12 December 2016

MARLOWE PLC
Half Year Results 2016

Marlowe plc ("Marlowe", the "Company" or the "Group"), the support services group focused on acquiring and developing companies that provide critical asset maintenance services, announces its unaudited results for the six month period ended 30 September 2016 (“Interim Report”).

The Interim Report includes the results for six months of ownership of Fire & Security (Group) Limited ("Swift") and WCS Environmental Group Limited ("WCS"), five months of Fire Alarm Fabrication Services Limited ("FAFS”) and one month of H2O Chemicals Limited (“H2O”). Hentland Limited (“Hentland”) and Titan Fire and Security Limited (“Titan”) were acquired after the period-end.

Summary of events since the start of the financial year:

- April:
  - Admission to AIM; placing to raise £3m and completion of the acquisition of Swift, one of the UK's leading fire and security systems businesses, forming Marlowe’s Fire Division;
  - Acquisition of WCS, a provider of integrated water treatment, hygiene, testing and engineering services, forming Marlowe’s Water Division;
- May: Acquisition of FAFS, a provider of fire protection services, further extending Marlowe's fire activities in the strategically-important London market;
- September: Placing to raise £10m and acquisition of H2O, a provider of integrated water treatment, hygiene and testing services, extending the geographical reach of Marlowe’s Water Division;
- October: Acquisition of Hentland, a national fire and security systems business, extending Marlowe’s Fire Division national coverage;
- November: Acquisition of Titan, developing further route density in the London market for the Fire Division;
- acquisitions are performing in line with expectations; integration plans well advanced and operational improvement initiatives proceeding to plan;
- encouraging initial momentum in cross-selling services between Fire and Water Divisions;
- a well-developed and attractive pipeline of opportunities to add further scale to the Group;
- as announced separately today, Marlowe is raising approximately £10 million through a placing, with the proceeds to be used to support Marlowe's acquisition-led growth strategy.

ADJUSTED RESULTS - Continuing operations	HY 2016
Revenue (£m)	17.7
EBITDA (£m)*	1.7
Operating profit (£m)**	1.4
Profit before tax (£m)**	1.3
EPS (p)	5.1

** Earnings Before Interest, Taxes, Depreciation and Amortisation (“EBITDA”)*
*** Before amortisation of intangible assets, share based payments, and acquisition and restructuring costs*

STATUTORY RESULTS - Continuing operations	HY 2016
Revenue (£m)	17.7
Operating profit (£m)	0.6
Profit before tax (£m)	0.5
Basic earnings per share (p)	1.6
Net cash (£m)	4.9

Commenting on the results Alex Dacre, Chief Executive, said

"We made good strategic and operational progress in the first six months of our first year of trading as Marlowe plc. We completed four acquisitions, and a further two since the period-end, providing us with a strong platform for growth in our initial target markets of fire protection, security systems and water treatment services. The integration of these acquisitions is proceeding to plan and we have a well-developed pipeline of attractive opportunities to add further scale to Marlowe as we implement our strategy of building a leading UK support services group in complementary areas of critical asset maintenance. The second half year has started well and we have revised our budget upwards to reflect recent trading and acquisitions. We are confident of making further progress through the second half of the year."

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CHIEF EXECUTIVE'S REVIEW

RESULTS SUMMARY AND STRATEGY

In its first six months of trading Marlowe delivered a strong financial performance and delivered profitable growth in line with expectations. The Interim Report includes the results for six months ownership of Fire & Security (Group) Limited ("Swift") and WCS Environmental Group Limited ("WCS"), five months of Fire Alarm Fabrication Services Limited ("FAFS") and one month of H2O Chemicals Limited ("H2O"). Hentland Limited ("Hentland"), and Titan Fire and Security Limited ("Titan") were acquired after the period-end.

Revenues from continuing operations were £17.7m. Adjusted operating profits were £1.4m and adjusted earnings per share were 5.1p.

We made strong progress in implementing our strategy to acquire and develop businesses in the outsourced business services sector with a focus on those that provide critical asset maintenance services. We are now focused on fire protection, security systems and water treatment services - complementary activities which are essential to our customers' operations, invariably governed by regulation, and where customers require a single specialist outsourced provider with nationwide coverage. Following the acquisitions of Swift and WCS we have established a presence in our initial target markets and structured the Group around two divisions: Fire and Water. Each division is operationally autonomous, with its own management team and operational expertise. Our strategy is based upon targeting and acquiring businesses where we can see opportunities for development through operational and financial improvements alongside targeted investment. Additionally, we look to add further scale and critical mass, which we can accelerate through strategic acquisitions.

Having established a strong platform in our Fire and Water divisions we are implementing our strategy of developing full national coverage across mainland UK. We consider the ability to service national customers efficiently and effectively to be an increasing barrier to entry in the route-based service markets in which we operate. The four further acquisitions that we have completed since Swift and WCS have significantly enhanced our geographical coverage in line with this objective. We now have engineers and customers in every region across the UK and are currently in the process of developing optimum route density and further critical mass in key locations. Each of the acquisitions is performing well and their integration is proceeding to plan, with the realisation of attractive cost and revenue synergies at Swift and WCS. Part of the rationale of entering two adjacent markets which share the same channel to market and similar operational characteristics is to take advantage of their common customer bases to drive cross-selling and new business referrals. We are beginning to realise the benefits of this strategy, with encouraging initial momentum in cross-referral contract wins across the Group. We are now in the process of building a customer relationship management system for all of our businesses to ensure that all appropriate services that we supply are offered to all existing and potential customers.

We will continue to pursue our strategy of organic and acquisitive growth and we are well positioned to gain further market share across both of our sectors. Our acquisitions team continues to develop an attractive pipeline of further opportunities to support Marlowe's acquisition-led growth strategy, and is currently focused on two areas. Firstly, we intend to build the scale of our core Fire and Water businesses and continue our strategy of consolidation in both these fragmented markets. Secondly, we will consider diversifying and broadening the services that the Group delivers by acquiring and developing specialist support service businesses in other complementary sectors.

At the start of the year we entered into new debt facilities with Lloyds Bank to support our growth. We currently have a total facility of £13m to provide resources for our continued growth. Alongside this, we raised an additional £13m of equity in the first half of the year through two placings with new and existing institutional investors. Former owners from three of the acquired companies have subsequently joined the Group and taken £4.3m of locked-in equity in Marlowe which we believe aligns the interests of our management teams closely with our shareholders. Additionally, as announced separately today, Marlowe is raising approximately £10 million through a further placing. These resources, along with further intended capital raises in future, will continue to support our growth strategy.

FIRE PROTECTION

Our fire protection business has six sites across the UK and employs in the region of 400 people, more than half of whom are highly-skilled service engineers who maintain and upgrade fire protection and security systems across the UK. The bulk of our revenues are derived from contracted maintenance, with planned service visits which are typically arranged months in advance alongside reactive repairs. We also install new fire and security systems for customers and focus on converting these new installations into long-term recurring service relationships. Revenues and operating profits from the Fire division were £14.4m and £1.4m respectively during the period.

The fire protection and security services that we provide tend to be mandated by regulation or legislation. In April we completed the £13m acquisition of Swift, one of the UK's leading providers of fire protection and security systems installation and maintenance services. In May 2016 we acquired FAFS, a London-based provider of fire protection services, for £2.5m. Following the period-end, we announced the £4.7m acquisition of Hentland which transforms our Fire Division to make Marlowe a top five operator in the fire protection market in the UK. Since then we acquired Titan Fire and Security in November for up to £0.7m, which will add further scale and route density to our fire and security systems operations in the strategically important London market.

Our fire protection business has benefitted from good underlying growth in the first six months as our base of recurring contracted revenues continues to grow across all disciplines. As part of the integration process, we have implemented initiatives, supported by investment, to increase the operational efficiency of the combined businesses and we are beginning to see the benefits of these. The rate at which we successfully resolve an issue during the first service visit and the number of service visits that an engineer is carrying out per day are rising, as is, crucially, the average revenue that each engineer is generating per day. Alongside integration, our focus during the period has been on enhancing and improving the systems and processes which support our service delivery, alongside various other service improvement initiatives. We are now established as one of the leading national fire and security systems businesses across the UK.

WATER TREATMENT

In April we acquired WCS for £1.9m. This acquisition established us as a provider of integrated water treatment, hygiene, testing and engineering services. We ensure that business premises remain compliant with water-related legislation and regulation by maintaining, upgrading and testing a wide variety of water systems. Revenues and operating profits from the Water division were £3.3m and £0.3m respectively during the period.

In September we acquired H2O for £2.5m which has doubled the size of our water treatment activities to make Marlowe the fifth largest operator in this attractive and fragmented market. Following the H2O acquisition, our business now employs approximately 200 people from four sites across the UK and operates as WCS Group, focused around a single national brand with a single national service delivery structure. The business is benefiting from its increased scale. Attractive synergies have been realised through the integration of the two businesses and we expect profitability to continue to improve. Following the implementation of initiatives to enhance our sales function, business development has been strong and has been further accelerated through referrals from the Fire division sales channel. Looking ahead, our Water division benefits from the strong visibility of the planned and preventative maintenance services that we provide.

GROUP

Head Office costs were £0.4m during the period.

PEOPLE

Since our first acquisition in April our Group has rapidly increased in scale and now employs over 600 people. The professionalism and initiative of our new colleagues, during a period of change under new ownership, has been impressive and I thank them for their hard and effective work in achieving our first six months of strong performance. As we build our businesses into market leaders we are relying on our people to continue to demonstrate this drive and enthusiasm.

OUTLOOK

The integration of our acquisitions is proceeding to plan and we have a well-developed pipeline of attractive opportunities to add further scale to Marlowe as we implement our strategy of building a leading UK support services group in complementary areas of critical asset maintenance. The second half year has started well and we have revised our budget upwards to reflect recent trading and acquisitions. We are confident of making further progress through the second half of the year.

Alex Dacre
Chief Executive 12 December 2016

Independent review report to Marlowe plc

Introduction

We have been engaged by Marlowe plc (the "Company") to review the financial information in the half-yearly financial report for the six months ended 30 September 2016 which comprises the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows and the related notes. We have read the other information contained in the half-yearly financial report which comprises only the Chief Executive's Review, and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

This report is made solely to the Company in accordance with guidance contained in Independent Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board. Our review work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusion we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The AIM Rules for Companies of the London Stock Exchange require that the accounting policies and presentation applied to the financial information in the half-yearly financial report are consistent with those which will be adopted in the annual accounts having regard to the accounting standards applicable for such accounts.

As disclosed in Note 1, the annual financial statements of Marlowe plc and its subsidiaries (the "Group") are prepared in accordance with IFRSs as adopted by the European Union. The financial information in the half-yearly financial report has been prepared in accordance with the basis of preparation in Note 1.

Our responsibility

Our responsibility is to express to the Company a conclusion on the financial information in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information 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 International Standards on Auditing (UK and Ireland) 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial information in the half-yearly financial report of the Company for the six months ended **30 September 2016** is not prepared, in all material respects, in accordance with the basis of accounting described in Note 1.

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
09 December 2016

Consolidated Statement of Comprehensive Income

For the six months ended 30 September 2016

	Note	Unaudited six months ended 30 September 2016			Audited year ended 31 March 2016*
		Adjusted Results	Acquisition and other costs	2016	
		£'m	£'m	£'m	£'m
Revenue		17.7	-	17.7	-
Cost of sales		(11.2)	-	(11.2)	-
Gross profit		6.5	-	6.5	-
Administrative expenses		(5.1)	-	(5.1)	-
Acquisition costs		-	(0.2)	(0.2)	-
Restructuring costs		-	(0.1)	(0.1)	(0.1)
Amortisation of acquisition intangibles		-	(0.3)	(0.3)	-
Share Based Payments		-	(0.2)	(0.2)	-
Operating profit		1.4	(0.8)	0.6	(0.1)
Finance costs		(0.1)	-	(0.1)	-
Profit/(loss) before tax		1.3	(0.8)	0.5	(0.1)
Income tax charge	2	(0.2)	-	(0.2)	-
Profit/(loss) and total comprehensive income for the period from continuing operations		1.1	(0.8)	0.3	(0.1)
Profit attributable to owners of the parent		1.1	(0.8)	0.3	**(0.1)**
Earnings per share attributable to owners of the parent (pence)					
Total					
- Basic	3	5.1p		1.6p	(0.9p)
- Diluted	3	5.1p		1.6p	(0.9p)

* Prior period results for the Company only

Consolidated Statement of Changes in Equity

For the six months ended 30 September 2016

	Share capital	Merger relief reserve	Share premium	Other reserves	Retained earnings	Total equity
	£'m	£'m	£'m	£'m	£'m	£'m
Balance at 14 January 2016	-	-	-	-	-	-
Loss for the period	-	-	-	-	(0.1)	(0.1)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(0.1)**	**(0.1)**
Issue of share capital	7.3	0.3	-	-	-	7.6
Liquidation of Marlowe Holdings Limited	-	(0.3)	-	-	0.3	-
Transaction with owners	**7.3**	**-**	**-**	**-**	**0.3**	**7.6**
Balance at 31 March 2016*	**7.3**	**-**	**-**	**-**	**0.2**	**7.5**
Balance at 1 April 2016	**7.3**	**-**	**-**	**-**	**0.2**	**7.5**
Profit for the period	-	-	-	-	0.3	0.3
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**0.3**	**0.3**
Issue of share capital	6.4	-	10.9	-	-	17.3
Issue costs	-	-	(0.2)	-	-	(0.2)
Share-based payments charge	-	-	-	0.2	-	0.2
Transaction with owners	**6.4**	**-**	**10.7**	**0.2**	**-**	**17.3**
Balance at 30 September 2016	**13.7**	**-**	**10.7**	**0.2**	**0.5**	**25.1**

* Prior period results for the Company only

Consolidated Statement of Financial Position

At 30 September 2016

	Note	Unaudited six months ended 30 September 2016 £'m	Audited period ended 31 March 2016* £'m
ASSETS			
Non-current assets			
Intangible assets	7	17.2	-
Property, plant and equipment		1.4	-
		18.6	**-**
Current assets			
Inventories		0.8	-
Trade and other receivables		10.4	-
Cash and cash equivalents		10.3	10.6
		21.5	**10.6**
Total assets		**40.1**	**10.6**
LIABILITIES			
Current liabilities			
Trade and other payables		(7.7)	(0.1)
Financial liabilities - borrowings	8	(1.1)	-
Other financial liabilities		(0.1)	-
Current tax liabilities		(0.7)	-
Subscription received in advance		-	(3.0)
		(9.6)	**(3.1)**
Non-current liabilities			
Financial liabilities	8	(4.3)	-
Deferred tax liabilities		(1.1)	-
		(5.4)	**-**
Total liabilities		**(15.0)**	**(3.1)**
Net assets		**25.1**	**7.5**
Equity			
Share capital		13.7	7.3
Share premium account		10.7	-
Other reserves		0.2	-
Retained earnings		0.5	0.2
Equity attributable to owners of parent		**25.1**	**7.5**

* Prior period results for the Company only

Consolidated Statement of Cash Flows
For the six months ended 30 September 2016

	Note	Unaudited six months ended 30 September 2016 £'m	Audited period ended 31 March 2016* £'m
Cash flows from operating activities			
Net cash generated from operations	6	0.8	-
Net cash generated from operating activities		**0.8**	**-**
Cash flows from investing activities			
Purchases of property, plant and equipment		(0.2)	-
Disposal of property, plant and equipment		-	-
Purchase of subsidiaries including acquisition costs, net of cash acquired		(13.3)	-
Cash received on acquisition of Marlowe Holdings Limited		-	10.6
Net cash flows generated/(used) in investing activities		**(13.5)**	**10.6**
Cash flows from financing activities			
Proceeds from share issues		10.0	-
Cost of share issues		(0.2)	-
Repayment of borrowings		(4.1)	-
New bank loans raised		6.5	-
Other financing activities		0.2	-
Net cash (used)/generated in financing activities		**12.4**	**-**
Net (decrease)/increase in cash and cash equivalents		**(0.3)**	**10.6**
Cash and cash equivalents at start of period		**10.6**	**-**
Cash and cash equivalents at the end of period		**10.3**	**10.6**
Cash and cash equivalents shown above comprise:			
Cash at bank		10.3	10.6

* Prior period results for the Company only

Notes to the Consolidated Interim Report
For the six months ended 30 September 2016

1 Basis of preparation

The consolidated interim financial information of the Group for the half year ended 30 September 2016 was approved by the Board of Directors and authorised for issue on 09 December 2016. The disclosed figures are not statutory accounts in terms of Section 434 of the Companies Act 2006. Statutory accounts for the period ended 31 March 2016, on which the auditors gave an audit report which was unqualified and did not contain a statement under section 498(2) or (3) of the Companies Act 2006, have been filed with the Registrar of Companies. The annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union.

This half-yearly report has been prepared on a basis consistent with the accounting policies expected to be applied for the period ending 31 March 2017, and uses the same accounting policies and methods of computation applied for the year ended 31 March 2017.

There were no new relevant standards or interpretations to be adopted for the six month ended 30 September 2016.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these half-yearly financial statements.

Prior period numbers are for the Company only.

2 Tax

The underlying tax charge is based on the expected effective tax rate (20%) for the full year ending 31 March 2017 applied to taxable trading profits for the period.

3 Earnings per ordinary share

Basic earnings per share have been calculated on the profit after tax for the period and the weighted average number of ordinary shares in issue during the period.

	Unaudited six months ended 30 September 2016	Audited period ended 31 March 2016
Weighted average number of shares in issue	21,773,938	14,584,999
Total profit/(loss) after tax for the period	£0.3m	(£0.13m)
Total basic earnings per ordinary share (pence)	1.6	(0.9)
Weighted average number of shares in issue	21,773,938	14,584,999
Executive incentive plan	49,655	-
Weighted average fully diluted number of shares in issue	21,823,593	14,584,999
Total fully diluted earnings per share (pence)	1.6	(0.9)
Continuing gain/(loss for the year)	£0.3m	(£0.13m)
Continuing basic earnings per share (pence)	1.6	(0.9)
Continuing fully diluted earnings per share (pence)	1.6	(0.9)

The Directors believe that adjusted basic earnings per share provide a more appropriate representation of the underlying earnings derived from the Group's business. The adjusted items are shown in the table below:

	Unaudited six months ended 30 September 2016 £'m	Audited period ended 31 March 2016 £'m
Profit before tax for the period	0.5	(0.1)
Adjustments:		
Acquisition costs	0.2	
Restructuring costs	0.1	0.1
Amortisation of intangible assets	0.3	-
Share-based payments charge	0.2	-
Adjusted profit for the period	**1.3**	**-**
Depreciation	0.3	**-**
Finance charges	0.1	**-**
Earnings Before Interest, Taxes, Depreciation and Amortisation ("EBITDA")	**1.7**	**-**

The additional earnings per share, based on weighted average number of shares in issue during the period, is calculated below:

	Unaudited six months ended 30 September 2016	Audited period ended 31 March 2016
Adjusted profit before tax (£'m)	1.3	-
Tax at 20%	(0.2)	-
Adjusted profit after taxation (£'m)	1.1	-
Adjusted basic earnings per share (pence)	5.1	(0.3)
Adjusted fully diluted earnings per share (pence)	5.1	(0.2)

4 Called up Share Capital

The following shares were issued during the period:

	No. of shares 'm	Share capital £'m	Share premium £'m
Balance at 1 April 2016	**14.6**	**7.3**	**-**
1 April 2016 - Subscription Shares	3.0	1.5	1.5
1 April 2016 - Consideration Shares ("Swift")	3.5	1.8	1.7
15 April 2016 - Consideration Shares ("WCS")	0.2	0.1	0.2
15 April 2016 - Loan Repayment Shares ("WCS")	0.1	-	0.1
7 September 2016 - Consideration Shares ("H2O")	0.2	0.1	0.3
9 September 2016 - Subscription Shares	3.0	1.5	3.6
27 September 2016 - Subscription Shares	2.9	1.4	3.5
Directly attributable costs	-	-	(0.2)
Balance at 30 September 2016	**27.5**	**13.7**	**10.7**

5 Dividends

The Company has not declared any dividends in respect of the current or prior period.

6 Cash inflow from operations

	Note	Unaudited six months ended 30 September 2016 £'m	Audited period ended 31 March 2016 £'m
Profit before tax		0.5	-
Depreciation of property, plant and equipment		0.3	-
Amortisation of intangible assets		0.3	-
Net finance costs		0.1	-
Acquisition costs		0.2	-
Share-based payments charge		0.2	-
(Increase) in inventories		(0.1)	-
Increase in trade and other receivables		(0.6)	-
(Decrease) in trade and other payables		(0.1)	-
Net cash generated from operations		0.8	-

7 Intangible assets

	Goodwill £'m	Customer relationships £'m	Research & development £'m	Total £'m
Cost				
14 January 2016	-	-	-	-
31 March 2016	**-**	**-**	**-**	**-**
Cost				
1 April 2016	-	-	-	-
Acquired with subsidiary	12.7	4.8	0.2	17.7
30 September 2016	**12.7**	**4.8**	**0.2**	**17.7**
Accumulated amortisation and impairment				
14 January 2016	-	-	-	-
Charge for the period	-	-	-	-
31 March 2016	**-**	**-**	**-**	**-**
Accumulated amortisation and impairment				
1 April 2016				
Acquired with subsidiary	-	-	(0.2)	(0.2)
Charge for the period	-	(0.3)	-	(0.3)
30 September 2016	**-**	**(0.3)**	**(0.2)**	**(0.5)**
Carrying amount				
31 March 2016	-	-	-	-
30 September 2016	**12.7**	**4.5**	**-**	**17.2**

8 Net Debt

Analysis of net debt:

	Unaudited 30 September 2016 £'m	Audited 31 March 2016 £'m
Cash at bank and in hand	10.3	10.6
Bank loans and overdrafts due within one year	(1.1)	-
Bank loans due after one year	(4.3)	-
	4.9	10.6

9 Business combinations

<u>Acquisition of Fire and Security (Group) Limited</u>

On 1 April 2016 the Company acquired Fire and Security (Group) Limited (“Swift”), a fire protection and security solutions business, for a total consideration of £13.0 million, satisfied by the payment of £8.5 million in cash on completion, £1.0 million in cash on 31 May 2016 and £3.5million satisfied by the issuance of 3.5 million ordinary shares in the Company. The provisional fair values are as follows

Provisional fair value at acquisition	**£’m**
Trade and other receivables	6.5
Intangible assets – customer relationships	3.0
Cash	0.5
Property, plant and equipment	0.9
Inventories	0.6
Intangible assets – order backlog	0.2
Trade and other payables	(5.9)
Deferred tax liabilities	(0.7)
Loans payable	(1.2)
Tax liabilities	(0.2)
Net assets acquired	3.7
Goodwill	9.3

One hundred percent of the equity of Swift was acquired in this transaction. Deferred tax has been provided on the value of the intangible assets at the tax rate applicable at the time the asset is expected to be realised. Acquisition costs of £94k have been charged to profit or loss.

Acquisition of WCS Environmental Group Limited

On 15 April 2016 the Company acquired WCS Environmental Group Limited ("WCS"), a provider of integrated water treatment, hygiene, testing and engineering services, for a total consideration of £1.9 million, satisfied by the payment of £1.6 million in cash and £0.3m satisfied by the issuance of 209,734 ordinary shares of the Company. The provisional fair values are as follows:

Provisional fair value at acquisition	**£'m**
Trade and other receivables	1.3
Intangible assets – customer relationships	0.6
Property, plant and equipment	0.2
Trade and other payables	(0.6)
Loans payable	(0.6)
Deferred tax liabilities	(0.1)
Tax liabilities	(0.1)
Net assets acquired	0.7
Goodwill	1.2

One hundred percent of the equity of WCS was acquired in this transaction. Deferred tax has been provided on the value of the intangible assets at the tax rate applicable at the time the asset is expected to be realised. Acquisition costs of £11k have been charged to profit or loss.

Acquisition of Fire Alarm Fabrication Services Limited

On 12 May 2016 the Company acquired Fire Alarm Fabrication Services Limited ("FAFS"), a provider of fire protection services, for a total consideration of £2.5 million, satisfied by the payment of £2.4 million in cash on completion and £0.1 million in cash payable subject to the achievement of certain performance targets by the acquired business in the period ending 11 May 2017 (discounted value £95k). The provisional fair values are as follows:

Provisional fair value at acquisition	**£'m**
Trade and other receivables	0.8
Cash	0.7
Property – sale and leaseback receivable	0.5
Intangible assets – customer relationships	0.2
Property, plant and equipment	0.2
Trade and other payables	(0.2)
Tax liabilities	(0.2)
Deferred tax liabilities	(0.1)
Net assets acquired	1.9
Goodwill	0.6

One hundred percent of the equity of FAFS was acquired in this transaction. Deferred tax has been provided on the value of the intangible assets at the tax rate applicable at the time the asset is expected to be realised. Acquisition costs of £42k have been charged to profit or loss.

Acquisition of H2O Chemicals Limited

On 8 September 2016 the Company acquired H2O Chemicals Limited ("H2O"), a water treatment and hygiene specialist, for a total consideration of £2.5m, satisfied by the payment of £2.1m in cash and £0.4m satisfied by the issuance of 211,765 ordinary shares of the Company. The provisional fair values are as follows:

Provisional fair value at acquisition	**£'m**
Trade and other receivables	1.3
Property – sale and leaseback receivable	0.6
Intangible assets – customer relationships	1.0
Loan receivable	0.2
Property, plant and equipment	0.1
Cash	0.1
Loans payable	(1.2)
Trade and other payables	(0.9)
Deferred tax liabilities	(0.2)
Tax liabilities	(0.1)
Net assets acquired	0.9
Goodwill	1.6

One hundred percent of the equity of H2O was acquired in this transaction. Deferred tax has been provided on the value of the intangible assets at the tax rate applicable at the time the asset is expected to be realised. Acquisition costs of £43k have been charged to profit or loss.

10 Post balance sheet events

Subsequent to the period end the Company made the following acquisitions:

On 15 October, the Company acquired the business and assets of Hentland Limited, a provider of fire protection and security services, for a total consideration of £4.7m, satisfied by the payment of £4.7m cash on completion. A purchase price allocation exercise has not yet been performed.

One hundred percent of the equity was acquired in this transaction.

On 3 November, the Company, acquired the business and assets of Titan Fire and Security Limited ("Titan"), a provider of fire protection services, for a total consideration of £0.8m, satisfied by the payment of £0.5m in cash on completion and two cash payments of £0.15m payable subject to the achievement of certain performance targets by the acquired business in six and twelve months post acquisition. A purchase price allocation exercise has not yet been performed.

One hundred percent of the equity was acquired in this transaction.