



PEFACO INTERNATIONAL P.L.C.

HALF-YEARLY REPORT

For the Period ended 30 June 2014

Interim Directors' report pursuant to listing Rule 5.75.2

Basis of Preparation

This Half-Yearly Report is being published pursuant to the terms of Chapter 5 of the MFS Listing Rules. The condensed interim financial information contained in this report has been extracted from the Company's unaudited financial statements for the six months ended 30 June 2014. This report has been prepared in accordance with the applicable Listing Rules and the International Accounting Standard 34 'Interim Financial Reporting'. This Half-Yearly Report has not been audited nor reviewed by the company's independent auditors.

Accounting Policies

The accounting policies adopted in the preparation of the Company's Half-Yearly Report are the same as those adopted in the preparation of the audited financial statements for the year ended 31 December 2013.

Principal activities

The Company's principal activity is the control of its subsidiaries engaged in Leisure and Gaming activities in West Africa. All of the Company's Subsidiaries are duly authorized to engage in gaming activities under exclusive concession contracts or gaming licences granted by local authorities or supervisory bodies responsible for the regulation and control of gaming. The Company has operations in Benin, Burkina Faso, the Ivory Coast, Niger and Togo, catering for the local population's needs for recreation facilities.

Review of Performance

The Directors of Pefaco International plc are pleased to report the Company's financial results for the six months ended 30 June 2014.

In the first six months of 2014, the Company registered an increase of 6.5% of revenues, bringing total consolidated revenue to €21.256 million.

Operating expenses increased by only 2.3% including management fees which totalled €5.622 million. The EBITDA of the Group totalled €3.321 million for the six first months of 2014 representing an increase of 36.8% compared to the same period of 2013.

Pefaco International plc recorded a net income of €0.999 million.

At 30th June 2014, the Group operated a total of 5,128 gaming machines spread as follows:

	BENIN	BURKINA FASO	IVORY COAST	NIGER	TOGO	TOTAL
# of Machines	1.167	1.635	1.209	280	837	5.128

The average daily revenue per machine for the Group was €22.6.

During the period under review the Company was granted a provisional gaming licence to operate in Rwanda. This new license has not affected existing operations nor will it affect in the near future as no firm plan has yet been established to start operating in the country.




The first six months of the year have represented an important step forward for the Company as it redomiciled to Malta from the Ivory Coast on 23rd June 2014 and also transferred its headquarters to Malta while preparing to apply for admissibility to listing on the Malta Stock Exchange. The Company's Ordinary Shares were since listed on the Malta Stock Exchange on 25th July 2014, following publication of a prospectus on 16th July 2014 for an intermediaries offer of 6,850,000 of its ordinary shares at 2.19 Euro per share. During the same period the Company was also commenced preparations for an issue of convertible bonds (to be listed on the European Wholesale Securities Market), which preparations continue to date. This issuance and listing of the bonds is expected to take place before the end of the year. The funds raised from the intermediaries offer and the bond offer will be used to accelerate the development of the Company's operations in Africa. Although the offer period for the intermediaries offer was originally intended to close on 8th August 2014, the offer period has since been extended to close on 17th October 2014. These events have not had an impact on the condensed financial statements included in this Half Yearly Report.

Other than the above-mentioned fund raising in progress no other event is expected to affect the usual course of business by the end of the year.

Outlook

The first six months of the year have shown improved operating results, by the end of the year, the Company plans to extend this operational efficiency by focussing on increasing revenue throughout its subsidiaries and maintaining operating expenditures at a sustainable level. The encouraging results of the first six months confirm our 2014 end of year forecast operating income of over 47 million Euros and an EBITDA of 9 million Euros. All signs point towards the Company achieving these goals.



Francis Perez
CEO and Director



Olivier Cauro
Managing Director and Director



Pefaco International p.l.c
Income Statement
For the period 1 January to 30 June 2014

In thousands of Euros	For the six months ended	
	6/30/14	6/30/13
Sales	21,156	19,427
Other income	100	527
Operating income	21,256	19,954
Various purchases	-1,180	-1,182
Post and telecommunication	-140	-138
Travel and entertainment	-281	-280
Repair and maintenance	-377	-361
Insurance	-66	-79
Administrative rent	-1,328	-1,161
Commercial expenses	-244	-171
Payroll	-5,835	-5,654
Tax and duties	-1,301	-1,267
Grupo Pefaco management fees	-5,622	-5,260
Other administrative expenses	-1,561	-1,975
EBITDA	3,321	2,426
Amortization and depreciation	-1,486	-1,307
Provisions	-	-
EBIT	1,835	1,119
Interest	-385	-404
Profit before tax	1,450	715
Income tax	-452	-425
Net income	998	290
Result allocated to minority interest	-172	14
Result, part of the group	827	304



Pefaco International p.l.c
Condensed Balance Sheet
For the period 1 January to 30 June 2014

In thousands of Euros	6/30/14	12/31/13
Intangible fixed assets, net	39,868	40,652
Tangible fixed assets, net	5,176	5,650
Financial assets	818	644
Total long term assets	45,862	46,946
Total short term assets	9,343	8,259
Total Assets	55,205	55,206
Equity	38,305	37,509
Total liabilities	16,900	17,697
Total Equity and Liabilities	55,205	55,206



Pefaco International p.l.c
Condensed Cash Flow Statement
For the period 1 January to 30 June 2014

In thousands of Euros	6/31/14
Cash flow generated (used) by operating activities	722
Cash flow generated (used) by investing activities	-343
Cash flow generated (used) by financing activities	-332
Total cash flow generated (used) during the fiscal year	47
Total cash - beginning of year	-717
Total cash - end of year	-672



Pefaco International p.l.c
Statement of Changes in Equity
For the period 1 January to 30 June 2014

In thousands of Euros

	Share Capital	Reserves and group share of profit or loss	Currency translation differences	Equity attributable to owners	Non controlling interests	Total Equity
Balance as at 1 January 2013	30,505	7,169	-	37,674	-1,014	36,660
Capital changes				-		-
Dividends				-		-
Net income		304		304	14	318
Comprehensive income				-		-
Changes in scope of consolidation		367		367		367
Balance as at 30 June 2013 (unaudited)	30,505	7,840	-	38,345	-1,000	37,345
Balance as at 1 January 2014	30,505	8,058	-	38,563	-1,054	37,509
Capital changes				-		-
Dividends				-		-
Net income		827		827	-172	654
Comprehensive income				-		-
Changes in scope of consolidation		142		142		142
Balance as at 30 June 2014 (unaudited)	30,505	9,027	-	39,532	-1,226	38,305



Related party transaction

At 30 June 2014, related party transactions can be analysed as follows:

In thousands of euros	6/30/14
Related party transactions	-5,622
Total Management fees to related parties	-5,622

In thousands of euros	6/30/14
Loan to related parties	5,016
Trade receivables	351
Total receivables to related parties	5,367

Segment reporting:

In thousands of euros	Benin	Burkina Faso	Ivory Coast	Niger	Togo	Holding	Inter Companies	Total
Six months ended 30 June 2013								
Total Revenue	2792	7718	4141	1848	3442	310	-297	19,954
EBITDA	694	21	805	23	859	24		2,427
Net income	446	-107	-177	-61	513	-235	-89	290
Six months ended 30 June 2014								
Total Revenue	3,138	8,646	4,757	1,494	3,217	182	-178	21,256
EBITDA	876	320	1,462	41	625	-4		3,321
Net income	561	157	386	-56	306	477	-832	998

Statement Pursuant to Listing Rule 5.7.5.3 issued by the Listing Authority

We confirm that to the best of our knowledge:

- this condensed set of consolidated 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 or loss of Pefaco International plc; and
- includes a fair review of the information required in terms of listing Rules 5.81 to 5.84



Olivier Cauro
Managing Director and Director

