

Registered number
5123368

AIM INVESTMENTS PLC
UNAUDITED INTERIM FINANCIAL
INFORMATION FOR THE SIX MONTHS
TO 30 NOVEMBER 2010

AIM INVESTMENTS PLC

CHAIRMAN'S REPORT

FOR THE SIX MONTHS TO 30 NOVEMBER 2010

Chairman's Statement

I am pleased to report these interim results for the period 1 June 2010 to 30 November 2010, which include the Company's first three investments. At the time of writing, the Company has successfully implemented its investing policy ("Investing Policy") and gained shareholder approval of certain changes to the Investing Policy. It has also secured both investment and working capital loans from a corporate investor who is now also the Company's major shareholder. The Company is now looking to make further emerging and frontier market investments under its new Investing Policy, as well as realize returns from its existing investments, and is considering a number of financing options to facilitate this.

Investments and Investing Policy

The Company made three investments in Shenzen Cadro (Catic Group) Hydraulic Equipment Co. Limited, Planteman SA and Minera Mapsa SA on 27 October 2010, 2 November 2010 and 5 November 2010 with a combined cost of \$800,000. During the period, \$800,000 was drawn down under a loan facility provided by Desmond Holdings Ltd ("Desmonds") and transferred into escrow accounts in order to fund these investments. Further details of these investments can be found on the Company's website – www.aiminvestmentsplc.com

Trading in the Company's shares on AIM was suspended on 4 May 2010 under Rule 15 of the AIM Rules pending substantial implementation of the Company's Investing Policy to the satisfaction of the London Stock Exchange ("the Exchange") or a reverse transaction under Rule 14 of the AIM Rules. The Exchange confirmed on 5 November 2010 that the Company had implemented its Investing Policy through its investments.

Prior to lifting the suspension in trading, the Exchange required the Company to seek shareholder approval to changes to its Investing Policy to align it more closely with the above investments. The requisite resolution was accepted at the Annual General Meeting, which took place on 9 December 2010. The suspension was lifted on 10 December 2010.

Appointment and Resignation of Directors

No directors were appointed or resigned during the period.

Mark Pajak, a director of Desmonds, joined the board of the Company in December 2010 replacing John Frankland as Non-Executive Director. I want to thank John for his hard work supporting the Company through a difficult development period.

Review of the Financial Results

The Company has been operating from a very low cost base during the period. Most of the Directors have chosen not to take a fee or to reduce their fee until the Company has sufficient working capital to support payments.

The Company was financed in the period through a working capital facility provided by Maji Capital Partners Group Plc ("Maji Capital"), a company connected to Andrew Meikle, who resigned as a director on 28 September 2009. All amounts outstanding under this loan were capitalized in the period and no further amounts have been drawn down since.

The Company has made three investments totalling \$800,000. It has drawn down an equivalent amount under the loan facility provided by Desmonds on 28 October 2010 (amended 1 November 2010). The Directors anticipate that all investments, made using loans that convert to equity on admission to Market, will yield significant returns on loan capital invested in the form of equity, although this cannot be guaranteed. If these companies do not eventually succeed in being admitted to a public market, the Company will receive back investment monies.

Working Capital

A loan provided by Maji Capital to the Company under the terms of the revised working capital facility agreement amounting to £99,810 representing total amounts lent to the Company to 30 June 2010 (balance at 31 May 2010 was £79,323) was converted into 19,962,000 new ordinary shares in the Company on 8 July 2010. The capitalisation of this loan was executed at the price of 0.5 pence per new ordinary share. The board does not intend to draw down any further amounts under the terms of this agreement.

Desmonds provided a Loan Facility to the Company of up to £500,000 on 28 October 2010 (increased to £700,000 on 1 November 2010) to be used to make qualifying investments under the Company's Investing Policy. The fee for providing this loan was settled by the issue of 58,480,300 shares equivalent to 29.99% of the Company on 10 December 2010.

The Company is currently being financially supported by a working capital facility provided by Desmonds on 8 December 2010. The facility is uncapped, non-interest bearing and for a period of 12 months. The loan is repayable on demand although Desmonds have agreed not to demand the repayment of the loan unless the Company is in the position to make the repayment.

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CHAIRMAN'S REPORT

FOR THE SIX MONTHS TO 30 NOVEMBER 2010

Funds continue to be drawn down when necessary and will continue to be so until such time as the Company raises alternative working capital funds or achieves a substantial return on its investments.

The board is currently reviewing a range of further investment opportunities and has entered into a number of conditional engagement letters with potential investee companies subject to completion of satisfactory due diligence and availability of adequate investment funds.

Going Concern

The Board considers that the availability of the working capital facility from Desmonds and expected return on its recent investments provides a basis on which the Company can continue to trade as a going concern.

Future of the Company

The Directors are delighted that the necessary investment into the Company was secured during the period enabling it to substantially implement its Investing Policy and avert the cancellation of trading of its shares on AIM. The Company is optimistic that it will be able to secure additional funds to make a broader range of profitable investments in the future.

We believe there are many exciting investment opportunities in frontier and emerging markets, and we have established good relationships with investment professionals based in those territories who can provide the Company with a range of investment choices.

I would like to thank shareholders for their support at the recent AGM.

.....
Sir Bernard Zissman
Chairman
Date: 25 February 2011

AIM INVESTMENTS PLC**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME****FOR THE SIX MONTHS TO 30 NOVEMBER 2010**

| | Unaudited | <i>Unaudited</i> | <i>Audited</i> |
|-------------------------------|------------------|------------------|------------------|
| | 6 months | <i>6 months</i> | <i>12 months</i> |
| | 30-Nov | <i>30-Nov</i> | <i>31-May</i> |
| | 2010 | <i>2009</i> | <i>2010</i> |
| Notes | £'000 | <i>£'000</i> | <i>£'000</i> |
| | | <i>Restated</i> | |
| Administrative expenses | (81) | <i>(16)</i> | <i>(93)</i> |
| Loss before taxation | (81) | <i>(16)</i> | <i>(93)</i> |
| Tax charge on loss | - | - | - |
| Loss for the period | (81) | <i>(16)</i> | <i>(93)</i> |
| Loss per share (pence) | | | |
| Basic and diluted | (0.06) | <i>(0.02)</i> | <i>(0.10)</i> |

None of the Company's activities were acquired or discontinued during the above period.

AIM INVESTMENTS PLC

UNAUDITED STATEMENT OF FINANCIAL POSITION

AS AT 30 NOVEMBER 2010

| | Notes | Unaudited 6 months 30-Nov 2010 £'000 | Unaudited 6 months 30-Nov 2009 £'000 <i>Restated</i> | Audited 12 months 31-May 2010 £'000 |
|-------------------------------------|-------|--------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------|
| ASSETS | | | | |
| Non-current assets | | | | |
| Investments | 3 | 500 | - | - |
| | | 500 | - | - |
| Current assets | | | | |
| Trade and other receivables | 4 | 113 | 8 | 34 |
| Cash and cash equivalents | | 10 | 3 | 10 |
| | | 123 | 11 | 44 |
| Total assets | | 623 | 11 | 44 |
| EQUITY AND LIABILITIES | | | | |
| Shareholders' equity | | | | |
| Share capital | 7 | 7,856 | 7,814 | 7,836 |
| Share premium | | 316 | 147 | 237 |
| Merger reserve | | (7,060) | (7,060) | (7,060) |
| Retained earnings | | (1,189) | (1,031) | (1,108) |
| | | (77) | (130) | (95) |
| Current liabilities | | | | |
| Trade and other payables | 5 | 190 | 119 | 60 |
| Short term borrowings | 6 | 510 | 22 | 79 |
| | | 700 | 141 | 139 |
| Total equity and liabilities | | 623 | 11 | 44 |

AIM INVESTMENTS PLC

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS TO 30 NOVEMBER 2010

| For the six months ended 30 November 2010 | Share capital £'000 | Share premium £'000 | Merger reserve £'000 | Retained earnings £'000 | Total equity £'000 |
|--------------------------------------------------------------|--------------------------------|--------------------------------|---------------------------------|------------------------------------|-------------------------------|
| Balance at 1 June 2010 brought forward | 7,836 | 237 | (7,060) | (1,108) | (95) |
| Loss for the period | - | - | - | (81) | (81) |
| Total recognised income and expense for the period | - | - | - | (81) | (81) |
| Issue of shares | 20 | 79 | - | - | 99 |
| Balance at 30 November 2010 carried forward | 7,856 | 316 | (7,060) | (1,189) | (77) |
| For the six months ended 30 November 2009 as restated | Share capital £'000 | Share premium £'000 | Merger reserve £'000 | Retained earnings £'000 | Total equity £'000 |
| Balance at 1 June 2009 brought forward | 7,798 | 22 | (7,060) | (1,015) | (255) |
| Loss for the period | - | - | - | (16) | (16) |
| Total recognised income and expense for the period | - | - | - | (16) | (16) |
| Issue of shares | 16 | 125 | - | - | 141 |
| Balance at 30 November 2009 carried forward | 7,814 | 147 | (7,060) | (1,031) | (130) |
| For the year ended 31 May 2010 | Share capital £'000 | Share premium £'000 | Merger reserve £'000 | Retained earnings £'000 | Total equity £'000 |
| Balance at 1 June 2009 brought forward | 7,798 | 22 | (7,060) | (1,015) | (255) |
| Loss for the period | - | - | - | (93) | (93) |
| Total recognised income and expense for the period | - | - | - | (93) | (93) |
| Issue of shares | 38 | 215 | - | - | 253 |
| Balance at 31 May 2010 carried forward | 7,836 | 237 | (7,060) | (1,108) | (95) |

AIM INVESTMENTS PLC**UNAUDITED STATEMENT OF CASH FLOWS****FOR THE SIX MONTHS TO 30 NOVEMBER 2010**

| | Unaudited 6 months 30-Nov 2010 £'000 | <i>Unaudited 6 months 30-Nov 2009 £'000 Restated</i> | <i>Audited 12 months 31-May 2010 £'000</i> |
|-----------------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------|
| Cash flows from operating activities | | | |
| Loss before tax | (81) | <i>(16)</i> | <i>(93)</i> |
| Adjustments for: | | | |
| Change in trade and other receivables | (79) | <i>(8)</i> | <i>(34)</i> |
| Change in trade and other payables | 130 | <i>(116)</i> | <i>(43)</i> |
| (Decrease) in amounts owed to related undertakings | - | <i>-</i> | <i>(154)</i> |
| Cash generated from operations | (30) | <i>(140)</i> | <i>(324)</i> |
| Tax on profits paid | - | <i>-</i> | <i>-</i> |
| Net cash used in operating activities | (30) | <i>(140)</i> | <i>(324)</i> |
| Cash from investing activities | | | |
| Additions to investments | (500) | <i>-</i> | <i>-</i> |
| Net cash used in investing activities | (500) | <i>-</i> | <i>-</i> |
| Cash from financing activities | | | |
| Repayment of borrowings | (79) | <i>-</i> | <i>-</i> |
| Share issues | 99 | <i>141</i> | <i>253</i> |
| Other loans | 510 | <i>-</i> | <i>79</i> |
| Net cash generated from financing activities | 530 | <i>141</i> | <i>332</i> |
| Net increase in cash and cash equivalents | - | <i>1</i> | <i>8</i> |
| Cash and cash equivalents at the beginning of the period | 10 | <i>2</i> | <i>2</i> |
| Cash and cash equivalents at the end of the period | 10 | <i>3</i> | <i>10</i> |

AIM INVESTMENTS PLC

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS TO 30 NOVEMBER 2010

1 Principal accounting policies

Basis of preparation

Aim Investments PLC prepares its interim report and financial statements on the basis of International Financial Reporting Standards (IFRS) as adopted for use by the European Union (EU). The financial information presented herein has been prepared in accordance with IAS 34 "Interim Financial Reporting" and in accordance with the accounting policies used in preparing the Aim Investments PLC report and financial statements for the period ended 31 May 2010 except as described below.

IFRS 9 is not applicable until 1 January 2013 but is available for early adoption, which the Company has opted to do. This addresses the classification and measurement of financial assets. The implication for the Company is that investments in convertible debt instruments will be valued at fair value through profit or loss as the standard does not allow amortised cost to be applied to instruments which potentially give rise to cash flows other than interest and principal if there is an intention to use the instrument to realise fair value changes. The adoption of IFRS 9 does not impact any prior reporting periods as it only effects transactions which have occurred in the current period.

The financial information shown in this six month review has not been audited or reviewed by the Company's auditor and does not constitute statutory financial statements within the meaning of Section 434 of the Companies Act 2006.

The financial statements for the period ended 31 May 2010, which were prepared under IFRS, have been reported on by the Company's auditor and delivered to the Registrar of Companies. The report of the auditor, Spofforths LLP, was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 of the Companies Act 2006.

2 Going concern and related party transactions

Desmond Holdings Limited, the company that provided the £700,000 Loan Facility, of which £500,000 has been drawn to make qualifying investments, has pledged to provide additional working capital to the Company. The Board therefore considers that the availability of working capital from Desmond Holdings and the return on its recent investments provides a basis on which the Company can continue to trade as a going concern.

3 Investments

In October 2010 the Company made an investment of \$100,000 in the convertible debt of Shenzhen Cadro (Catic Group) Hydraulic Equipment Co.

In November 2010 the Company made an investment of \$100,000 in the convertible debt of Minera Mapsa SA.

In November 2010 the Company made an investment of \$600,000 in the convertible debt of Planteman SA.

The directors have valued these investments at cost. As the investments are in the convertible debt of companies that are not listed there is no liquid market for the financial instruments. The directors consider that cost is therefore the best indicator of fair value at this point.

4 Trade and other receivables

| | Unaudited 30-Nov 2010 £'000 | <i>Unaudited 30-Nov 2009 £'000 Restated</i> | <i>Audited 12 months 2010 £'000</i> |
|--------------------------------|------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------|
| Other debtors | 3 | - | 12 |
| Prepayments and accrued income | 110 | 8 | 22 |
| | 113 | 8 | 34 |

AIM INVESTMENTS PLC

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS TO 30 NOVEMBER 2010

5 Trade and other payables

| | Unaudited 30-Nov 2010 £'000 | <i>Unaudited 30-Nov 2009 £'000 Restated</i> | <i>Audited 12 months 2010 £'000</i> |
|------------------------------------|------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------|
| Trade payables | 58 | 61 | 6 |
| Other taxation and social security | 6 | 14 | 6 |
| Accruals and deferred income | 126 | 44 | 6 |
| | <u>190</u> | <u>119</u> | <u>60</u> |

6 Short term borrowings

| | Unaudited 30-Nov 2010 £'000 | <i>Unaudited 30-Nov 2009 £'000 Restated</i> | <i>Audited 12 months 2010 £'000</i> |
|-------|------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------|
| Loans | <u>510</u> | <u>22</u> | <u>79</u> |

7 Share capital

| | Unaudited 30-Nov 2010 £'000 | <i>Unaudited 30-Nov 2009 £'000 Restated</i> | <i>Audited 12 months 2010 £'000</i> |
|-----------------------------------------------------------------------------|------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------|
| Allotted Equity shares | | | |
| 136,519,000 allotted, called up and fully paid ordinary shares of 0.1p each | 136 | 94 | 116 |
| 77,979,412 allotted, called up and fully paid deferred shares of 9.0p each | 7,018 | 7,018 | 7,018 |
| 77,979,412 allotted, called up and fully paid deferred shares of 0.9p each | 702 | 702 | 702 |
| | <u>7,856</u> | <u>7,814</u> | <u>7,836</u> |

During the period to 30 November 2010 the Company issued 19,962,000 0.1p ordinary shares at a premium of 0.4p per share.

8 Loss per share

The unaudited calculation of the earnings per share is based on the loss attributable to the equity holders for the period of £81,000 and on a weighted average of 132,483,068 shares in issue during the period.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS TO 30 NOVEMBER 2010

9 Related Party transactions

Alexandra Eavis, a director of the Company is a shareholder of and was previously a director of Maji Capital (resigned 15 October 2009). John Frankland, a director of the Company in the period, is a shareholder of Maji Capital. The Company was financed in the period through a working capital facility provided by Maji Capital. All amounts outstanding under this loan (totaling £99,810) were capitalised in the period and no further amounts have been drawn down since.

10 Restatement of comparatives

The results for the period ended 30 November 2009 have been restated to reflect audit adjustments made to the financial statements for the year ended 31 May 2010.

11 Events after the balance sheet date

On 15 December 2010 the Company issued 58,480,300 shares for 0.205p per share to settle the loan arrangement fee of £120,000 included in trade and other payables at 30 November 2010.

12 Approval of interim financial information

The interim financial information was approved by the board of Directors on 25 February 2011 and authorised for release.

13. Availability of Interim Report

A copy of the Interim Report will be available for members of the public by application to the Company's Registered Office or on the Company's website at www.aiminvestmentsplc.com