



6pm Holdings p.l.c.
COMPANY ANNOUNCEMENT

The following is a company announcement issued by 6pm Holdings p.l.c. pursuant to Malta Financial Services Authority Listing Rules - Chapter 8.

Quote

At the meeting held on the 25th August, 2010, the Board of Directors of 6pm Holdings p.l.c. approved the Half-Yearly Financial Statements for the period ended 30th June, 2010. A copy of the preliminary statement of the interim results is attached to this announcement.

Unquote

A handwritten signature in black ink, appearing to read 'Ivan Gatt'.

Dr. Ivan Gatt
Company Secretary

26th August, 2010



6pm Holdings plc

Interim financial report

For the period 1st January 2010 to 30th June 2010

The following interim financial report is published pursuant to the terms of chapters 8 and 9 of the Malta Financial Services Authority Listing Rules and the Prevention of Financial Markets Abuse Act 2005. We confirm that the condensed financial information has been extracted from the company's financial statements for the six months ended 30th June 2010 and prepared in accordance with IAS 34 'Interim Financial Reporting' and that to the best of our knowledge this information provides a true and fair view of the group's and company's financial performance for the period then ended. This report has not been audited nor reviewed by the group's independent auditors.

The consolidated financial statements cover 6 pm Holdings p.l.c. (parent) and its subsidiaries 6pm Management Consultancy (UK) Limited and 6pm Limited in Malta.

Condensed statements of comprehensive income
For the period 1st January to 30th June

	Notes	Group 30 June 10 GBP	Company 30 June 10 GBP	Group 30 June 09 GBP	Company 30 June 09 GBP
Revenue		1,770,867	-	2,881,987	-
Cost of sales		(1,052,102)	-	(1,845,789)	-
Gross profit		718,765	-	1,036,198	-
Administrative expenses		(884,808)	1,609	(1,000,901)	(1,650)
Operating (loss)/profit		(166,043)	1,609	35,297	(1,650)
Finance costs		(43,688)	-	(62,684)	-
Interest receivable	2			14	4
Loss before taxation		(209,729)	1,609	(27,373)	(1,646)
Income tax expense		(9,180)	-	(10,638)	-
(Loss)/profit for the period		(218,909)	1,609	(38,011)	(1,646)
Earnings per share		(0.029)		(0.005)	

Condensed statements of financial position
As at 30th June 2010

	Notes	Group 30 June 10 GBP	Company 30 June 10 GBP	Group 30 June 09 GBP	Company 30 June 09 GBP
Assets and liabilities					
Non-current assets					
Intangible assets		1,587,141	-	1,563,260	-
Property, plant and equipment		1,042,504	-	1,109,797	-
Investments in subsidiaries		-	1,511,138	-	1,511,138
Deferred tax asset		1,090,388	-	1,037,657	-
		<u>3,720,033</u>	<u>1,511,138</u>	<u>3,710,714</u>	<u>1,511,138</u>
Current assets					
Trade and other receivables		831,694	93,938	1,676,013	105,844
Cash and cash equivalents		35,795	2,057	95,204	2,073
		<u>867,489</u>	<u>95,995</u>	<u>1,771,217</u>	<u>107,917</u>
Total assets		<u>4,587,522</u>	<u>1,607,133</u>	<u>5,481,931</u>	<u>1,619,055</u>
Current liabilities					
Trade and other payables		511,909	-	869,211	-
Bank overdrafts and loans		959,342	-	1,354,335	-
Current tax liabilities		26,428	-	17,458	5,625
		<u>1,497,679</u>	<u>-</u>	<u>2,241,004</u>	<u>5,625</u>
Non-current liabilities					
Shareholders' loans		-	-	-	-
Bank loans		671,788	-	802,190	-
		<u>671,788</u>	<u>-</u>	<u>802,190</u>	<u>-</u>
Total liabilities		<u>2,169,467</u>	<u>-</u>	<u>3,043,194</u>	<u>5,625</u>
Net assets		<u>2,418,055</u>	<u>1,607,133</u>	<u>2,438,737</u>	<u>1,613,430</u>
Equity					
Share capital		1,500,000	1,500,000	1,500,000	1,500,000
Retained earnings		794,200	107,133	761,966	113,430
Exchange reserves		123,855	-	176,771	-
Total equity		<u>2,418,055</u>	<u>1,607,133</u>	<u>2,438,737</u>	<u>1,613,430</u>

Condensed Statements of changes in equity
As at 30 June 2010

Group	Share capital GBP	Exchange reserve GBP	Retained earnings GBP	Total GBP
Balance at 31 December 2008	1,500,000	318,396	799,977	2,618,373
Loss for the period	-	-	(38,011)	(38,011)
Other comprehensive expense for the period	-	(141,625)	-	(141,625)
Total comprehensive expense for the period	-	(141,625)	(38,011)	(179,636)
Balance at 30 June 2009	1,500,000	176,771	761,966	2,438,737
Profit for the period	-	-	251,143	251,143
Other comprehensive income for the period	-	50,479	-	50,479
Total comprehensive income for the period	-	50,479	251,143	301,622
Balance at 31 December 2009	1,500,000	227,250	1,013,109	2,740,359
Loss for the period	-	-	(218,909)	(218,909)
Other comprehensive income for the period	-	(103,395)	-	(103,395)
Total comprehensive income for the period	-	(103,395)	(218,909)	(322,304)
Balance at 30 June 2010	1,500,000	123,855	794,200	2,418,055

Condensed statements of changes in equity
(continued)
As at 30th June 2010

Company	Share capital GBP	Retained earnings GBP	Total GBP
Balance at 31 December 2008	1,500,000	115,076	1,615,076
Loss for the period	-	(1,646)	(1,646)
Total comprehensive expense for the period	-	(1,646)	(1,646)
Balance at 30 June 2009	1,500,000	113,430	1,613,430
Loss for the period	-	(7,906)	(7,906)
Total comprehensive expense for the period	-	(7,906)	(7,906)
Balance at 31 December 2009	1,500,000	105,524	1,605,524
Profit for the period	-	1,609	1,609
Total comprehensive income for the period	-	1,609	1,609
Balance at 30 June 2010	1,500,000	107,133	1,607,133

Condensed statement of cash flows

As at 30 June 2010

	Group 30 June 10 GBP	Company 30 June 10 GBP	Group 30 June 09 GBP	Company 30 June 09 GBP
Net cash generated from/(absorbed by) operating activities	411,346	3,468	300,474	(9)
Net cash absorbed by investing activities	(31,443)	-	(7,449)	-
Net cash absorbed by financing activities	(46,464)	-	(151,386)	-
Effects of foreign exchange rate changes	(103,395)	(3,484)	172,250	-
Movements in cash and cash equivalents	230,044	(16)	313,889	(9)
Cash and cash equivalents at beginning of interim period	(1,066,006)	2,073	(1,498,112)	2,082
Cash and cash equivalents at end of interim period	(835,962)	2,057	(1,184,223)	2,073

Selected explanatory notes to the half-yearly report

Performance review

The revenue generated by the group for the first six months of 2010 was GBP 1,770,867 (2009 – GBP 2,881,987). The holding company did not generate any revenue during the period under review.

The group registered a loss before tax of GBP 209,729 (2009 – GBP 23,378).

The precursor to the UK Election and the post Election formation of the new coalition Government had significantly impacted confidence across all sectors in the UK, resulting in a slowdown of both Private and Public sector orders during the first half of 2010; Euro uncertainty created by national debt announcements from several EU countries added to these already poor trading conditions and our performance in the period reflects these circumstances.

In response, 6pm restructured to improve sales prospecting, reduce costs, improve efficiency, reduce staff numbers (where this did not disable the business) and tightened debt collection practices.

Since April to the publication date of this report, the Executive Directors of the Group have forgone salaries to help safeguard the business for the future recognizing that the outlook for both Malta and the UK show signs of recovery with recent improvement in orders and qualified future prospects.

Despite the obvious potential in the public sector and in particular in the UK Health market, the continued protraction of these opportunities has been disappointing. By continuing to focus on our core strengths and resisting the temptation to diversify under such adverse trading conditions, the UK and Malta businesses have successfully increased account portfolios outside of the public sector and expect to see the results of this filtering through in Quarter 3 and 4.

In conclusion, group performance in this period continued to reflect extremely adverse trading conditions however we believe the private sector is showing early signs of recovery. Our efforts this year to engage in this sector have been successful and we are hopeful that the results from this will manifest by the end of the financial year based on current exchange rates.

Dividends

The directors are recommending that no interim dividend be paid.

Significant accounting policies

The half-yearly results have been drawn up in accordance with the accounting policies used in the preparation of the annual audited financial statements for the year ended 31 December 2009. The following are considered key significant accounting policies:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the holding company and entities controlled by the holding company. Control is achieved where the holding company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions, income and expenses are eliminated on consolidation.

Any excess of the cost of the business combination over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised at the date of acquisition is recognised as goodwill. The goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

Property, plant and equipment

The group's property, plant and equipment are classified into the following classes – land and buildings, motor vehicles, furniture, fittings and other equipment.

Land and buildings are held for use in the supply of services or for administrative purposes. Subsequent to initial recognition, land and buildings are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Other tangible assets are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Impairment

At each balance sheet date the carrying amount of assets, including cash-generating units are reviewed to determine whether there is any indication or objective evidence of impairment, as appropriate, and if any such indication or objective evidence exists, the recoverable amount of the asset is estimated.

Goodwill arising on the acquisition of subsidiaries is tested for impairment annually and whenever there is an indication of impairment.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for services provided in the normal course of business, net of value-added tax and discounts, where applicable. Revenue is recognised to the extent that it is probable that future economic benefits will flow to the company or the group and these can be measured reliably.

Revenue from the provision of services is recognised in the period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. For practical purposes, when services are performed by an indeterminate number of acts over a specified period of time, revenue is recognised on a straight-line basis over the specified period unless there is evidence that some other method better represents the stage of completion.

Judgments in applying accounting policies and key sources of estimation uncertainty

(i) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the losses and credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits.

(ii) *Impairment of goodwill*

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the company to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the balance sheet date was GBP 1,149,182.

Revenue

The group's revenue was primarily undertaken in the United Kingdom. The contribution of the various activities of the group to turnover which are in respect of continuing activities are set out below:

	Group	
	01.01.10 to 30.06.10 GBP	01.01.09 to 30.06.09 GBP
<i>By activity:</i>		
Resourcing	359,888	1,350,781
Development and other income	1,410,979	1,531,206
	<u>1,770,867</u>	<u>2,881,987</u>

Intangible assets

Intangible assets comprise of Goodwill arising on the acquisition of subsidiaries, computer software and licenses and developed software. No intangible assets were acquired/capitalised during the period under review.

Property, plant and equipment

During the period ended 30 June 2010 the group acquired assets with a cost of GBP 7,490. No assets were disposed off during the period under review.

Bank overdrafts and loans

	Group 01.01.10 to 30.06.10 GBP	Company 01.01.10 to 30.06.10 GBP	Group 01.01.09 to 30.06.09 GBP	Company 01.01.09 to 30.06.09 GBP
Bank overdrafts	871,757	-	1,279,427	-
Bank loans	759,373	-	877,098	-
	<u>1,631,130</u>	<u>-</u>	<u>2,156,525</u>	<u>-</u>

The bank overdraft denominated in Euro (equivalent to GBP 628,375) bears interest at 3.5% per annum over the Bank's Base Rate.

The overdraft denominated in GBP (balance as at 30.06.09 – GBP 243,382) is based on an invoice discount facility up to a funding of 85% of eligible debts and bears a discounting charge of 2.25% above the sterling base rate per annum quoted by the Royal Bank of Scotland with a service charge of 0.225% of the Notified Value of each debt.

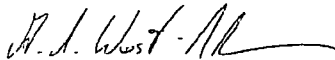
Related party transactions

During the period under review group companies entered into transactions in the ordinary course of business with a total value of GBP 665,961 in respect of resourcing services. All related party transactions were eliminated on consolidation.

Statement pursuant to Listing Rule 9.44K.3 issued by the Listing Authority

We confirm that to the best of our knowledge:

- this condensed set of financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position and profit and loss of 6pm Holdings p.l.c.; and
- includes a fair review of the information required in terms of Listing Rule 9.44c.2.



Mr. Alan West Robinson
CEO

25th August 2010



Mr. Jason Brickell
Non Executive Director

25th August 2010