



Interim Report 2015

**UK's leading
niche specialist
services provider**

Premier Technical Services Group PLC (PTSG) is the UK's leading niche specialist services provider, offering a range of industry-leading services across its four divisions: Access & Safety, Electrical Services, High Level Cleaning and Training Solutions.

Vision Statement

Our Vision is to be: “the standard against which other companies are measured”.

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Financial and Operational Highlights

PTSG has continued to build on its solid foundations and has achieved very strong levels of profitable organic growth in the first half of 2015. Revenue and adjusted* operating profit were £11.7m and £2.4m, increases of 40% and 30% respectively.

The acquisition of a Scottish steeplejack business, Pendrich Height Services Ltd and NATHS Ltd, on 12 June expands the Company's Electrical Services offering and increases opportunities for cross-selling services and their results will be reflected in the results for the second half of the year.

Admission to AIM in February 2015 helped to raise £5m in new funds to support our ongoing strategic growth plan, which is to achieve a balance between financial security, return on equity and growth. In addition we declare our maiden dividend as a public company.



“The Group has made a very encouraging start to life as a public company with strong levels of profitable organic growth seen across our service offerings.”

John Foley
Chairman

Revenue

£11.7m
+40%

Gross profit

£6.4m
+27%

Operating profit*

£2.4m
+30%

Adjusted EPS

2.21p

Dividend per share

0.46p

* Before adjusting items and on a consistent basis.

Operational highlights

- Acquisition of Pendrich Height Services Ltd and NATHS Ltd to extend our service offering to include steeplejack services.
- Contract renewal rates in excess of 85%.
- British Safety Council International Safety award winner for the fourth time.
- Field tests commenced on our new innovative operational software.
- New multi service contracts secured with large FM customers.
- The successful integration of Acescott within our High Level Cleaning division.
- Building on our position as the country's leading access and safety business.
- Continued expansion of our Electrical Services division via strong organic growth.

Group Overview

PTSG at a Glance

PTSG is a leading provider of façade access and fall arrest equipment services, lightning protection, electrical testing, high level cleaning and industry training solutions in the UK.

We supply highly-engineered industrial products and quality services with a substantial presence in a number of focused niche markets.

Our teams are highly trained and experienced, ensuring all equipment is always operational and safe. We operate to the latest safety legislation and guidelines and our practices have been recognised by the British Safety Council.

Our products and services put our customers' needs first to bring better value in all that we offer and all that we do.

PTSG is the Parent Company of PTSG Access and Safety, PTSG Electrical Services, PTSG High Level Cleaning and PTSG Training Solutions.

It provides a central information service for the business and champions the dissemination of key information and best practice. PTSG unites the Company's constituent businesses under one clear identity to support the broader use of smarter working as a modern day approach to delivering a top class service for the people we serve.

Due to our office locations we are able to provide full UK coverage and we are happy to take on board projects of all sizes.



PTSG Access and Safety is a leading supplier of maintenance, inspection and testing solutions for safety at height as well as the design and installation of permanently installed façade access equipment and fall arrest equipment.

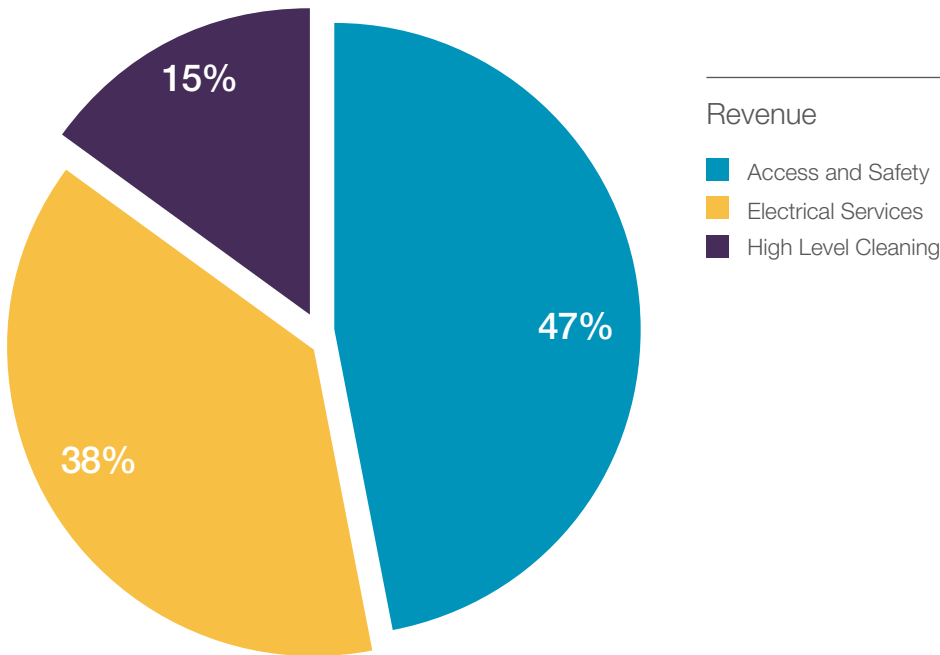
Not only are customers reassured by our vast experience, but we also offer a range of other benefits as standard to ensure that your job is completed to the highest standards of quality and safety:

- Helpdesk
- 24 hour call-out
- Health and safety
- Quality accreditations
- Environmental accreditations
- Membership of relevant trade associations

We do everything by word of mouse...



In 2014, we launched MOUSE (Memorable, Outstanding, Unique, Service, Experience), a unique customer focused initiative. MOUSE serves as PTSG's internal conscience, a permanent reminder about why PTSG exists and the importance of getting customer service right – first time, every time. It is the backbone of the Company and has become a corporate mascot for all its internal and external communications.




PTSG
PREMIER TECHNICAL SERVICES GROUP

Electrical Services Ltd



PTSG Electrical Services is a leading supplier of lightning and surge protection, steeplejack services, PAT testing, fixed wire testing and emergency lighting testing across the UK.

Our work saves lives, time and money. It really is as simple as that.

PTSG Electrical Services is UK CRB/disclosure Scotland approved and is NICEIC registered.

Whether it is the testing of a portable appliance or the design and installation of a complete building lightning and surge protection system, PTSG Electrical Services delivers an unsurpassed level of expertise and experience, leaving customers confident that their staff, buildings and customers are safe.



PTSG
PREMIER TECHNICAL SERVICES GROUP

High Level Cleaning Ltd



PTSG High Level Cleaning delivers industry-leading high level building cleaning solutions for commercial, industrial and public buildings.

Our team has many years' experience in delivering our services at height. Our extensive knowledge of working at height means that we can access virtually any part of any building – either internally or externally for cleaning and refurbishment purposes.

Our services include:

- High level cleaning
- Window and gutter cleaning and maintenance
- Building fabric and specialist cleaning
- Pressure washing



PTSG
PREMIER TECHNICAL SERVICES GROUP

Training Solutions Ltd



PTSG Training Solutions Limited is committed to helping individuals develop their skills and expertise.

Over the years, PTSG's people have worked closely with industry bodies to shape vocational qualifications and training. This knowledge and experience, especially in training for people who work at height, gives PTSG an unrivalled position in being able to offer forward-thinking and responsive workplace training that truly meets the needs of employees and employers alike.

Chairman's Statement

“We chose to become a publicly quoted company in order to accelerate our growth plans. We have identified a number of acquisition targets which can broaden the Group's service offerings at sensible entrance prices.”

John Foley
Chairman



Overview of results

PTSG's results for the six months ended 30 June 2015 show very strong levels of profitable organic growth.

We were formally admitted to AIM on 11 February 2015 as a result of a successful IPO process which raised £5m of new funds for the Group and it is pleasing to produce a set of results to new shareholders which demonstrate that the IPO process has not distracted management from its central task of executing the Group's clear growth strategy. The progress made in the first six months of 2015 enables the Board to declare an interim dividend of 0.46p a share, amounting to £0.4m. The interim dividend will be paid on 30 October 2015 to shareholders on the register on 9 October 2015.

Turnover increased by 40% to £11.74m (30 June 2014: £8.4m). Gross profit increased by 27% to £6.39m (30 June 2014: £5.03m); EBIT increased by 30% to £2.4m (30 June 2014: £1.84m); underlying profit before tax before adjusting items increased by 20% to £2.35m (30 June 2014: £1.95m). Net debt at 30 June 2015 was £1.62m (31 December 2014: £5.0m). Adjusted EPS was 2.21p.

Profit before taxation after adjusting items was £0.7m. Adjusting items of £1.65m principally included share-based payments, deferred consideration payable to previous businesses owners who remain as PTSG employees and IPO costs. Fully diluted EPS (after adjusting items) was 0.28p.

Acquisition

We completed the acquisition of Pendrich Height Services and NATHS on 12 June 2015 for an initial cash consideration of £0.2m. Further consideration of a maximum of £1.74m payable over a three year period in cash or shares (at PTSG's option) will be self funded from the after tax profits of the acquired businesses. These acquisitions expand the Group's Electrical Services offering and enable us to offer a national steeplejacking offering to customers.

Operational highlights

Substantial progress has been made in 2015 at an operational level with the strengthening of the management team with appropriate external appointments and internal promotions. Further investment has been made in the Group's proprietary internal systems so that we can handle the increasing volume of low value transactions that is a feature of our business.

The organic growth achieved so far in 2015 has been particularly impressive in our Electrical Services division but all areas of the Group performed well. The opportunity to develop multi skill offerings to customers has been grasped during 2015 with the signing of a number of framework contracts with major FM customers. The integration of Pendrich and NATHS is ongoing and performance is in line with plan.

Strategy

PTSG is a niche specialist services provider and offers customers a broad range of specialist services on a national basis. We have a tried and tested business model which is introduced into carefully selected acquisition targets.

We chose to become a publicly quoted company in order to accelerate our growth plans. We have identified a number of acquisition targets which can broaden the Group's service offerings at sensible entrance prices.

Outlook

The Group has made a very encouraging start to life as a public company with strong levels of profitable organic growth seen across our service offerings. This positive momentum means that we expect to exceed our pre IPO expectations in 2016 and beyond. We face the future with confidence and are excited about the growth opportunities which are available to us.

JR Foley
Chairman

28 September 2015

Chief Executive's Review

“PTSG enjoyed a very strong start to 2015 with a 40% increase in turnover and 30% increase in operating profits before adjusting items. A new service line to our existing Electrical Services Business paves the way for continued growth in this area.”

Paul Teasdale
Chief Executive Officer



Overview

The start to 2015 has been a positive one. Top line performance has seen turnover increase by 40% to £11.7m (2014: £8.4m) and operating profits before adjusting items and on a consistent basis increasing by 30% to £2.4m (2014: £1.8m) driven by robust EBIT margins which remain consistently high at 21.2%. This is a reflection of the specialist and skilled nature of our activities and of the diversification of the Group as a whole.

Strong focus remains on cost control and operating profit, whilst remaining competitive on prices in all areas. We completed the acquisitions of Pendrich Height Services Ltd and NATHS Ltd in June.

We have also delivered strong organic growth across the Group – most notably in Electrical Services where revenue grew by 42% and adjusted operating profit by 34%.

It was also pleasing to see Access and Safety return to positive growth of 5% (H2 2014: -1%).

Our Niche specialist services are sold on a recurring basis under contract to a retained customer base. We have continued our high client retention figure of over 85% on annual orders driven by the quality of services and our competitive pricing.

“We have continued our high client retention figure of over 85% on annual orders.”

Paul Teasdale
Chief Executive Officer

Market Environment

Demand for our services is underpinned by regulatory requirements around the installation, maintenance and testing of access and safety systems, lightning protection and electrical equipment, as well as insurance compliance requirements, and general repair and maintenance.

Many of our customers are streamlining their businesses through supplier rationalisation, moving to single source supply, which is benefiting the Group and is expected to continue in the future.

Strategy

We aim to build our market share in each of our niche services, to markets characterised by high regulation, long-term growth drivers, and non-discretionary spend for customers.

As the UK's market leader in access and safety services and one of the industry's leading lightning protection businesses, we are well-positioned to capitalise on our recent entry into the high level cleaning market, with organic growth and cross selling opportunities.

Our major customers include the US Air Force, Marks & Spencer plc, Royal Bank of Scotland plc, Unite, Sheffield Hallam University, Network Rail, Harrods, Morgan Sindall, Willmott Dixon, Carillion, Barclays, Land Securities, Land Rover and Manchester United plc.

Our strategy is to generate significant shareholder value through organic growth, including cross-selling and complementary acquisitions. Just 5% of customers currently receive multiple lines of service, with considerable scope to improve this and increase profitability.

While we are already a market leader in a number of our operations, we still have a less than 10% share in our principal markets and there is significant scope for growth.

Acquisitions

PTSG has a track record of successfully integrating acquisitions in complementary areas of activity and driving improved operational and financial performance. We are committed to pursuing acquisition opportunities in existing and adjacent markets, with a view to cross-selling services and leveraging our client base. We are attracted to opportunities in our core markets, where owner-managers are interested in playing a role in the enlarged business.

PTSG's first acquisition, National Cradle Maintenance Limited, was in 2007, and was funded by £0.9m of equity from the founders. Since then we have made 12 subsequent acquisitions, at a total consideration of £8.9m, and our most recent acquisition Pendrich was completed in June 2015.

Our in-house acquisitions team considers a strong pipeline of opportunities, including bolt-ons to existing divisions and businesses with activities in new and adjacent sectors. The Board will consider acquisitions that allow the Group to enter attractive new markets where we can leverage our operational and managerial framework; expand existing operations geographically to increase our penetration of the UK market; and grow operations in an existing market and geography, leveraging economies of scale to improve margins.

We have a pipeline of acquisition opportunities which will carry us through 2015, 2016 and 2017. 2015/16 will see further acquisitions in the Access and Safety and Electrical Services divisions.

Divisional results

We have achieved strong levels of organic growth by improving operational processes and efficiencies, reducing costs; being more competitive and establishing new partnerships and relationships.

During 2015 we expect to spend £0.2m on software development to increase productivity, efficiency and reduce costs. We have also signed new supply chain and framework agreements, including Vinci, Norlands, CloudFM and Shepherd FM and renewed our contract with Tubelines.

Access and Safety is the Group's largest and longest established division, and provides maintenance, inspection and testing solutions for the highly-regulated area of "working at height", as well as the design and installation of permanently installed façade access and fall arrest equipment. Contracts often include both the initial installation of access solutions and ongoing maintenance. The majority of clients enter into a contract for a period of three to five years.

The division generated sales of £5.5m and adjusted EBIT of £0.9m for the six months ended 30 June 2015, returning to growth of 5% in the period.

Chief Executive's Review

continued

Electrical Services is currently the Group's second largest and fastest growing division, with sales of £4.4m and adjusted EBIT of £1.2m for the six months ended 30 June 2015. The division is an established provider of lightning and surge protection systems, PAT testing and fixed wire testing services. It is involved in both installation services and the maintenance, testing and repair of systems. Following on from the acquisition of Pendrich Height Services Ltd in June 2015, we have added a new offering of Steeplejack services to this division.

Further exciting developments were evident in our High Level Cleaning division. Our 2014 acquisition of Acescott, an established business with expertise in the design and application of cleaning systems for large and complex buildings in July 2014, contributed £0.4m to adjusted operating profits and £1.8m of revenue to the Group for the six months ended 30 June 2015.

High Level Cleaning includes a wide range of specialist cleaning services, from commercial window cleaning to pressure washing of cladding, façades, guttering and rooftops and graffiti and chewing gum removal. Customers' buildings include office blocks, shopping centres, factories and hotels. PTSG has a clear advantage in tailoring projects that require complex access systems to clean and maintain buildings externally with minimal disturbance to the occupiers.

Outlook for 2015/2016

We have made a good start to 2015 and we continue to trade in line with the Board's expectations for the full year. The positive momentum achieved in the first half of 2015 has continued into the remainder of the year and we look forward to continuing the further development of Premier Technical Services Group Plc.

PW Teasdale
Chief Executive Officer
28 September 2015

Financial Statements

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are set against a clear, light blue sky. The perspective creates a sense of height and architectural scale. The glass reflects the sky and surrounding environment, creating a grid-like pattern of light and dark blue tones.

Unaudited Consolidated Income Statement and Statement of Consolidated Income

	Six months ended 30 June 2015			Six months ended 30 June 2014			Year ended 31 December 2014 (audited)		
	Before adjusting items £	Adjusting items £	Total £	Before adjusting items £	Adjusting items £	Total £	Before adjusting items £	Adjusting items £	Total £
Revenue	11,740,772	-	11,740,772	8,401,613	-	8,401,613	18,002,687	-	18,002,687
Cost of sales	(5,347,246)	-	(5,347,246)	(3,372,982)	-	(3,372,982)	(7,683,423)	-	(7,683,423)
Gross Profit	6,393,526	-	6,393,526	5,028,631	-	5,028,631	10,319,264	-	10,319,264
Net operating costs	(3,906,022)	(1,653,095)	(5,559,117)	(2,914,756)	(353,065)	(3,267,821)	(6,311,864)	(2,529,716)	(8,841,580)
Net operating costs incorporating pre IPO management dividends	(3,996,022)	(1,653,095)	(5,649,117)	(3,184,756)	(353,065)	(3,537,821)	(6,851,864)	(2,529,716)	(9,381,580)
Total operating profit following consistent treatment of pre IPO management dividends	2,397,504	(1,653,095)	744,409	1,843,875	(353,065)	1,490,810	3,467,400	(2,529,716)	937,684
Total operating profit	2,487,504	(1,653,095)	834,409	2,113,875	(353,065)	1,760,810	4,007,400	(2,529,716)	1,477,684
Finance costs	(138,863)	-	(138,863)	(163,794)	-	(163,794)	(305,030)	-	(305,030)
Profit before tax	2,348,641	(1,653,095)	695,546	1,950,081	(353,065)	1,597,016	3,702,370	(2,529,716)	1,172,654
Taxation	(484,253)	24,801	(459,452)	(384,963)	-	(384,963)	(794,752)	154,138	(640,614)
Profit attributable to owners of the parent	1,864,388	(1,628,294)	236,094	1,565,118	(353,065)	1,212,053	2,907,618	(2,375,578)	532,040
Total comprehensive income for the period attributable to owners of the parent	1,864,388	(1,628,294)	236,094	1,565,118	(353,065)	1,212,053	2,907,618	(2,375,578)	532,040
Basic and diluted earnings per share (Pence)			0.28			1.57			0.69
Adjusted EPS	2.21			2.03			3.77		

Unaudited Consolidated Statement of Changes in Equity

	Share capital £	Capital redemption reserve £	Share premium £	Retained earnings £	Total £	Non-controlling interest £	Total equity £
Balance as at 1 January 2014	771,437	128,573	–	313,629	1,213,639	179	1,213,818
Profit for the year	–	–	–	532,040	532,040	–	532,040
Total comprehensive income	–	–	–	532,040	532,040	–	532,040
Transactions with owners							
Value of employee services	–	–	–	165,418	165,418	–	165,418
Ordinary dividend paid	–	–	–	(790,000)	(790,000)	–	(790,000)
Transactions with owners	–	–	–	(624,582)	(624,582)	–	(624,582)
Balance at 31 December 2014	771,437	128,573	–	221,087	1,121,097	179	1,121,276
Profit for the six months ended 30 June 2015	–	–	–	236,094	236,094	–	236,094
Total comprehensive income	–	–	–	236,094	236,094	–	236,094
Transactions with owners							
Issue of share capital	97,827	–	4,375,004	–	4,472,831	–	4,472,831
Value of employee services	–	–	–	992,514	992,514	–	992,514
Ordinary dividend paid	–	–	–	(131,666)	(131,666)	–	(131,666)
Transactions with owners	97,827	–	4,375,004	860,848	5,333,679	–	5,333,679
Balance at 30 June 2015	869,264	128,573	4,375,004	1,318,029	6,690,870	179	6,691,049
Balance as at 1 January 2014	771,437	128,573	–	313,629	1,213,639	179	1,213,818
Profit for the six months ended 30 June 2014	–	–	–	1,212,053	1,212,053	–	1,212,053
Total comprehensive income	–	–	–	1,212,053	1,212,053	–	1,212,053
Transactions with owners							
Ordinary dividend paid	–	–	–	(395,000)	(395,000)	–	(395,000)
Transactions with owners	–	–	–	(395,000)	(395,000)	–	(395,000)
Balance at 30 June 2014	771,437	128,573	–	1,130,682	2,030,692	179	2,030,871

Unaudited Consolidated Balance Sheet

As at 30 June 2014 and 2015 and 31 December 2014

	30 June 2015 £	30 June 2014 £	31 December 2014 (audited) £
Assets			
Non-current assets			
Goodwill	4,137,951	3,539,257	3,615,748
Property, plant and equipment	1,497,645	1,206,213	1,340,886
Deferred tax asset	–	33,408	–
Total non-current assets	5,635,596	4,778,878	4,956,634
Current assets			
Inventories	364,973	228,473	201,560
Trade and other receivables	10,414,871	6,460,644	8,060,904
Cash and cash equivalents	1,633,357	–	–
Total current assets	12,413,201	6,689,117	8,262,464
Liabilities			
Current liabilities			
Trade and other payables	4,846,824	2,256,826	4,408,865
Bank overdraft, net of cash	–	685,611	1,260,845
Finance leases	520,126	428,554	474,529
Borrowings	1,000,000	1,000,000	1,000,000
Deferred consideration	1,299,440	100,000	899,440
Current tax liabilities	800,651	641,608	440,282
Total current liabilities	8,467,041	5,112,599	8,483,961
Net current assets/(liabilities)	3,946,160	1,576,518	(221,497)
Non-current liabilities			
Borrowings	2,250,000	3,250,000	2,750,000
Finance leases	329,509	399,525	357,715
Deferred tax liability	11,198	–	6,146
Deferred consideration	300,000	675,000	500,000
Total non-current liabilities	2,890,707	4,324,525	3,613,861
Net assets	6,691,049	2,030,871	1,121,276
Equity attributable to the owners of the parent			
Share capital	869,264	771,437	771,437
Share premium	4,375,004	–	–
Capital redemption reserve	128,573	128,573	128,573
Retained earnings	1,318,029	1,130,682	221,087
	6,690,870	2,030,692	1,121,097
Non-controlling interest	179	179	179
Total equity	6,691,049	2,030,871	1,121,276

Unaudited Consolidated Cash Flow Statement

For the six months ended 30 June 2014 and 2015
and the year ended 31 December 2014

	30 June 2015 £	30 June 2014 £	31 December 2014 (audited) £
Cash flows from operating activities			
Profit after taxation	236,094	1,212,053	532,040
Adjustments for:			
Income tax charge	459,452	384,963	640,614
Depreciation	415,635	334,358	700,813
Profit on disposal of property, plant and equipment	(120,000)	(69,000)	(128,250)
Finance costs	138,863	163,794	305,030
Share-based payments	992,515	–	165,418
	2,122,559	2,026,168	2,215,665
Changes in working capital			
Increase in inventories	(68,189)	(82,997)	(56,084)
Increase in trade and other receivables	(1,860,178)	(1,043,527)	(1,593,043)
Increase/(decrease) in trade and other payables	(85,075)	(218,605)	2,069,034
Cash generated from operations	109,117	681,039	2,635,572
Interest paid	(138,863)	(163,794)	(305,030)
Tax paid	(100,000)	(143,823)	(561,245)
Net cash (outflow)/inflow from operating activities	(129,746)	373,422	1,769,297
Cash flow from investing activities			
Acquisition of business	(240,000)	–	(350,000)
Purchase of property, plant and equipment	(262,247)	(464,831)	(346,536)
Payment of deferred consideration	(146,250)	–	(327,540)
Net sales proceeds from sale of property, plant and equipment	120,000	69,000	128,250
Net cash outflow from investing activities	(528,497)	(395,831)	(895,826)
Cash flow from financing activities			
Repayment of bank borrowings	(500,000)	(750,000)	(1,250,000)
Capital element of finance lease payments	(288,720)	108,881	(467,233)
Issue of share capital	4,472,831	–	–
Dividends paid	(131,666)	(395,000)	(790,000)
Net cash inflow/(outflow) from financing activities	3,552,445	(1,036,119)	(2,507,233)
Net increase/(decrease) in cash and cash equivalents	2,894,202	(1,058,528)	(1,633,762)
Cash and cash equivalents at beginning of period	(1,260,845)	372,917	372,917
Cash and cash equivalents at end of period	1,633,357	(685,611)	(1,260,845)

Notes to the Unaudited Financial Information

For the six months ended 30 June 2015

1. GENERAL INFORMATION

Premier Technical Services Group plc (the "Company") is a company incorporated in England and Wales and domiciled in the UK. The address of the registered office is: 13 Flemming Court, Whistler Drive, Castleford, WF10 5HW (registered company number is 06005074). The Company and its subsidiaries (together referred to as the "Group") is a niche specialist service provider whose principal activities are the maintenance, inspection, testing, repair and installation of permanent façade access equipment, fall arrest systems and lightning protection systems together with fixed wire and portable appliance testing.

2. BASIS OF PREPARATION

The interim financial information for the six month period ended 30 June 2015 has not been audited and does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The interim financial information for the period ended 30 June 2014 is also unaudited. The comparative figures for the year ended 31 December 2014 do not constitute full financial statements and have been abridged from the full accounts for the year ended on that date, on which the auditors gave an unqualified report.

This unaudited consolidated interim financial information ("interim financial information") has been prepared on a going concern basis under the historical cost convention and is in accordance with AIM Rule 18 in relation to half year reports.

3. GOING CONCERN BASIS

After making appropriate enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons they continue to adopt the going concern basis in preparing the interim financial information.

4. SIGNIFICANT ACCOUNTING POLICIES

In preparing the unaudited Interim Financial Information, the significant accounting policies, critical accounting estimates and judgements, and financial risk management disclosures, are the same as those set out in the 2014 Annual Report and Accounts.

5. SEGMENTAL ANALYSIS

Management has determined the operating segments based on the operating reports reviewed by the Board of Directors that are used to assess both performance and strategic decisions. Management has identified that the Board of Directors is the chief operating decision maker in accordance with the requirements of IFRS 8 "Operating segments".

The Board of Directors considers the business to be split into three main types of business generating revenue; Access and Safety, Electrical Services and High Level Cleaning.

Six months ended 30 June 2015	Access and Safety £	Electrical Services £	High Level Cleaning £	Group £	Total £
Revenue					
Total revenue	5,537,219	4,418,040	1,785,513	–	11,740,772
Total revenue from external customers	5,537,219	4,418,040	1,785,513	–	11,740,772
Operating profit/(loss) before adjusting items	917,857	1,226,769	361,272	(18,394)	2,487,504
Operating profit/(loss) before adjusting items with consistent treatment of pre IPO management dividends	827,857	1,226,769	361,272	(18,394)	2,397,504
Restructuring costs	(26,764)	(16,646)	(7,790)	–	(51,200)
IPO costs	(247,660)	–	–	–	(247,660)
Head office rebuild costs	(5,793)	–	–	–	(5,793)
Share options granted to directors and employees	(1,002,192)	–	–	–	(1,002,192)
Contingent payments in relation to acquisitions	–	(96,250)	(250,000)	–	(346,250)
Segmental operating (loss)/profit	(364,552)	1,113,873	103,482	(18,394)	834,409
Net financing costs	–	–	–	(138,863)	(138,863)
(Loss)/profit before taxation	(364,552)	1,113,873	103,482	(157,257)	695,546

5. SEGMENTAL ANALYSIS (continued)

Six months ended 30 June 2014	Access and Safety £	Electrical Services £	High Level Cleaning £	Group £	Total £
Revenue					
Total revenue	5,281,571	3,120,042	–	–	8,401,613
Total revenue from external customers	5,281,571	3,120,042	–	–	8,401,613
Operating profit before adjusting items	1,201,918	911,957	–	–	2,113,875
Operating profit before adjusting items with consistent treatment of pre IPO management dividends	931,918	911,957	–	–	1,843,875
Exceptional items	–	–	–	(91,190)	(91,190)
Contingent payments in relation to acquisitions	–	(261,875)	–	–	(261,875)
Segmental operating profit/(loss)	1,201,918	650,082	–	(91,190)	1,760,810
Net financing costs	–	–	–	(163,794)	(163,794)
Profit/(loss) before taxation	1,201,918	650,082	–	(254,984)	1,597,016

Year ended 31 December 2014 (audited)	Access and Safety £	Electrical Services £	High Level Cleaning £	Group £	Total £
Revenue					
Total revenue	9,585,682	6,583,257	1,833,748	–	18,002,687
Total revenue from external customers	9,585,682	6,583,257	1,833,748	–	18,002,687
Operating profit/(loss) before adjusting items	1,738,058	1,876,214	415,422	(22,294)	4,007,400
Operating profit/(loss) before adjusting items with consistent treatment of pre IPO management dividends	1,198,058	1,876,214	415,422	(22,294)	3,467,400
Rebranding	–	(500)	–	–	(500)
Restructuring costs	(255,713)	(36,816)	(28,805)	–	(321,334)
IPO costs	(516,740)	–	–	–	(516,740)
Head office rebuild costs	(530,224)	–	–	–	(530,224)
Share options granted to directors and employees	(165,418)	–	–	–	(165,418)
Contingent payments in relation to acquisitions	–	(527,500)	(468,000)	–	(995,500)
Segmental operating profit/(loss)	269,963	1,311,398	(81,383)	(22,294)	1,477,684
Net financing costs	–	–	–	(305,030)	(305,030)
Profit/(loss) before taxation	269,963	1,311,398	(81,383)	(327,324)	1,172,654

6. EARNINGS PER SHARE

The calculation of basic earnings per share for the half year to 30 June 2015 was based on the profit attributable to ordinary shareholders of £236,094 (six months ended June 2014: £1,212,053; year ended 31 December 2014: £532,040) and a weighted average number of Ordinary Shares in issue of 84,519,233 (six months ended 30 June 2014: 77,142,800; year ended 31 December 2014: 77,142,800).

The calculation of adjusted earnings per share for the half year to 30 June 2015 was based on the profit before adjusting items of £1,864,388 (six months ended 30 June 2014: £1,565,118; year ended 31 December 2014: £2,907,618) and a weighted average number of Ordinary Shares in issue of 84,519,33 (six months ended 30 June 2014: 77,142,800; year ended 31 December 2014: 77,142,800).

Notes to the Unaudited Financial Information

For the six months ended 30 June 2015 continued

7. BUSINESS ACQUISITIONS

On 12 June 2015 Pendrich Height Services Limited and NATHS Limited were acquired for a total cash consideration of £240,000. This acquisition has been accounted for in the consolidated financial statements by the acquisition method of accounting.

Pendrich Height Services and NATHS are steeplejack, rope access and working at height companies based in Edinburgh, Scotland. This acquisition enables us to extend our customer services offering within our Electrical Services division and provides our clients with the opportunity to further utilise PTSG as its Niche Specialist Service Provider.

The table below explains the adjustments made to the book value of the major categories of assets and liabilities in arriving at fair values:

	Book value £	Fair value adjustment £	Fair value at date of acquisition £
Fixed Assets			
Tangible assets	48,546	–	48,546
Current assets			
Stock	95,224	–	95,224
Trade debtors	490,637	–	490,637
Other debtors	3,151	–	3,151
Cash and cash equivalents	57,138	–	57,138
Total assets	694,696	–	694,696
Liabilities			
Trade creditors	155,970	–	155,970
Other creditors	817,413	–	817,413
Total liabilities	973,383	–	973,383
Net liabilities	278,687	–	278,687
Cash consideration	240,000	–	240,000
Goodwill	518,687	–	518,687

The fair value of the assets and liabilities acquired, and the resulting goodwill remain provisional, but will be finalised within 12 months of acquisition.

Company Information

Registered office

13 Flemming Court
Whistler Drive
Castleford
West Yorkshire
WF10 5HW

Telephone +44 (0) 1977 668 771
Fax +44 (0) 1977 668 772

Registered number 06005074
Website www.ptsg.co.uk

Nominated Adviser and Broker

N+1 Singer
One Bartholomew Lane
London
EC2N 2AX

Auditors

PricewaterhouseCoopers LLP
Benson House
33 Wellington Street
Leeds
LS1 4JP

Bankers

HSBC
120 Edmund Street
Birmingham
B3 2QZ

Lawyers

Pinsent Masons LLP
30 Crown Place
Earl Street
London
EC2A 4ES

Registrars

Capita Registrars Limited
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU



Premier Technical Services Group PLC
Head Office, 13–14 Flemming Court
Whistler Drive, Glasshoughton
Castleford, WF10 5HW

Tel: +44 (0) 1977 668 771
Fax: +44 (0) 1977 668 772
Email: info@ptsg.co.uk
www.ptsg.co.uk