



**PTL Holdings p.l.c.**

Interim Financial Report (Unaudited)

For the period 1 January 2017 to 30 June 2017

# PTL Holdings p.l.c.

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The directors present their interim report, together with the unaudited interim condensed financial statements (the “condensed interim financial statements”) of the company and its subsidiaries (the “group”) for the period from 1 January 2017 to 30 June 2017.

**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**

During the period under review, the group registered an operating profit of *Eur452,184* (June 2016 *Eur247,038 loss*) on revenues of *Eur42,931,547* (June 2016 *Eur40,646,042*).

After accounting for the investment income and finance costs, the group registered a loss before tax of *Eur709,757* (June 2016 *Eur1,528,385*).

The improvement in results is the combination of discontinued operations in the Middle East in early 2016 which were adversely affecting the bottom line together with enhanced performance mainly driven by the Technology subgroup of PTL Holdings.

The group's net assets for the period under review amounted to *Eur6,390,632* compared to *Eur4,751,024* as at 31 December 2016.

**The company**

During the period under review, the company registered an operating profit of *Eur140,897* (June 2016 *–Eur166,624*). After accounting for investment income and finance costs, the company registered a pre-tax loss of *Eur830,245* (June 2016 *– Eur57,742 profit*).

The net assets of the company as at 30 June 2017 amounted to *Eur8,902,348* compared to *Eur8,188,603* as at 31 December 2016.

The published figures have been extracted from the unaudited management financial statements for the half-year ended 30 June 2017 and its comparative period in 2016.

## PTL Holdings p.l.c.

Interim Directors' Report Pursuant to Listing Rules 5.75.2 (Continued)  
Period ended 30 June 2017

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### *The company*

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 29 August 2017 and signed on its behalf by:

A handwritten signature in blue ink, appearing to be 'MH' with a stylized flourish at the end.

Mr Melo Hili  
**Chairman**

A handwritten signature in blue ink, appearing to be 'SKT' with a stylized flourish at the end.

Mr Stephen Kenneth Tarr  
**Director**

# PTL Holdings p.l.c.



## Condensed Statements of Profit or Loss and Other Comprehensive Income

Period ended 30 June 2017

	Group		Company	
	1 January to 30 June 2017	1 January to 30 June 2016	1 January to 30 June 2017	1 January to 30 June 2016
	Eur	Eur	Eur	Eur
Revenue	42,931,547	40,646,042	210,000	300,000
Cost of sales	(38,602,556)	(36,765,299)	-	-
<b>Gross profit</b>	<b>4,328,990</b>	<b>3,880,743</b>	<b>210,000</b>	<b>300,000</b>
Administrative expenses	(3,876,807)	(4,127,782)	(69,103)	(133,376)
<b>Operating profit/(loss)</b>	<b>452,184</b>	<b>(247,038)</b>	<b>140,897</b>	<b>166,624</b>
Investment income	75,022		11,614	918,369
Finance costs	(1,189,755)	(1,288,823)	(982,756)	(1,027,251)
Share of loss in joint ventures	(47,207)	7,476	-	-
<b>(Loss)/profit before tax</b>	<b>(709,757)</b>	<b>(1,528,385)</b>	<b>(830,245)</b>	<b>57,742</b>
Income tax (expense)/credit	(190,203)	58,377	(56,286)	(20,210)
<b>(Loss)/profit for the period</b>	<b>(899,960)</b>	<b>(1,470,009)</b>	<b>(886,531)</b>	<b>37,532</b>
<b>Other comprehensive income items that may be reclassified subsequently to profit or loss:</b>				
Exchange differences on translating foreign operations	939,892	-	-	-
<b>Total comprehensive income/ expense for the period</b>	<b>39,932</b>	<b>(1,470,009)</b>	<b>(886,531)</b>	<b>37,532</b>
<b>Profit attributable to:</b>				
Owners of the company	(899,960)	(1,468,636)		
Non-controlling interests	-	(1,373)		
	<b>(899,960)</b>	<b>(1,470,009)</b>		
<b>Total comprehensive income attributable to:</b>				
Owners of the company	39,932	-		
Non-controlling interests	-	-		
	<b>39,932</b>	<b>-</b>		

# Condensed Statements of Financial Position

## at 30 June 2017

		Group		Company	
		30 June 2017 Unaudited	31 December 2016 Audited	30 June 2017 Unaudited	31 December 2016 Audited
		Eur	Eur	Eur	Eur
	Notes				
<b>ASSETS AND LIABILITIES</b>					
<b>Non-current assets</b>					
Goodwill	4	29,227,037	28,606,957	-	-
Intangible assets	5	11,850,890	11,534,011	-	-
Property, plant and equipment		5,072,056	5,056,476	-	-
Investments in subsidiaries		-	-	42,135,656	42,135,656
Investment in associates		-	383,487	-	-
Investment in joint venture		403,335	17,813	-	-
Loans and receivables	11	377,143	379,736	100,000	100,000
Deferred tax assets		871,370	829,408	-	-
		<b>47,801,831</b>	<b>46,807,889</b>	<b>42,235,656</b>	<b>42,235,656</b>
<b>Current assets</b>					
Inventories		9,207,226	8,783,813	-	-
Loans and receivables	11	1,001,343	1,777,156	3,462,128	2,024,635
Trade and other receivables	6	10,135,958	10,133,008	989,158	996,552
Cash and cash equivalents		741,984	3,893,245	15,196	199,879
Current tax assets		275,542	315,863	-	-
		<b>21,362,053</b>	<b>24,903,084</b>	<b>4,466,481</b>	<b>3,221,066</b>
<b>Total assets</b>		<b>69,163,884</b>	<b>71,710,973</b>	<b>46,702,137</b>	<b>45,456,722</b>
<b>Current liabilities</b>					
Trade and other payables	7	14,732,616	19,431,492	1,122,496	458,489
Other financial liabilities	11	2,551,508	2,489,107	1,162,656	1,391,733
Bank overdraft and loans	8	3,143,457	2,095,867	-	-
Current tax liabilities		204,341	193,934	120,441	64,155
		<b>20,631,922</b>	<b>24,210,399</b>	<b>2,405,593</b>	<b>1,914,376</b>
<b>Non-current liabilities</b>					
Debt securities in issue	9	35,394,196	35,353,742	35,394,196	35,353,742
Other payables	7	460,147	461,009	-	-
Bank overdraft and loans	8	5,968,940	6,284,301	-	-
Deferred tax liabilities		318,047	650,498	-	-
		<b>42,141,330</b>	<b>42,749,550</b>	<b>35,394,196</b>	<b>35,353,742</b>
<b>Total liabilities</b>		<b>62,773,252</b>	<b>66,959,949</b>	<b>37,799,789</b>	<b>37,268,119</b>
<b>Net assets</b>		<b>6,390,632</b>	<b>4,751,024</b>	<b>8,902,348</b>	<b>8,188,603</b>

# PTL Holdings p.l.c.



## Condensed Statements of Financial Position (Continued) at 30 June 2017

	Group		Company	
	30 June 2017 Unaudited	31 December 2016 Audited	30 June 2017 Unaudited	31 December 2016 Audited
	Eur	Eur	Eur	Eur
<b>EQUITY</b>				
Share capital	<b>10,000,000</b>	8,399,724	<b>10,000,000</b>	8,399,724
Other equity	<b>(3,121,365)</b>	(3,121,365)	-	-
Exchange reserve	<b>(36,079)</b>	(975,971)	-	-
(Accumulated losses)/Retained earnings	<b>(451,924)</b>	448,036	<b>(1,097,652)</b>	(211,121)
Equity attributable to owners of the company	<b>6,390,632</b>	4,750,424	<b>8,902,348</b>	8,188,603
Non-controlling interests	-	600	-	-
Total equity	<b>6,390,632</b>	4,751,024	<b>8,902,348</b>	8,188,603

# PTL Holdings p.l.c.

## Condensed Statements of Changes in Equity for the period ended 30 June 2017



### Group

	Share capital	Other equity	Exchange reserve	Retained earnings	Attributable to equity holders of the parent	Non-controlling interests	Total
	Eur	Eur	Eur	Eur	Eur	Eur	Eur
Balance as at 1 January 2016	8,399,724	(1,367,314)	89,200	(555,344)	6,566,266	25,374	<b>6,591,640</b>
Loss for the year	-	-	-	(750,671)	(750,671)	(1,322)	<b>(751,993)</b>
Other comprehensive income for the year	-	-	(1,065,171)	-	(1,065,171)	-	<b>(1,065,171)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(1,065,171)</b>	<b>(750,671)</b>	<b>(1,815,842)</b>	<b>(1,322)</b>	<b>(1,817,164)</b>
Acquisition of full ownership in subsidiary	-	-	-	-	-	(23,452)	<b>(23,452)</b>
Other movements in equity	-	(1,754,051)	-	1,754,051	-	-	<b>-</b>
<b>Balance as at 1 January 2017</b>	<b>8,399,724</b>	<b>(3,121,365)</b>	<b>(975,971)</b>	<b>448,036</b>	<b>4,750,424</b>	<b>600</b>	<b>4,751,024</b>
Loss for the period	-	-	-	(899,960)	(899,960)	-	<b>(899,960)</b>
Other comprehensive income for the period	-	-	939,892	-	939,892	-	<b>939,892</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>939,892</b>	<b>(899,960)</b>	<b>39,932</b>	<b>-</b>	<b>39,932</b>
Acquisition of full ownership in subsidiary	-	-	-	-	-	(600)	<b>(600)</b>
Capitalisation of shareholder's loans	<b>1,600,276</b>	-	-	-	1,600,276	-	<b>1,600,276</b>
<b>Balance as at 30 June 2017</b>	<b>10,000,000</b>	<b>(3,121,365)</b>	<b>(36,079)</b>	<b>(451,924)</b>	<b>6,390,632</b>	<b>-</b>	<b>6,390,632</b>



**Condensed Statements of Changes in Equity (Continued)**  
for the period ended 30 June 2017

**Holding Company**

	Share capital	Retained Earnings/ (accumulated losses)	Total
	Eur	Eur	Eur
Balance as at 1 January 2016	8,399,724	270,160	8,669,884
Loss and other comprehensive expense for the year	-	(481,281)	(481,281)
<b>Balance as at 1 January 2017</b>	8,399,724	(211,121)	8,188,603
Capitalisation of shareholder's loans	(1,600,276)	-	1,600,276
Loss and other comprehensive expense for the year	-	(886,531)	(886,531)
<b>Balance as at 30 June 2017</b>	<b>10,000,000</b>	<b>(1,097,652)</b>	<b>8,902,348</b>

**Condensed Statements of Cash Flows  
for the period ended 30 June 2017**

	Group		Holding	
	30 June 2017 Unaudited Eur	30 June 2016 Unaudited Eur	30 June 2017 Unaudited Eur	30 June 2016 Unaudited Eur
<b>Cash flows from operations</b>	<b>(3,172,166)</b>	(2,811,137)	<b>(115,707)</b>	105,309
Interest (paid) / received	(322,094)	(373,640)	(12,690)	(68,327)
Taxation paid	(220,117)	(58,377)	(56,286)	(20,210)
<b>Net cash flows from operating activities</b>	<b>(3,714,377)</b>	(3,243,154)	<b>(184,683)</b>	16,772
<b>Cash flows from investing activities</b>				
Payments to acquire property, plant and equipment	(394,307)	(734,562)	-	-
Net cash flows used in investing activities	(394,307)	(724,562)	-	-
<b>Cash flows from financing activities</b>				
Payments from/(to) related companies	840,808	1,031,674	-	-
(Repayment) advances of bank loans	(858,420)	(969,095)	-	5,715
Net cash flows (used in)/from financing activities	(17,612)	62,579	-	5,715
<b>Net movement in cash and cash equivalents</b>	<b>(4,126,296)</b>	(3,905,137)	<b>(184,683)</b>	22,487
<b>Cash and cash equivalents at the beginning of the period</b>	<b>3,157,799</b>	2,009,688	<b>199,879</b>	4,204
<b>Cash and cash equivalents at the end of the period</b>	<b>(968,497)</b>	(1,895,458)	<b>15,196</b>	26,691

**1. Basis of preparation**

The condensed interim financial statements for the half year ended 30 June 2017 have been extracted from the unaudited management accounts of the Group and the Company and have been prepared in accordance with International Accounting Standard 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 2016.

**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 period. The group's reportable segments under IFRS 8 are direct sales attributable to each country where the group operates.

Throughout the period, the group operated in three principal geographical areas – Malta (country of domicile), Poland, Romania and Hungary.

*Measurement of operating segment profit or loss, assets and liabilities*

Segment profit represents the profit earned by each segment after the 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.

**Notes to the Condensed Interim Financial Statements (Continued)**  
for the period ended 30 June 2017

**3. Segmental reporting (continued)**

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

**Profit or loss before tax**

	<b>1 January to 30 June 2017 Unaudited Eur</b>	<b>1 January to 30 June 2016 Unaudited Eur</b>
Total profit for reportable segments	<b>317,167</b>	30,328
Other unallocated amounts	<b>(1,026,923)</b>	(1,558,713)
	<b><u>(709,757)</u></b>	<b><u>(1,528,385)</u></b>

**Assets**

	<b>30 June 2017 Eur Unaudited</b>	<b>31 Dec 2016 Eur Audited</b>
Total assets for reportable segments	<b>36,214,240</b>	38,608,808
Elimination of receivables	<b>(31,566,637)</b>	(30,784,070)
Unallocated amounts:		
Property, plant and equipment	<b>32,435</b>	34,574
Goodwill	<b>29,227,037</b>	28,606,957
Intangible assets	<b>11,850,890</b>	11,534,011
Loans and receivables	<b>22,678,789</b>	22,969,708
Cash and cash equivalents	<b>210,681</b>	219,747
Other unallocated amounts	<b>516,449</b>	521,239
	<b><u>69,163,884</u></b>	<b><u>71,710,974</u></b>

Notes to the Condensed Interim Financial Statements (Continued)  
for the period ended 30 June 2017

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**3. Segmental reporting (continued)**

**Liabilities**

	<b>30 June 2017</b>	<b>31 Dec 2016</b>
	<b>Eur</b>	<b>Eur</b>
	<b>Unaudited</b>	<b>Audited</b>
Total liabilities for reportable segments	<b>28,750,219</b>	31,559,408
Elimination of liabilities	<b>(29,451,844)</b>	(30,714,988)
Unallocated amounts:		
Bank Loans	<b>7,401,916</b>	7,644,722
Debt securities in issue	<b>35,394,196</b>	35,353,742
Trade and other payables	<b>20,475,857</b>	22,738,864
Other unallocated amounts	<b>202,908</b>	378,201
	<b><u>62,773,252</u></b>	<b><u>66,959,949</u></b>

# PTL Holdings p.l.c.



## Notes to the Condensed Interim Financial Statements (Continued) for the period ended 30 June 2017

### 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 and Romania) 2017 Eur	Payment processing services 2017 Eur	IT solutions and security systems 2017 Eur	Total 2017 Eur	Unallocated 2017 Eur	Eliminations and adjustments 2017 Eur	Consolidated 2017 Eur
Revenue	36,695,642	1,074,369	5,942,971	43,712,982	-	(781,436)	42,931,547
(Loss)/ profit before tax	(135,086)	270,012	182,240	317,167	(1,026,923)	-	(709,757)
Depreciation and amortisation	848,511	8,298	35,898	892,707	74,448	(23,998)	943,157
Segment assets	27,899,205	1,535,929	6,779,106	36,214,240	143,247,243	(110,297,599)	69,163,884
Segment liabilities	22,299,715	240,703	6,209,801	28,750,219	66,723,397	(32,700,363)	62,773,253
Income tax (expense)/ credit	(13,210)	(94,504)	(64,023)	(171,737)	(18,466)	-	(190,203)

# PTL Holdings p.l.c.



## Notes to the Condensed Interim Financial Statements (Continued) for the period ended 30 June 2017

### 3. Segmental reporting (continued)

	Retail and IT Solutions (Poland) 2016 Eur	Payment processing services 2016 Eur	IT solutions and security systems 2016 Eur	Total 2016 Eur	Unallocated 2016 Eur	Eliminations and adjustments 2016 Eur	Consolidated 2016 Eur
Revenue	36,585,038	764,632	4,451,781	41,801,451	533,591	(1,689,000)	40,646,042
Profit before tax	141,903	188,170	(299,745)	30,328	(1,558,713)	-	(1,528,385)
Depreciation and amortisation	715,387	8,238	42,124	765,749	111,552	-	877,301
Segment assets	29,841,511	2,354,252	6,413,045	38,608,808	141,424,782	(108,322,616)	71,710,974
Segment liabilities	24,421,092	1,234,533	5,903,783	31,559,408	66,643,003	(31,242,462)	66,959,949
Income tax (expense) / credit	(95,851)	(65,860)	104,910	(56,801)	115,178	-	58,377

**4. Goodwill****Group**

<b>Group</b>	<b>Eur</b>
At 01.01.2016	29,122,297
Amounts recognised from acquisition of subsidiaries in 2016	289,623
Effect of exchange differences on the valuation of goodwill on foreign subsidiaries	(804,963)
At 01.01.2017	28,606,957
Effect of exchange differences on the valuation of goodwill on foreign subsidiaries	620,080
<b>At 30.06.2017</b>	<b>29,227,037</b>

The group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired. Determining whether the carrying amounts of these assets can be realised requires an estimation of the value in use of the cash-generating units. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value.

Goodwill arising on a business combination is allocated, to the cash-generating units (“CGUs”) that are expected to benefit from that business combination. The carrying amount as at 30 June 2017 amounting to *Eur*29,227,037 (December 2016 – *Eur*28,606,957) is allocated to the Polish, Romanian and Maltese operations.

Management assessment of goodwill is detailed in the group’s annual financial statements for the year ended 31 December 2016.



## 5. Intangible assets

### Group

	Eur
<b>Cost</b>	
<b>At 01.01.2016</b>	<b>12,107,586</b>
Additions	262,721
Disposals	(26,847)
Effect of foreign exchange differences	(411,889)
<b>At 01.01.2017</b>	<b>11,931,571</b>
Additions	34,000
Effect of foreign exchange differences	325,814
<b>At 30.06.2017</b>	<b>12,291,385</b>
<b>Amortisation</b>	
<b>At 01.01.2016</b>	<b>277,122</b>
Provision for the period	140,508
Released on disposal	(20,070)
<b>At 01.01.2017</b>	<b>397,560</b>
Provision for the year	42,935
<b>At 30.06.2017</b>	<b>440,495</b>
<b>Carrying amount</b>	
<b>At 31.12.2016</b>	<b>11,534,011</b>
<b>At 30.06.2017</b>	<b>11,850,890</b>

**PTL Holdings p.l.c.**  
**Notes to the Condensed Interim Financial Statements (Continued)**  
**for the period ended 30 June 2017**

**6. Trade and other receivables**

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

	<b>Group</b>		<b>Holding</b>
	30 June 2017	31 December	31 December
	Unaudited	2016	2016
	Eur	Audited	Audited
	Eur	Eur	Eur
Trade receivables	<b>5,762,039</b>	6,113,319	-
Amounts owed by ultimate parent	<b>3,045,542</b>	2,022,831	<b>989,158</b>
Amounts owed by joint venture	-	-	-
Amounts owed by associates	-	116,014	-
Amounts owed by related parties	-	48,620	-
Other receivables	<b>121,706</b>	248,547	-
Prepayments and accrued income	<b>1,206,671</b>	1,583,676	-
	<b>10,135,958</b>	10,133,007	<b>989,158</b>
Less: amount due for settlement within 12 months (shown under current liabilities)	<b>(10,135,958)</b>	(10,133,007)	<b>(989,158)</b>
Amounts due for settlement after 12 months	-	-	-

No interest is charged on trade and other receivables.

*Allowance for estimated irrecoverable amounts*

Trade and other receivables are stated net of an allowance for estimated irrecoverable amounts from trade receivables amounting to Eur548,989 (2016 – Eur534,209).

**7. Trade and other payables**

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

	<b>Group</b>		<b>Holding</b>
	30 June 2017	31 December	31 December
	Unaudited	2016	2016
	Eur	Audited	Audited
	Eur	Eur	Eur
Trade payables	<b>7,647,601</b>	11,684,408	<b>17,043</b>
Other payables	<b>3,101,629</b>	4,651,963	-
Accruals and deferred income	<b>4,443,533</b>	3,556,129	<b>1,105,453</b>
	<b>15,192,763</b>	19,892,500	<b>1,122,496</b>
Less: amount due for settlement within 12 months (shown under current liabilities)	<b>(14,732,616)</b>	(19,431,492)	<b>(1,122,496)</b>
Amount due for settlement after 12 months	<b>460,147</b>	461,008	-

## **8. Bank overdrafts and loans**

### **Group**

The group's bank loans and overdraft facilities bear effective interest at a floating rate of 5.67% (December 2016 – 5.67%) p.a. Bank overdraft are secured by a first general hypothecs over the assets of the PTL Limited. Bank loans comprise a bank loan taken by PTL Poland SP. Z O.O. for the acquisition of the investment in SAD SP. Z O.O. This loan has an effective interest rate of 3-month WIBOR plus 3.5% margin. The facility is secured by a pledge and financial pledge on the shares of SAD SP. Z O.O. This Registered pledge on shares is established for maximum security of *Eur18,000,000* (December 2016 – *Eur18,000,000*). In addition, the group has a registered pledge on things and rights belonging to SAD SP. z O.O. amounting to *Eur3,051,537* (December 2016 – *Eur3,051,537*).

## **9. Debt securities in issue**

In December 2014, the company issued 360,000 5.1% unsecured bonds of a nominal value of *Eur100* per bond. The bonds are redeemable at their nominal value on 4 December 2024.

Interest on the bonds is due and payable annually on 4 December of each year.

The bonds are listed on the Official List of the Malta Stock Exchange. The carrying amount of the bonds is net of direct issue costs of *Eur605,804* (December 2016 – *Eur646,258*) which are being amortised over the life of the bonds. The market value of debt securities on the last trading day before the statement of financial position date was *Eur37,720,000* (December 2016 – *Eur37,782,000*).

## Notes to the Condensed Interim Financial Statements (Continued)

### for the period ended 30 June 2017

#### 10. 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

	2017			2016		
	Related party activity Unaudited Eur	Total activity Unaudited Eur	%	Related party activity Unaudited Eur	Total activity Unaudited Eur	%
Revenue:						
Related party transactions with:						
Other related parties	<u>79,949</u>	<u>42,931,547</u>	<u>0%</u>	<u>227,941</u>	<u>40,646,042</u>	<u>1%</u>
Cost of sales:						
Related party transactions with:						
Other related parties	<u>43,388</u>	<u>38,602,556</u>	<u>0%</u>	<u>31,417</u>	<u>36,765,299</u>	<u>0%</u>
Administrative expenses:						
Related party transactions with:						
Other related parties	<u>144,562</u>	<u>3,876,807</u>	<u>4%</u>	<u>360,708</u>	<u>4,127,782</u>	<u>9%</u>
Parent company	<u>144,562</u>	<u>3,876,807</u>	<u>4%</u>	<u>360,708</u>	<u>4,127,782</u>	<u>9%</u>

##### Holding company

	2017			2016		
	Related party activity Unaudited Eur	Total activity Unaudited Eur	%	Related party activity Unaudited Eur	Total activity Unaudited Eur	%
Revenue						
Related party transactions with:						
Other related parties	<u>210,000</u>	<u>210,000</u>	<u>100%</u>	<u>300,000</u>	<u>300,000</u>	<u>100%</u>
Investment Income						
Related party transactions with:						
Subsidiaries	<u>11,614</u>	<u>11,614</u>	<u>100%</u>	<u>918,369</u>	<u>918,369</u>	<u>100%</u>

**11. Fair value of financial assets and financial liabilities**

At 30 June 2017 and 31 December 2016, the carrying amounts of financial assets and financial liabilities classified with current assets and current liabilities respectively approximated their fair values due to the short-term maturities of these assets and liabilities.

The fair values of non-current financial assets and non-current financial liabilities that are not measured at fair value, other than the shares in subsidiary companies that are carried at cost, and the debt securities in issue (where fair value is disclosed in note 9), are not materially different from their carrying amounts due to the fact that the interest rates are considered to represent market rates at the year end.

The fair values of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

The fair value of the derivative financial instruments is established by using a valuation technique. Valuation techniques comprise discounted cash flow analysis. The valuation technique is consistent with generally accepted economic methodologies for pricing financial instruments. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the rates at end of the reporting period and the credit risk inherent in the contract.

The following table provides an analysis of financial instruments that are not measured subsequent to initial recognition at fair value, other than those with carrying amounts that are reasonable approximations of fair value and other than shares in subsidiary companies, grouped into Levels 1 to 3.

Notes to the Condensed Interim Financial Statements (Continued)  
for the period ended 30 June 2017

11. Fair value of financial assets and financial liabilities (continued)

Group

Fair value measurement at end of reporting period using:

	Level 1 Eur	Level 2 Eur	Level 3 Eur	Total Eur	Carrying amount Eur
<b>Financial assets</b>					
<i>Loans and receivables</i>					
Receivables from related parties					
As at 31.12.2016	-	2,156,892	-	2,156,892	2,156,892
Receivables from related parties				-	-
<b>As at 30.06.2017</b>	<b>-</b>	<b>1,378,486</b>	<b>-</b>	<b>1,378,486</b>	<b>1,378,486</b>
<b>Financial liabilities</b>					
Financial liabilities at amortised cost					
Related party loans	-	2,489,107	-	2,489,107	2,489,107
Bank loans	-	8,380,168	-	8,380,168	8,380,168
Debt securities	37,782,000	-	-	37,782,000	35,353,742
As at 31.12.2016	37,782,000	10,869,275	-	48,651,275	46,223,017
Related party loans	-	2,551,508	-	2,551,508	2,551,508
Bank loans	-	9,112,397	-	9,112,397	9,112,397
Debt securities	37,720,000	-	-	37,720,000	35,394,196
<b>As at 30.06.2017</b>	<b>37,720,000</b>	<b>11,663,905</b>	<b>-</b>	<b>49,383,905</b>	<b>47,058,101</b>

## 11. Fair value of financial assets and financial liabilities (continued)

### Holding Company

	Level 1 €	Level 2 €	Level 3 €	Total €	Carrying amount €
<b>Financial assets</b>					
<i>Loans and receivables</i>					
Receivables from related parties					
As at 31.12.2016	-	3,114,130	-	3,114,130	3,114,130
 Loans and receivables					
Receivables from related parties					
<b>As at 30.06.2017</b>	<b>-</b>	<b>4,451,215</b>	<b>-</b>	<b>4,451,215</b>	<b>4,451,215</b>
 <b>Financial liabilities</b>					
Financial liabilities at amortised cost					
Related party loans		1,391,733		1,391,733	1,391,733
Debt securities	37,782,000			37,782,000	35,353,742
As at 31.12.2016	37,782,000	1,391,733	-	39,173,733	36,745,475
 Related party loans	-	1,391,733	-	1,391,733	1,391,733
Debt securities	37,720,000	-	-	37,720,000	35,394,196
<b>As at 30.06.2017</b>	<b>37,720,000</b>	<b>1,391,733</b>	<b>-</b>	<b>39,111,733</b>	<b>36,785,929</b>

## 12. Events after the end of the reporting period

There were no significant events after the end of the reporting period.

**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 2017, and the financial performance and cash flows of the company and the group for the half year 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 29 August 2017 and signed on its behalf by:



**Mr Melo Hili**  
**Chairman**



**Stephen Kenneth Tarr**  
**Director**