

**NORTHWEST INVESTMENT GROUP Ltd.**

1500784

*INCORPORATED IN THE BRITISH VIRGIN ISLANDS*

**UNAUDITED INTERIM FINANCIAL STATEMENT  
FOR THE 6 MONTHS ENDED 30 JUNE 2012**

Northwest Investment Group Ltd. (“NWIG” or the “Company”) today announces its un-audited Interim Results for the period from Jan. 1, 2012 to June 30, 2012.

A copy of the Interim Report will also be available on the Company’s website shortly (<http://www.northwestinv.com>)

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**Northwest Investment Group Ltd.  
Kaifeng Li, Chairman**

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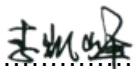
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**NORTHWEST INVESTMENT GROUP LTD  
CHAIRMAN'S STATEMENT  
30 JUNE 2012**

**CHAIRMAN'S STATEMENT**

On June 9 2010, Northwest Investment Group Ltd. (NWIG" or "the Company") raised 3 million pounds from the investors and was successfully listed on the AIM market of the London Stock Exchange. We are continuing to seek out investment opportunities in the hydropower energy market in Western China in line with our investment policy. However, due to the current uncertainties in the financial market, we are being even more prudent in our investment objectives.

  
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Li Kaifeng

**Chairman**

For and on behalf of the Board of

**Northwest Investment Group Ltd.**

**NORTHWEST INVESTMENT GROUP LTD**  
**INTERIM FINANCIAL STATEMENTS**  
**30 JUNE 2012**

**STATEMENT OF COMPREHENSIVE INCOME**

	Notes	6 months to 30 June 2012 Unaudited £	6 months to 30 June 2011 Unaudited £	12 months to 31 December 2011 Audited £
Revenue		-	-	-
Cost of sales		-	-	-
Gross profit		-	-	-
Administrative expenses	7	(174,697)	(216,692)	(438,855)
Listing costs				
<b>Operating loss</b>		<b>(174,697)</b>	<b>(216,692)</b>	<b>(438,855)</b>
Interest income		120	136	232
Finance costs			-	
Loss before tax		(174,577)	(216,556)	(438,623)
Income tax expense		-	-	-
Profit/(Loss) the period		(174,577)	(216,556)	(438,623)
<b>Total comprehensive Income for the period</b>		<b>(174,577)</b>	<b>(216,556)</b>	<b>(438,623)</b>
Attributable to:				
Shareholder of the Company		(174,577)	(216,556)	(438,623)
<b>Loss per share</b>				
<b>Basic and diluted loss per share</b>	10	#	#	(0.02)

#denotes a figure which is less than £0.01

**NORTHWEST INVESTMENT GROUP LTD**  
**INTERIM FINANCIAL STATEMENTS**  
**30 JUNE 2012**

**STATEMENT OF FINANCIAL POSITION**

	Notes	Unaudited 30 June 2012 £	Unaudited 30 June 2011 £	Audited 31 December 2011 £
<b>Non-current assets</b>				
Property, plant and equipment		-	-	-
Investments in subsidiaries		-	-	-
		-	-	-
<b>Current assets</b>				
Trade and other receivables	4		900,000	1,338
Cash and cash equivalents	3	2,285,304	1,769,311	2,381,395
		2,285,304	2,669,311	2,382,733
<b>Total assets</b>		<b>2,285,304</b>	<b>2,669,311</b>	<b>2,382,733</b>
<b>Equity and Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables	5	124,449	111,813	47,301
		124,449	111,813	47,301
<b>Equity</b>				
Share capital	6	670,000	670,000	670,000
Share premium	6	2,422,192	2,422,192	2,422,192
Retained earnings		(931,338)	(534,694)	(756,760)
		2,160,854	2,557,498	2,335,432
<b>Total liability and equity</b>		<b>2,285,304</b>	<b>2,669,311</b>	<b>2,382,733</b>

## STATEMENT OF CHANGES IN EQUITY

	Share premium £	Share capital £	Retained earnings £	Total £
<b>Balance as at 1 Jan 2012</b>	<b>2,422,192</b>	<b>670,000</b>	<b>(756,760)</b>	<b>2,335,432</b>
Loss for the period	-	-	(174,577)	(174,577)
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>-</b>	<b>(174,577)</b>	<b>(174,577)</b>
Issue of shares	-	-	-	-
<b>Balance at 30 June 2012</b>	<b>2,422,192</b>	<b>670,000</b>	<b>(931,338)</b>	<b>2,160,854</b>
	Share premium £	Share capital £	Retained earnings £	Total £
<b>Balance as at 1 Jan 2011</b>	<b>2,422,192</b>	<b>670,000</b>	<b>(318,138)</b>	<b>(2,774,054)</b>
Loss for the period	-	-	(216,556)	(216,556)
<b>Total recognised income and expense for the period</b>	<b>-</b>	<b>-</b>	<b>(216,556)</b>	<b>(216,556)</b>
Issue of shares	-	-	-	-
Placing costs	-	-	-	-
<b>Balance at 30 June 2011</b>	<b>2,422,192</b>	<b>670,000</b>	<b>(534,694)</b>	<b>2,557,498</b>
	Share premium £	Share capital £	Retained earnings £	Total £
<b>Balance as at 1 Jan 2011</b>	<b>2,422,192</b>	<b>670,000</b>	<b>(29,086)</b>	<b>(2,774,054)</b>
Loss for the period	-	-	(438,623)	(438,623)
<b>Total recognised income and expense for the period</b>	<b>2,422,192</b>	<b>670,000</b>	<b>(318,138)</b>	<b>2,335,431</b>
Issue of shares	-	-	-	-
Placing costs	-	-	-	-
<b>Balance at 31 December 2011</b>	<b>2,422,192</b>	<b>670,000</b>	<b>(318,138)</b>	<b>2,335,431</b>

## CASH FLOW STATEMENT

	Notes	6 months to 30 June 2012 Unaudited £	6 months to 30 June 2011 Unaudited £	12 months to 31 December 2011 Audited £
<b>Net cash generated from/(used) in operating activities</b>	<b>7</b>	<b>(96,211)</b>	<b>(1,054,485)</b>	<b>(442,497)</b>
Investing activities				
Interest received		120	136	232
Purchase of property, plant and equipment		-	-	-
<b>Net cash used in investing activities</b>		<b>120</b>	<b>136</b>	<b>232</b>
Financing activities				
Repayment of loan to director		-	-	-
Proceeds on issue of shares		-	40,000	40,000
Placing cost		-	-	-
<b>Net cash from financing activities</b>			<b>40,000</b>	<b>40,000</b>
<b>Net increase in cash and cash equivalents</b>		<b>(96,091)</b>	<b>(1,014,349)</b>	<b>(402,265)</b>
Cash and cash equivalents at beginning of period	<b>3</b>	2,381,395	2,783,660	2,783,660
Cash and cash equivalents at end of period	<b>3</b>	<b>2,285,304</b>	<b>1,769,311</b>	<b>2,381,395</b>

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 1 GENERAL INFORMATION

Northwest Investment Group Limited is a company incorporated in British Virgin Islands on 26 August 2008 under The BVI Business Companies Act 2004. The company has been established for the purpose of identifying and acquiring, or investing in, energy projects with an initial focus on Western China. The address of the registered office is Sea Meadow House, Blackburne Highway, P. O. Box 116, Road Town, Tortola, British Virgin Islands.

The interim financial statements are presented in Pound Sterling.

The Company's Ordinary shares are traded on AIM, a market operated by the London Stock Exchange.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Statement of compliance

The interim financial statements are for the six months ended 30 June 2012. They have been prepared in accordance with IAS34 *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the financial statements of for the year ended 31 December 2011.

#### 2.2 Basis of preparation

These interim financial statements have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year ended to 31 December 2011 and those to be used for the year ending 31 December 2012.

The unaudited interim financial statement for the six months period ended 30 June 2012 do not constitute statutory accounts and have been drawn up using according polices and presentation expected to be adopted in the Company financial statement for the financial period ended 31 December 2011, which are not expected to be significantly different to those set out in note 2 to the Company audited financial statements for the period ended 31 December 2011.

These interim financial statements have been approved for issue by the Board of Directors on September 28, 2012.

### 3 CASH AND CASH EQUIVALENTS

	Unaudited 30 June 2012 £	Unaudited 30 June 2011 £	Audited 31 December 2011 £
Cash at bank	2,285,304	1,769,311	2,381,395
Cash in hand	-	-	-
	<u>2,285,304</u>	<u>1,769,311</u>	<u>2,381,395</u>

Bank balances comprise cash held by the Company and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

### 4 TRADE AND OTHER RECEIVABLES





On 8 June 2011, the Company authorize the sub-division of each of the ordinary shares of £0.05 each into 10 new ordinary shares of £0.005 each.

## 7 NOTES TO THE CASH FLOW STATEMENT

	6 months to 30 June 2012 Unaudited £	6 months to 30 June 2011 Unaudited £	12 months to 31 December 2011 Audited £
Loss from operations	(174,697)	(216,692)	(438,855)
Adjustments for:			
Depreciation of property, plant and equipment	-	-	-
Operating cash flows before movements in working capital	(174,697)	(216,692)	(438,855)
(Increase)/Decrease in trade and other receivables	1,338	(898,742)	12,383
Increase/(Decrease) in trade and other payables	77,148	60,949	(16,025)
Net cash generated from operations	(96,211)	(1,054,485)	(442,497)
Income taxes paid	-	-	-
Interest paid	-	-	-
Net cash from operating activities	<b>(96,211)</b>	<b>(1,054,485)</b>	<b>(442,497)</b>

## 8 Expenses by nature

	6 months to 30 June 2012 Unaudited £	6 months to 30 June 2011 Unaudited £	12 months to 31 December 2011 Audited £
Employee benefit expenses(note 9)	78,653	118,474	225,677
Legal and professional	28,814	30,308	70,708
Audit fee	-	-	8,500
Operating lease payments	60,000	60,000	120,000
Other expenses	7,230	7,910	13,970
	<b>174,697</b>	<b>216,692</b>	<b>438,855</b>

## 9 Employee benefit expenses

	6 months to 30 June 2012 Unaudited £	6 months to 30 June 2011 Unaudited £	12 months to 31 December 2011 Audited £
Employee benefit expenses			
-Directors' fees	49,103	83,550	168,151
-Staff costs	29,550	34,924	57,526
	<b>78,653</b>	<b>118,474</b>	<b>225,677</b>

## 10 EARNING PER SHARE

The calculation of the basic earning per share is based on the profits attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

The calculation of diluted earning per share is based on the basic earning per share, adjusted to allow for the issue of shares and the post tax effect of dividends and/or interest, on the assumed conversion of all dilutive options and

other dilutive potential ordinary shares.

Reconciliation of the earning and weighted average number of share used in the calculations are set out below.

	6 months to 30 June 2012 Unaudited	6 months to 30 June 2011 Unaudited	12 months to 31 December 2011 Audited
Net loss attributable to equity holder of the company	<b>£(174,577)</b>	<b>£(216,556)</b>	<b>£(438,623)</b>
Weighted average number of ordinary share	<b>28,640,659</b>	<b>28,640,659</b>	<b>28,640,659</b>
Basic loss per share	<b>#</b>	<b>#</b>	<b>£(0.02)</b>

# denotes a figure which is less than £0.01

There are not potentially dilutive shares in issue.