



PTL Holdings p.l.c.

Interim Financial Report (unaudited)

For the period 1 January 2015 to 30 June 2015



PTL Holdings p.l.c.

Contents

	Page
Interim Directors' Report Pursuant to Listing Rules 5.75.2	2 - 3
Condensed Statements of Profit or Loss and other Comprehensive Income	4
Condensed Statements of Financial Position	5
Condensed Statements of Changes in Equity	6 – 7
Condensed Statements of Cash Flows	8
Notes to the Condensed Interim Financial Statements	9 – 14
Statement pursuant to Listing Rule 5.75.3	15



PTL Holdings p.l.c.

Interim Directors' Report Pursuant to Listing Rules 5.75.2

Period ended 30 June 2015

The directors present their interim report, together with the unaudited interim condensed financial statements of the company and its subsidiaries (the "group") (the "condensed interim financial statements") for the period from 1 January 2015 to 30 June 2015.

Principal activities

The Group is engaged in the sale and distribution of Apple Products as an Apple Premium Reseller, as well as the sale, maintenance and servicing of information technology solutions, security systems and provides electronic payment solutions.

The company acts as an investment company and service provider to its subsidiary undertakings.

Business review

The Group

Following the bond issue in the end of 2014, which bond proceeds were used to finance the acquisitions of two major subsidiaries, the Group has embarked on a process to maximise these acquisitions both from a cost perspective as well as synergies between businesses. This process went through the standard initial six months to digest and understand better the dynamics of each business following which management started the process to shape better for growth.

During the period under review, the group registered an operating profit of €2,648,357 (June 2014 – Loss of €536,540) on revenues of €77,317,905 (June 2014 - €4,884,761).

After accounting for the investment losses and finance costs, the group registered a profit before tax of €1,417,317 (June 2014 – loss of €887,633).

The group's net assets for the period under review amounted to €7,833,891 compared to €6,132,620 as at 31 December 2014.

Our outlook on the overall performance of the companies within PTL Holdings is positive and strong across all the activities in the technology portfolio. This confirms PTL Holding's investment strategy to go for a healthy mix of products and services across both the Retail and the Corporate world.

PTL Holdings p.l.c.

Interim Directors' Report Pursuant to Listing Rules 5.75.2 (Continued)

Period ended 30 June 2015

The company

During the period under review, the company registered an operating loss of €243,703 (June 2014 – loss of €20,999). After accounting for finance costs, the company registered a pre-tax loss of €238,350 (June 2014 – loss of €173,186). The net assets of the company as at June 2015 amounted to €8,237,780 (December 2014 - €8,415,865).

The published figures have been extracted from the unaudited management financial statements for the six months ended 30 June 2015 and its comparative period in 2014.

This report is being published in terms of the Listing Rule 5.75 issued by the Malta Financial Services Authority, and has been prepared in accordance with the applicable listing Rules and International Accounting Standard 34 - *Interim Financial Reporting*. The financial statements published in this half yearly report have been condensed in accordance with the requirements of IAS 34. In terms of the Listing Rule 5.75.5, the Directors are stating that these condensed interim financial statements have not been audited or reviewed by the company's independent auditors.

Approved by the Board of Directors on 31 August 2015 and signed on its behalf by:

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Mr Melo Hili
Chairman

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Mr Richard Abdilla Castillo
Director



PTL Holdings p.l.c.

Condensed Statements of Profit or Loss and other Comprehensive Income

Period ended 30 June 2015

	Group		Company	
	1 January to 30 June 2015 Unaudited €	1 January to 30 June 2014 Unaudited €	1 January to 30 June 2015 Unaudited €	1 January to 30 June 2014 Unaudited €
Revenue	77,317,905	4,844,761	-	-
Cost of sales	(71,103,439)	(3,287,330)	-	-
Gross profit	6,214,466	1,557,431	-	-
Administrative expenses	(3,566,109)	(2,093,971)	(243,703)	(20,999)
Operating profit	2,648,357	(536,540)	(243,703)	(20,999)
Finance costs	(1,156,056)	(205,646)	5,353	(152,187)
Share of losses of associates and joint ventures	(74,984)	(145,448)	-	-
Profit before tax	1,417,317	(887,633)	(238,350)	(173,186)
Income tax expense	(420,552)	149,252	41,205	60,265
Profit for the period	996,765	(738,382)	(197,145)	(112,921)
Total comprehensive income for the period net of tax	996,765	(738,382)	(197,145)	(112,921)
<i>Total comprehensive income attributable to:</i>				
Owners of the company	995,584	(735,547)		
Non-controlling interests	1,180	(2,835)		
	996,765	(738,382)		

	Group		Company	
	30 June 2015	31 December	30 June 2015	31 December
	Unaudited	2014 Audited	Unaudited	2014 Audited
	€	€	€	€
ASSETS AND LIABILITIES				
Non-current assets				
Goodwill	29,259,988	29,259,988	-	-
Intangible assets	11,930,491	11,935,653	-	-
Property, plant and equipment	3,900,085	3,633,900	-	-
Investments in subsidiaries	-	-	4,399,723	4,399,723
Investments in associates	305,087	305,087	-	-
Investments in jointly controlled entity	2,500	2,500	-	-
Loans and receivables	-	227,500	36,978,023	34,997,203
Deferred tax assets	670,007	484,143	60,265	-
	46,068,158	45,848,771	41,438,011	39,396,926
Current assets				
Inventories	7,361,000	7,567,394	-	-
Loans and receivables	-	692,572	4,177,304	1,558,064
Trade and other receivables	13,570,001	9,484,282	64,367	348,746
Cash and cash equivalents	-	8,684,747	83,090	3,696,414
Current tax assets	206,168	197,363	-	-
	21,137,169	26,626,358	4,324,761	5,603,224
Total assets	67,205,327	72,475,129	45,762,772	45,000,150
Current liabilities				
Trade and other payables	11,913,318	13,486,447	1,105,424	446,450
Other financial liabilities	-	4,098,868	1,120,714	875,000
Bank overdraft and loans	1,796,468	2,587,546	-	-
Current tax liability	682,547	288,571	-	-
	14,392,333	20,461,432	2,226,138	1,321,450
Non-current liabilities				
Debt securities in issue	35,298,854	35,262,835	35,298,854	35,262,835
Other long term creditors	-	746,645	-	-
Bank overdrafts and Loans	9,584,835	9,686,554	-	-
Deferred tax liabilities	95,414	185,043	-	-
	44,979,103	45,881,077	35,298,854	35,262,835
Total liabilities	59,371,436	66,342,509	37,524,992	36,584,285
Net assets	7,833,891	6,132,620	8,237,780	8,415,865
EQUITY				
Share capital	8,399,724	8,399,724	8,399,724	8,399,724
Other reserves	(528,188)	(1,367,314)	-	-
Exchange reserve	(288,765)	(154,145)	-	-
Retained earnings/(Accumulated Losses)	223,200	(772,384)	(161,944)	16,141
	7,805,972	6,105,881	8,237,780	8,415,865
Non-controlling Interests	27,919	26,739	-	-
Total equity	7,833,891	6,132,620	8,237,780	8,415,865



PTL Holdings p.l.c.

**Condensed Statement of Changes in Equity
for the period ended 30 June 2015**

The Group

	Share capital €	Other equity €	Exchange reserve €	(Accumulated Losses)/Retained earnings €	Attributable to equity holders of the parent €	Non- controlling interests €	Total €
Balance as at 1 January 2014	5,000	3,027,410	-	242,386	3,274,796	9,744	3,284,540
(Loss)/profit and other comprehensive income for the period	-	-	-	(748,026)	(748,026)	9,644	(738,382)
Issue of share capital	4,000,000	-	-	-	4,000,000	-	4,000,000
Balance as at 30 June 2014	4,005,000	3,027,410	-	(505,640)	6,526,770	19,388	6,546,158
Balance at 1 January 2015	8,399,724	(1,367,314)	(154,145)	(772,384)	6,105,881	26,739	6,132,620
Profit and other comprehensive income for the period	-	-	-	995,584	995,584	1,180	996,765
Exchange differences arising on translation of foreign operations	-	-	(134,620)	-	(134,620)	-	(134,620)
Net movement in other equity	-	839,126	-	-	839,126	-	839,126
Balance as at 30 June 2015	8,399,724	(528,188)	(288,765)	223,200	7,805,971	27,919	7,833,891

PTL Holdings p.l.c.

Condensed Statement of Changes in Equity

for the period ended 30 June 2015

The Company

	Share capital €	Other equity €	Accumulated losses/Retained earnings €	Total €
Balance at 1 January 2014	5,000	4,394,724	(3,283)	4,396,441
Issue of share capital	4,000,000			4,000,000
Profit and other comprehensive expense for the period		-	(112,921)	(112,921)
Balance as at 30 June 2014	4,005,000	4,394,724	(116,204)	8,283,520
Balance at 1 January 2015	8,399,724	-	16,141	8,415,865
(Loss)/profit and other comprehensive income for the period	-	-	(178,085)	(178,085)
Balance as at 30 June 2015	8,399,724	-	(161,944)	8,237,780



PTL Holdings p.l.c.

Condensed Statements of Cash Flows

for the period ended 30 June 2015

	Group		Company	
	1 January to 30 June 2015 Unaudited €	1 January to 30 June 2014 Unaudited €	1 January to 30 June 2015 Unaudited €	1 January to 30 June 2014 Unaudited €
Net cash flows (used in)/ generated from operating activities	(2,976,591)	47,515	(427,620)	(23)
Net cash flows (used in)/ generated from investing activities	(4,893,033)	(38,340,366)	(397,000)	(28,000,000)
Net cash flows (used in)/ generated from financing activities	<u>(1,185,917)</u>	<u>39,251,557</u>	<u>(2,788,704)</u>	<u>28,000,000</u>
Net movement in cash and cash equivalents	(9,055,541)	958,706	(3,613,324)	(23)
Cash and cash equivalents at the beginning of the period	<u>8,005,977</u>	<u>176,134</u>	<u>3,696,414</u>	<u>5,000</u>
Cash and cash equivalents at the end of the period	<u>(1,049,564)</u>	<u>1,134,840</u>	<u>83,090</u>	<u>4,977</u>

The Group has credit bank facilities of €3.10 million issued by reputable commercial banking institutions.

The comparative figures for the Group for January to June 2014 exclude the results of SAD and APCO since these companies were acquired post 30 June 2014.

PTL Holdings p.l.c.

Notes to the condensed interim financial statements

for the period ended 30 June 2015

1. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2015 have been extracted from the unaudited management accounts of the Group and the Company and have been prepared in accordance with IAS 34 - *Interim Financial Reporting*.

2. Significant accounting policies

The condensed interim financial statements have been prepared under the historic cost convention, except for financial instruments at fair value through profit or loss and available-for-sale financial assets which are stated at their fair values. The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the group's and company's annual financial statements for the year ended 31 December 2014

3. Segmental reporting

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Revenue reported below represents revenue generated from external customers. There were no intersegment sales in the year. The group's reportable segments under IFRS 8 are direct sales attributable to each line of business.

During the period under review the group operated in two principal geographical areas - Malta (country of domicile) and Poland. The sale of payment processing services and the provision of IT solutions and security systems are derived from Malta.

Measurement of operating segment profit or loss, assets and liabilities

Segment profit represents the profit earned by each segment after allocation of central administration costs and finance costs based on services and finance provided. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

The accounting policies of the reportable segments are the same as the group's accounting policies.

PTL Holdings p.l.c.

Notes to the condensed interim financial statements

for the period ended 30 June 2015

3. Segmental reporting (continued)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities to consolidated totals are reported below:

Group	1 January to 30 June 2015 Unaudited €	1 January to 30 June 2014 Unaudited €
Total profit for reportable segment	2,836,286	(137,845)
Elimination of intra group profits	-	-
Unallocated amounts:		
Other unallocated amounts	(1,418,969)	(749,788)
	1,417,317	(887,633)
	30 June 2015 Unaudited €	31 December 2014 Audited €
Assets		
Total assets for reportable segments	32,135,322	28,175,967
Elimination of receivables	(77,540,349)	(75,073,384)
<u>Unallocated amounts:</u>		
Property, plant and equipment	4,151	5,391
Goodwill	29,259,988	29,259,988
Intangible assets	11,930,491	11,865,658
Loans and receivables	72,682,989	71,717,391
Cash and cash equivalents	179,596	6,269,086
Other unallocated amounts	(1,446,861)	255,032
	67,205,327	72,475,129
	€	€
Liabilities		
Total liabilities for reportable segments	19,020,763	17,822,356
Elimination of liabilities	(77,540,349)	(75,073,384)
<u>Unallocated amounts:</u>		
Bank Loans	10,456,640	11,463,459
Debt securities	35,298,854	35,262,835
Trade and other payables	73,962,764	76,639,705
Other unallocated amounts	(1,827,236)	227,538
	59,371,436	66,342,509

PTL Holdings p.l.c.

Notes to the condensed interim financial statements (continued)
for the period ended 30 June 2015

3. Segmental reporting (continued)

The group's revenue and results from continuing operations from external customers and information about its net assets by reportable segment are detailed below:

	Retail and IT Solutions (Poland) 2015	Payment processing services 2015	IT solutions and security systems 2015	Total 2015	Unallocated 2015	Eliminations and adjustments 2015	Consolidated 2015
	€	€	€	€	€	€	€
Six months ended 30 June							
Revenue	70,328,296	641,457	6,926,839	77,896,592	0	(578,687)	77,317,905
Profit/(loss) before tax	2,770,657	43,248	22,380	2,836,286	(958,516)	(460,453)	1,417,317
Depreciation and amortisation	334,783	5,537	71,032	411,351	1,234	0	412,585
Segment assets	20,048,221	2,589,134	9,497,968	32,135,322	187,222,364	(152,152,360)	67,205,327
Segment liabilities	8,680,247	1,605,046	8,735,470	19,020,763	112,769,289	(72,418,616)	59,371,436
Income tax expense/(credit)	526,425	22,920	19,417	568,762	(989,314)	0	(420,552)

PTL Holdings p.l.c.

Notes to the condensed interim financial statements (continued)
for the period ended 30 June 2015

3. Segmental reporting (continued)

	Retail and IT Solutions (Poland) 2014 €	Payment processing services 2014 €	IT solutions and security systems 2014 €	Total 2014 €	Unallocated 2014 €	Eliminations and adjustments 2014 €	Consolidated 2014 €
Six months ended 30 June							
Revenue	-	-	4,837,885	4,837,885	6,876	-	4,844,761
Profit/(loss) before tax	-	-	(84,792)	(84,792)	(802,841)	-	(887,633)
Depreciation and amortisation	-	-	89,046	89,046	-	-	89,046
Segment assets	-	-	5,841,920	5,841,920	165,763,469	(115,304,335)	56,301,054
Segment liabilities	-	-	5,193,624	5,193,624	47,269,390	(3,000,000)	49,463,013
Income tax expense/(credit)	-	-	18,569	18,569	130,683	-	149,252

The figures for the Group for January to June 2014 exclude the results of SAD and APCO since these companies were acquired post 30 June 2014.



PTL Holdings p.l.c.

Notes to the condensed interim financial statements

for the period ended 30 June 2015

4. Discontinued operations

Up to the second quarter of 2015, the Polish subsidiary of the Group sold electronic goods across a number of European Countries, generating an additional income of *circa* Eur34.8 million. However, due to the recent change in VAT regulations as well as the risks associated with cross border sales of technology items, management decided not to pursue such opportunities any further.

5. Administrative expenses

The results for June 2015 include six months of management fees payable to Hili Ventures Limited amounting to Eur360,000 per annum.

6. Trade and other receivables

The balance of trade and other receivables is made up as follows:

	30 June 2015	31 December 2014
	€	€
Trade receivables	7,350,187	5,693,144
Amounts owed by other related parties	2,026,027	1,742,759
Other receivables	1,792,262	602,771
Prepayments and accrued income	2,401,625	1,445,608
	<u>13,570,101</u>	<u>9,484,282</u>

7. Trade and other payables

	30 June 2015	31 December 2014
	€	€
Trade payables	7,751,271	8,894,303
Other payables	1,618,804	1,020,580
Accruals and deferred income	2,543,243	3,571,564
	<u>11,913,318</u>	<u>13,486,447</u>

PTL Holdings p.l.c.

Notes to the condensed interim financial statements

for the period ended 30 June 2015

8. Related party transactions

During the course of the year, the group and the company entered into transactions with related parties, as set out below.

Group and company

	30 June 2015			30 June 2014		
	Related party activity	Total activity	%	Related party activity	Total activity	%
	€	€		€	€	
Revenue:						
<i>Related party transactions with:</i>						
Other related parties	<u>146,341</u>	<u>77,317,905</u>	<u>0.002</u>	<u>80,789</u>	<u>4,844,761</u>	<u>0.017</u>
Cost of sales:						
<i>Related party transaction with:</i>						
Other related parties	<u>83,849</u>	<u>71,103,439</u>	<u>0.0012</u>	<u>55,813</u>	<u>3,287,330</u>	<u>0.017</u>
Administrative expenses:						
<i>Related party transactions with:</i>						
Other related parties	<u>180,000</u>	<u>3,566,109</u>	<u>0.05</u>	<u>92,484</u>	<u>2,093,971</u>	<u>0.044</u>

9. Events after the end of the reporting period

There were no other significant events after the end of the reporting period except for those disclosed in Note 4 which require disclosure.

PTL Holdings p.l.c.

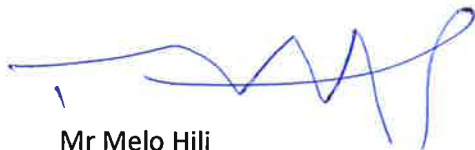
Statement Pursuant to Listing Rules 5.75.3 issued by the Listing Authority

Period ended 30 June 2015

We confirm that to the best of our knowledge:

- (a) the condensed interim financial statements give a true and fair view of the financial position of PTL Holdings p.l.c. (the “company”) and its subsidiaries (the “group”) as at 30 June 2015, and the financial performance and cash flows of the company and the group for the six-month period then ended, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34 – Interim Financial Reporting); and
- (b) the interim Directors’ report includes a fair review of the information required in terms of Listing Rules 5.81 to 5.84.

Approved by the Board of Directors on 31 August 2015 and signed on its behalf by:

A blue ink signature in cursive script, appearing to read 'Melo Hili', written over a horizontal line.

Mr Melo Hili
Chairman

A blue ink signature in cursive script, appearing to read 'Richard Abdilla Castillo', written over a horizontal line.

Mr Richard Abdilla Castillo
Director