

27 February 2015

For immediate release

Management Resource Solutions PLC

(“MRS” or the “Company”)

Interim Results for the six months ended 31 December 2014

MRS, the human capital resource consultancy quoted on AIM, is pleased to announce its Interim Results for the six months ended 31 December 2014.

Financial Highlights

- 130% increase in turnover to A\$11.4m (approximately £5.8m) compared to the same period the previous year (H1 FY14: A\$4.9m, approximately £2.5m).
- Increase in profit before tax to A\$1,289,000 (approximately £658,000), excluding exceptional costs of listing of A\$798,000 (H1 FY14: A\$158,000, approximately £81,000).
- Earnings per share of 1.70¢ (approximately 0.87p) (H1 FY14: 0.33¢).
- Interim dividend of 0.35p (approximately 0.69c) per share declared (H1 FY14: Nil).

Operational Highlights

- Good progress with the Papua New Guinea (PNG) Contract with PEAL our first major EPC contract that is progressing in line with expectations outlined during the AIM Admission process.
- Solid performance from our base human capital business providing niche quality assurance, HSE and environmental services to blue chip clients in the construction, engineering, civil engineering, petrochemical and coal seam gas sectors.
- Good start to the second half and trading in line with management expectations.

Paul Morffew, MRS CEO said:

“The first half of the current financial year was significant in positioning MRS to deliver on our growth strategy. We successfully listed on the AIM market of the London Stock Exchange and expanded our offering to complementary EPC activities through a major contract in PNG. This is an area where we see significant further potential. Despite the disruption of the listing process, the first half saw excellent growth with a more than doubling turnover following our move into EPC segment.”

“We have had a good start to the second half of the financial year and continue to trade in line with management expectations.”

Going forwards our recent listing will allow us to capitalise on additional opportunities for both organic and acquisitive growth.

-Ends-

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About MRS

MRS provides project, quality, environmental and health & safety management services to some of the largest companies and projects across Australia, Oceania and Southeast Asia. MRS are sector specialists in the construction, engineering, civil engineering, petrochemical and coal seam gas sectors. MRS sources its contractors from a database of over 23,000 professionals around the globe, allowing it to react quickly and fully to client requirements.

Further information on the Company can be found at <http://www.mrsplc.net/>.

**Management Resource Solutions PLC
("MRS" or the "Company")**

Interim Results for the six months ended 31 December 2014

CEO's Statement

Dear Shareholders,

I am pleased to report to you on an extremely active period both in terms of corporate activity, with our listing to AIM and, in an operational sense, with the ongoing execution of our contract with PEAL marking our successful move into complementary engineering procurement and construction (EPC) activities.

Our goal during the first half of the financial year was to continue to deliver our growth strategy whilst enhancing our capabilities across all areas to become a leading supplier of human capital, risk management and project management services to projects in the energy, resources and construction sectors.

During this period we began to deliver on that strategy increasing turnover by 130% compared to the first half of the previous financial year. We reported a 211% period on period increase in profit before tax after accounting for significant non-recurring costs resulting from our admission to trading on AIM.

As outlined in our Admission Document, MRS intends, where appropriate, to be a dividend payer. In light of the company's first half performance, the board has declared an interim dividend of 0.35 pence per share, which will be paid on 10 April to those shareholders who appear on the company's register as of 13 March. The company's ordinary shares will be marked ex-dividend on 12 March.

We entered the second half of the financial year with confidence and are trading in line with our expectations. MRS's Project Management and Engineering Services team has been making steady progress on the Pacific Energy Aviation Limited [PEAL] Aviation Fuel Airport Fuel Depot in Papua New Guinea (PNG). The base project is set for completion in mid-2015 and forms an integral part of MRS's larger expansion and diversification growth strategy. The skills and proficiency demonstrated on delivering this project should bode well as we seek to advance our EPC offering going forwards.

Our human capital business continues to provide a good base of visible revenues from a number of blue chip customers allowing us to seek higher growth expansion opportunities such as PNG. We operate in a highly regulated environment that requires an extremely high standard of competence and have the requisite people, expertise and systems to enable our customers to meet these requirements.

Our market listing has raised our profile and should help us to achieve our ambitions growth plans.

The MRS team has performed well during HY15 and, on behalf of the Board, I would like to thank all of our employees for their dedication and the progress made by the company. I would also like to thank our shareholders for your continuing support.

Paul Morffew
CEO

Financial Highlights

Condensed Statement of Comprehensive Consolidated Income
Six months ended 31 December 2014

6 months ended 31 December 2014 (Unaudited)	6 months ended 31 December 2013 (Unaudited)	Year ended 30 June 2014 (Audited)
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	Note	\$'000	\$'000	\$'000
Revenue		11,403	4,967	10,490
Cost of sales		(7,156)	(1,563)	(4,610)
Gross Profit		4,247	3,404	5,880
Administrative expenses	3	(3,757)	(3,219)	(5,625)
Operating Profit		490	185	255
Other Income		2	2	-
Finance costs - interest		(1)	(29)	(68)
Profit before tax		491	158	187
Tax credit/(expense)		30	(57)	(135)
Profit for the period attributable to equity holders of the parent company		521	101	52
Earnings per share attributable to equity holders of the parent company				
Basic	4	1.70c	0.33c	0.17c
Fully diluted	4	1.67c	0.33c	0.17c

Condensed Consolidated Balance Sheet at 31 December 2014

	At 31 December 2014 (Unaudited) \$'000	At 31 December 2013 (Unaudited) \$'000	At 30 June 2014 (Audited) \$'000
Assets			
Non-current assets			
Property, plant, equipment	339	156	154
Deferred tax	193	110	164
	532	266	318
Current assets			
Trade and other receivables	2,651	1,742	2,829
Cash and cash equivalents	2,109	98	1,063

	4,760	1,840	3,892
Total assets	5,292	2,106	4,210
Liabilities			
Current liabilities			
Trade and other payables	2,168	650	2,898
	2,168	650	2,898
Non-current liabilities			
Borrowings	40	129	46
Deferred tax	13	27	15
	53	156	61
Total liabilities	2,221	806	2,959
Net assets	3,071	1,300	1,251
Equity attributable to equity holders of the parent			
Share capital	36,623	36,586	36,586
Share premium	889	-	-
Issue costs reserve	-	(332)	(332)
Reorganisation reserve	(36,032)	(36,032)	(36,032)
Retained earnings	1,591	1,078	1,029
Total equity attributable to equity holders of the parent	3,071	1,300	1,251

Condensed Statement of Changes in Equity (unaudited)

For the six months ended 31 December 2014

	Share capital \$'000	Share premium \$'000	Issue costs reserve \$'000	Reorganisation reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 July 2013	36,586	-	(332)	(36,032)	977	1,199
Profit for the period	-	-	-	-	101	101
At 31 December 2013	36,586	-	(332)	(36,032)	1,078	1,300
Loss for the period	-	-	-	-	(49)	(49)

At 30 June 2014	36,586	-	(332)	(36,032)	1,029	1,251
Transfer	-	(332)	332	-	-	-
Shares issued	37	1,342	-	-	-	1,379
Costs of issue	-	(121)	-	-	-	(121)
Profit for the period	-	-	-	-	521	521
Share based payment charges	-	-	-	-	41	41
At 31 December 2014	<u>36,623</u>	<u>889</u>	<u>-</u>	<u>(36,032)</u>	<u>1,591</u>	<u>3,071</u>

Condensed Consolidated Statement of Cash Flows

For the six months ended 31 December 2014

	6 months ended 31 December 2014 (Unaudited)	6 months ended 31 December 2013 (Unaudited)	Year ended 30 June 2014 (Audited)
	\$'000	\$'000	\$'000
Cash flows from operating activities			
Receipts from customers	10,853	4,297	13,691
Payments to suppliers and employees	(10,821)	(4,699)	(12,959)
Interest received	2	2	4
Finance costs	(20)	(29)	(68)
Income tax paid	(21)	(199)	(287)
Net cash flow from operating activities	<u>(7)</u>	<u>(628)</u>	<u>380</u>
Cash flows from investing activities			
Purchase of non-current assets	(185)	(15)	(37)
Net cash flow from investing activities	<u>(185)</u>	<u>(15)</u>	<u>(37)</u>
Cash flows from financing activities			
Decrease in borrowings	(19)	(13)	(34)
Issue of Shares	1,359	-	-
Costs of issue	(102)	-	-
Net cash flow from financing activities	<u>1,238</u>	<u>(13)</u>	<u>(34)</u>
Net increase/(decrease) in cash held	<u>1,046</u>	<u>(656)</u>	<u>309</u>
Cash and cash equivalents at 1 July 2014	<u>1,063</u>	<u>754</u>	<u>754</u>
Cash and cash equivalents at 31 December 2014	<u>2,109</u>	<u>98</u>	<u>1063</u>

Notes forming part of the Interim Results

For the six months ended 31 December 2014

1. Accounting Policies

The condensed consolidated unaudited interim financial information set out in this report is based on the financial statements of Management Resource Solutions Plc ("MRS"). The condensed financial information should be read in conjunction with the annual financial statements for the year ended 30 June 2014, which were prepared in accordance with International Financial Reporting Standards. The financial statements for the Group for the six months ended 31 December 2014 were approved and authorised for issue by the Board on 24 February 2015. These financial statements have been prepared in accordance with the accounting policies that are expected to be applied in the Report and Accounts of MRS for the year ending 30 June 2015 and are consistent with International Financial Reporting Standards adopted for use in the European Union.

2. Basis of preparation

The financial information for the six months ended 31 December 2014 and 2013 is unreviewed and unaudited and does not constitute the Company's statutory financial statements for those periods. The comparative financial information for the full year ended 30 June 2014 has been derived from the statutory financial statements for that period. The statutory accounts for the year ended 30 June 2014 have been filed with the Registrar of Companies. The auditors' report on those accounts was unqualified.

The financial statements are presented in Australian Dollars and all values are rounded to the nearest thousand dollars (\$'000) except where otherwise indicated.

3. Administrative expenses

Administrative expenses for the period include non-recurring costs of \$798,000 incurred in connection with the Company's listing on the AIM.

4. Earnings per share

Earnings per share is calculated on the reported profit for the period of \$521,000 and on 30,662,696 ordinary shares, being the weighted average number of shares in issue throughout the period ended 31 December 2014.

For diluted earnings per share, the weighted average number of ordinary shares in issue has been adjusted to assume conversion of all dilutive potential ordinary shares. The Company has two classes of dilutive potential ordinary shares, being share options granted to directors and employees and warrants to subscribe for ordinary shares issued in connection with the placing of ordinary shares on 11 December 2014.

5. Interim Statement

Copies of this Interim report for the six months ended 31 December 2014 will be available on the company's website www.mrsplc.net

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