

Moralltach Global PLC and its controlled entities

ARBN 613 805 173

Interim Financial Report APPENDIX 3 – INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 30 JUNE 2018

Results for Announcement to the Market

Reporting Period: Half year from 1 January 2018 to 30 June 2018

Previous Corresponding Period: Half year from 1 January 2017 to 30 June 2017

Key Information

	Half- year Ended 30 June 2018 €
Revenue from ordinary activities	Down 98% to 20,000
Loss after tax from ordinary activities attributable to members	Down 5,555% to 2,275,948
Net profit attributable to members	Down 5,555% to 2,275,948

There were no dividends paid or proposed during the period ended 30 June 2018.

Explanation of Key Information and Dividends

Earnings per Share

	Half-Year ended 30 June 2018 euros/Share	Half-Year ended 30 June 2017 euros/Share
Basic earnings per share	(0.0042)	0.00008
Diluted earnings per share	(0.0042)	0.00008

Net Tangible Assets per Share

Half-year Ended 30 June 2017 Euro/Share	Year ended 31 December 2016 Euro/Share
0.40	0.40

Commentary on Results

The consolidated loss of the Group for the half-year amounted to \$2,275,948, after providing for income tax. The company is in the process of raising sufficient capital to finance its investment program for the balance of 2018 and 2019. On-going operating costs continue to be kept to a minimum.

Dividend Reinvestment Plans

The company does not have a dividend reinvestment plan.

Statement of profit or loss and other comprehensive income

Refer to attached statement of profit or loss and other comprehensive income

Statement of Financial Position

Refer to attached statement of financial position

Statement of Changes in Equity

Refer to attached statement of changes in equity

Statement of Cash flows

Moralltach Global PLC and its controlled entities

ARBN 613 805 173

Refer to attached statement of cash flows

Control Gained over Entities during the year

During the period the Group formed a new subsidiary Enerfry Corporation.

Status of review and description of likely disputes or qualifications

The half year financial report has been reviewed.

Attachment

The half-year financial report of Moralltach Global PLC is attached.

Moralltach Global PLC and Controlled Entities

ARBN 613 805 173

Consolidated Financial Statements

For the Half Year Ended 30 June 2018

Moralltach Global PLC and Controlled Entities

ARBN 613 805 173

Contents

For the Half Year Ended 30 June 2018

	Page
Financial Statements	
Directors' Report	2
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	3
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	4
Condensed Consolidated Statement of Financial Position	5
Condensed Consolidated Statement of Changes in Equity	6
Condensed Consolidated Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	13
Independent Auditor's Review Report	14

Moralltach Global PLC and Controlled Entities

ARBN 613 805 173

Directors Report

For the Half Year Ended 30 June 2018

The directors submit the financial report of the Group for the half-year ended 30 June 2018.

Directors

The names of each person who has been a director during the half-year and to the date of this report are:

Richard Barry

John K Brennan

Tomas Brennan

Robert M Bryniak

Nick Linnane

Patrick Noone

Directors have been in office since the start of the financial period to the date of this report.

Operating results and review of operations for the year

The consolidated loss of the Group for the half-year amounted to \$2,275,948, after providing for income tax. The company is in the process of raising sufficient capital to finance its investment program for the balance of 2018 and 2019. On-going operating costs continue to be kept to a minimum.

Likely developments

Information on likely developments in the operations of the Company and the expected results of operations have not been included in the report because the Directors believe it would be likely to be an unreasonable prejudice to the Company.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half-year ended 30 June 2018 has been received and can be found on page 2 of the financial report.

This report is signed in accordance with a resolution of the Board of Directors.



Nick Linnane, Director

13th September 2018

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF A2A GN LIMITED**

As lead auditor of Moralltach Global Plc for the half-year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

LNP Audit and Assurance Pty Ltd



**Anthony Rose
Director**

Sydney 13 September 2018

Moralltach Global PLC and Controlled Entities

ARBN 613 805 173

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 30 June 2018

	30 June 2018 €	30 June 2017 €
Revenue	20,000	1,051,513
Employee benefits expense	-	(72,341)
Listing fees	-	(363,670)
Administration expenses	(222,157)	(248,779)
Impairment expense – note 2 iii	(2,073,791)	(325,000)
Profit before income tax	(2,275,948)	41,723
Income tax	-	-
(Loss) / Profit from continuing operations	(2,275,948)	41,723
(Loss) / Profit for the half year	(2,275,948)	41,723
Other comprehensive income, net of income tax		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that will be reclassified to profit or loss when specific conditions are met	-	-
Total comprehensive (loss)/income for the half year	(2,275,948)	41,723
(Loss)/ Profit Attributable to Members of the Parent Entity	(2,275,948)	41,723
Total comprehensive (loss)/ profit attributable to Members of the parent entity	(2,275,948)	41,723
Earnings / (loss) per share		
Basic (loss) / earnings per share – Euros per share	(0.0042)	0.00008
Diluted (loss) / earnings per share – Euros per share	(0.0042)	0.00008

The accompanying notes form part of these financial statements.

Moralltach Global PLC and Controlled Entities

ARBN 613 805 173

Condensed Consolidated Statement of Financial Position

30 June 2018

	Note	30 June 2018 €	31 December 2017 €
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		46,883	22,848
Trade and other receivables		185,311	162,368
Work in progress		-	325,000
Other assets		23,025	1,781,816
TOTAL CURRENT ASSETS		255,219	2,292,032
NON-CURRENT ASSETS			
Property, plant and equipment		85,614,926	85,613,332
Investment properties		133,636,362	133,636,362
TOTAL NON-CURRENT ASSETS		219,251,288	219,249,694
TOTAL ASSETS		219,506,507	221,541,726
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		163,028	142,540
TOTAL CURRENT LIABILITIES		163,028	142,540
Other financial liabilities		2,131,373	2,007,542
TOTAL NON-CURRENT LIABILITIES		2,131,373	2,007,542
TOTAL LIABILITIES		2,294,401	2,150,082
NET ASSETS		217,212,106	219,391,644
EQUITY			
Issued capital	3	219,713,613	219,617,203
Accumulated losses		(2,501,507)	(225,559)
TOTAL EQUITY		217,212,106	219,391,644

The accompanying notes form part of these financial statements.

Moralltach Global PLC A and Controlled Entities

ARBN 613 805 173

Condensed Consolidated Statement of Changes in Equity For the Half Year Ended 30 June 2018

	Ordinary Shares €	Accumulated losses €	Total €
Note			
Balance at January 1, 2018	219,617,203	(225,559)	219,391,644
Shares issued during the year	96,410	-	96,410
Loss attributable to members of the parent entity	-	(2,275,948)	(2,275,948)
Balance at 30 June 2018	219,713,613	(2,501,507)	217,212,106

	Ordinary Shares €	Accumulated losses €	Total €
Note			
Balance at January 1, 2017	218,967,203	(626,829)	218,340,374
Profit attributable to members of the parent entity	-	41,723	41,723
Balance at 30 June 2017	218,967,203	(585,106)	218,382,097

The accompanying notes form part of these financial statements.

Moralltach Global PLC and Controlled Entities

ARBN 613 805 173

Condensed Consolidated Statement of Cash Flows For the Half Year Ended 30 June 2018

	30 June 2018 €	30 June 2017 €
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	7,057	4,000
Payments to suppliers and employees	(201,669)	(790,187)
Net cash (used in) operating activities	(194,612)	(786,187)
Purchase of property, plant and equipment	(1,594)	-
Net cash used by investing activities	(1,594)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares	96,410	-
Proceeds from borrowings	123,831	322,588
Net cash used by financing activities	220,241	322,588
Net increase/(decrease) in cash and cash equivalents held	24,035	(463,599)
Cash and cash equivalents at beginning of year	22,848	593,947
Cash and cash equivalents at end of the half year	46,883	130,348

The accompanying notes form part of these financial statements.

Notes to the Condensed Consolidated Financial Statements

For the Half Year Ended 30 June 2018

The financial report covers Moralltach Global PLC and its controlled entities ('the Group'). Moralltach Global PLC is a for-profit Company limited by shares, incorporated and domiciled in Malta, and listed on the NSX. The principal activities of the Group during the financial half year was developing projects related to property development (including restructured properties) and to green energy (mainly waste to energy applications) in Ireland. The Company also plans to invest in selected "blue sky" investments in other areas that have the potential to earn much higher returns, but are also higher risk.

The financial report was authorised for issue by the Directors on 13 September 2017.

1 Basis of Preparation

This condensed consolidated interim financial report for the reporting period ending 30 June 2018 has been prepared in accordance with the requirements of International Financial Reporting Standards IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Moralltach Global PLC and controlled entities (the Group). As such it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. This condensed consolidated financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended December 31, 2017, together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

Significant estimates and judgments

The directors make estimates and judgments during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances. These estimates and judgments are based on the best information available at the time of preparing the consolidated financial statements, however as additional information is known then the actual results may differ from the estimates. The significant estimates and judgments made are as follows.

i Going concern

The directors have prepared consolidated financial statements on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

Notes to the Condensed Consolidated Financial Statements

For the Half Year Ended 30 June 2018

2 Summary of Significant Accounting Policies (continued)

Significant estimates and judgements (continued)

At 30 June 2018, the company had cash on hand of €46,883, current assets of €255,189, and current liabilities of €163,028. For the 6 months ended 30 June 2018 the company incurred a loss before taxation of €2,275,948 and net cash used by operating activities was €194,612.

During the current phase of development the generation of sufficient funds from operating and financing activities in accordance with the Groups current business plan and growth forecasts is dependent on:

- the availability of financing facilities to fund working capital requirements; and
- increases in revenue and cash flows from trading.

Included in non-current liabilities are directors loans of €2,131,373, for which the company has obtained confirmation that these will not be recalled within at least one year from the signoff date of this financial report. In addition, the Company has secured a maximum €5 million facility with a director of which approximately €2 million has been drawn, and a confirmation that support to meet the company's obligations for a period of at least one year from the date of signing this financial report will be forthcoming if required.

The directors are of the opinion that the use of the going concern basis of accounting is appropriate as they are satisfied regarding the Group's ability to maintain the continued support of current financiers, creditors and shareholders. The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the company not continue as a going concern.

ii Annual valuations, and impairment assessment of Investment Properties and Property Plant and Equipment

Subsequent to initial recognition, Investment property (€133,636,362) is held under the fair value model under IAS 140 Investment Property. Property Plant and equipment (€85,614,926) is held under the cost model under IAS 116 Property, Plant and Equipment. The fair value of investment properties is determined at least annually based on a valuation by an independent valuer, and indications of impairment relating to property plant and equipment are assessed by reference assessment processes including an annual independent valuation.

The most recently completed independent valuation was in December 2016. The Group is currently undertaking valuations of investment property and property plant and equipment, but these are not complete and are expected to be completed before the end of 2018. The Directors are not aware of any significant potential macro impairment indicators, or events affecting individual assets either from a positive or negative perspective, and have assessed that the most recent valuations are reasonable and sufficient and that no impairments are required at the current time.

iii Impairment assessment of Current Assets

Current assets have been assessed for recoverability based on the expected timing and amounts of which maybe recoverable and appropriate allowances for impairment have been assessed accordingly.

The Group is the lessor of certain of its investment properties and property plant and equipment assets. Lease revenue is assessed based on the expected total amounts receivable over the life of the leases, the expected rates of inflation applicable to the leases and the expected discount rates the company is subject to, and these amounts are then assessed for recoverability. At 31 December 2017 the Group had recognised €1,748,791 of accrued lease revenue. The Directors have assessed that this amount is impaired at 30 June 2018 and have made an impairment provision for this amount.

At 31 December 2017 \$325,000 of work in progress was recognised, and a provision of \$325,000 was made in the period against this.

Notes to the Condensed Consolidated Financial Statements

For the Half Year Ended 30 June 2018

3 Issued Capital

	30 June 2018 €	31 December 2017 €
545,632,446 (31 December 2017: 545,505,146) Ordinary shares	219,713,613	219,617,203
154,367,554 (31 December 2017: 154,494,854) Uncalled shares	-	-
Total	219,713,613	219,617,203

(a) Ordinary shares

	30 June 2018 No.	31 December 2017 No.
At the beginning of the reporting period	545,505,146	545,505,146
Transfer from unsubscribed shares 13 June 2018	15,300	-
Transfer from unsubscribed shares 18 June 2018	12,000	-
Transfer from unsubscribed shares 26 June 2018	100,000	-
At the end of the reporting period	545,632,446	545,505,146

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

The balance of unsubscribed ordinary shares, which have no rights to dividends or to participate in shareholders meetings are as follows.

	30 June 2018 No.	31 December 2017 No.
At the beginning of the reporting period	154,494,854	154,494,854
Transfer to ordinary shares 13 June 2018	(15,300)	-
Transfer to ordinary shares 18 June 2018	(12,000)	-
Transfer to ordinary shares 26 June 2018	(100,000)	-
At the end of the reporting period	154,367,554	154,494,854

Notes to the Condensed Consolidated Financial Statements

For the Half Year Ended 30 June 2018

4 Earnings per Share

Earnings used to calculate basic and diluted EPS

	30 June 2018 €	30 June 2017 €
Earnings used to calculate basic and diluted EPS	(2,275,948)	41,723

Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted EPS

	30 June 2018 No.	30 June 2017 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	545,507,391	545,505,146
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	545,507,391	545,505,146

At 30 June 2018 Unissued shares are anti dilutive. At 30 June 2017 earnings per share was calculated based on 700,000,000 ordinary shares, being the total number of issued ordinary shares which includes unsubscribed for shares. At 30 June 2017 there were 545,505,146 issued and subscribed for ordinary shares, and EPS is calculated based on these because unsubscribed shares do not participate. The prior year eps calculated on this basis is 0.00008 euros (earnings) per share.

5 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2018 (30 June 2017: None).

6 Related Parties

(a) Loans (to)/from related parties

	John Kieran Brennan	Richard Barry	Nicholas Linnane	Tomas Brennan	Patrick Noone	Bob Bryniak
Loans from Directors						
30 June 2018	2,025,048	26,678	77,771	5,400	(4,374)	850
31 December 2017	1,903,717	29,714	71,985	2,000	126	126

No interest is paid on Directors loans. Apart from the above there are no other transactions with director related entities.

7 Events Occurring After the Reporting Date

No other matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years

Moralltach Global PLC and Controlled Entities

ARBN 613 805 173

Notes to the Condensed Consolidated Financial Statements For the Half Year Ended 30 June 2018

8 Statutory Information

The registered office of the company is:

Moralltach Global PLC

San Juan

116/8 St Georges Road, St Julians, STJ 3203 Malta

The principal place of business is:

Bunclody Co Wexford Ireland

36 Archbishop Street

Valetta Malta

Moralltach Global PLC and Controlled Entities

ARBN 613 805 173

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 3 to 12 are in:
 - (a) complying with Accounting Standard IFRS 134: Interim Financial Reporting and
 - (b) give a true and fair view of the consolidated group's financial position as at 30 June 2018 and of its performance for the half-year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

A handwritten signature in dark ink, appearing to read 'Nick Linnane', is written over a light blue rectangular background.

Nick Linnane, Director

13th September 2018

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF A2A GN LTD

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half year financial report of Morraltach Global Plc and controlled entities ('the consolidated entity'), which comprises the consolidated statement of financial position as at 30 June 2018, consolidated statement profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Morraltach Plc and controlled entities is not in accordance with the *Corporations Act 2001* including:

- i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the half-year ended on that date; and
- ii. complying with AASB 134 *Interim Financial Reporting and the Corporation Regulations 2001*.

Significant Uncertainty Regarding Going Concern

We draw attention to Note 2 i of the consolidated financial report, which indicates that the Group incurred a loss of €2,275,948 during the half year to 30 June 2018, the company had cash on hand of €46,883 and current liabilities of €163,028. For the 6 months ended 30 June 2018 the company incurred a loss before taxation of €2,275,948 and net cash used by operating activities was €194,612. These conditions, along with other matters as set forth in Note 2(i), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Director's Responsibility for the Half-Year Financial Report

The directors' of Morraltach Global Plc are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of an Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Morraltach Global Plc and controlled entities financial position as at 30 June 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Morraltach Global Plc and controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This review report relates to the financial report of the Morraltach Global Plc and controlled entities for the half-year ended 30 June 2018 included on the website of Morraltach Global Plc. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on its integrity. This review report refers only to the half-year financial report identified above and it does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of this report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the reviewed financial report to confirm the information contained in this website version of the financial report.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

LNP Audit and Assurance Pty Ltd



Anthony Rose

Director

Sydney, 13 September 2018