanding at the period-end (30 June 2014: £379,057).

9 Commitments and contingent liabilities

There are no known commitments or contingent liabilities as at the period end.

10 Events after the reporting date

Subject to the terms of a tender offer (the "Tender Offer") in respect of the Company's interest in the Magna Biopharma Income Fund set out in a circular (the "Circular") dated 13 January 2015, the Company received acceptances in respect of up to 17,164,238 shares ("Eligible Shares") of the Company, representing in aggregate 50.68 per cent. of the issued share capital.

As specified in the market announcement dated 6 February 2015 detailing the close of the Tender Offer, the Tender Entitlement (as defined in the Circular) of each shareholder accepting the Tender Offer was accordingly set at 62.16 per cent. of Eligible Shares. Consequently, on completion of the Tender Offer, the Company redeemed and cancelled in aggregate 10,669,278 shares (the "Tender Shares").

On 5 February 2015, the Company completed the sale and transfer of 163,341,177 Fund Shares (as defined in the Circular) (representing 50.38 per cent. of the Company's total holding of Fund Shares). The net proceeds, after expenses, from the sale of 116,635,177 Fund Shares amounted to £1,202,269 being distributed in cash, with the remaining 46,706 Fund Shares to be distributed *in specie* to Shellbay by way of consideration. Thus, the Tender Price (as defined in the Circular) for each Tender Share (taking into account the expenses of the Tender Offer) was set at £0.1587 (15.87 pence).

After payment of pro rata costs, Mr James Mellon and any related parties will be transferred 46,706 Fund Shares by the Company by way of consideration for the tender of 3,095,563 shares of the Company by Mr Mellon and any related parties. Mr Mellon remains interested in 6,729,273 shares, maintaining his shareholding at 29.01 per cent. of the issued shares.

Following completion of the Tender Offer the Company has a total of 23,195,558 issued shares.