COMPANY REGISTRATION NO. 6324278

PERFORM GROUP LIMITED

QUARTERLY FINANCIAL REPORT

FOR THE THREE MONTHS ENDED 31 MARCH 2017

PERFORM GROUP LIMITED
QUARTERLY FINANCIAL REPORT

CONTENTS **PAGE**

PERFORM GROUP LIMITED
QUARTERLY FINANCIAL REPORT

DISCLAIMER

This document is for information purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities in Perform Group Limited or any of its subsidiaries (collectively the “Group”). Furthermore it does not constitute a recommendation by Perform Group Limited or any other party to sell or buy securities in any member of the Group or any other securities. All forward-looking statements attributable to Perform Group Limited or persons acting on their behalf are qualified in their entirety by these cautionary statements.

INTRODUCTION

On 16 November 2015, Perform Group Financing plc (the "Issuer"), a wholly-owned subsidiary of Perform Group Limited (the "Parent" and, together with its subsidiaries, "Perform" or the "Group"), issued £175.0 million aggregate principal amount of 8.5% senior secured notes due 2020 (the "Notes"). On the same date, certain members of the Group entered into a new £50.0 million multi-currency senior secured revolving credit facility (the "RCF") (together with the issuance of the Notes, the "Refinancing Transactions").

The purpose of the Refinancing Transactions was to, amongst other things, fund the launch of its OTT Business (as defined in the Group's offering memorandum dated 11 November 2015 (the "Offering Memorandum")) (the "OTT Business Cash Investment"), repay the amounts drawn under, and terminate, the Group's Existing Revolving Credit Facility (as defined in the Offering Memorandum) (the "Old RCF") and to fund contractual commitments to pay contingent consideration in respect of certain of the Group's acquisitions.

The Notes and the RCF are or will be (a) guaranteed on a senior secured basis by the Parent and certain of its subsidiaries (the "Guarantors") and (b) secured on the first-ranking basis by security interests granted over certain assets of the Parent and the Guarantors, each as further described in the Offering Memorandum.

All of the Group's subsidiaries with the exception of the OTT Business constitute the "Restricted Group", which is subject to the covenants and restrictions contained in the indenture governing the Notes (the "Indenture"). The OTT Business constitutes the "Unrestricted Group", which is not directly subject to the covenants under the Indenture. The amount of the OTT Business Cash Investment, and certain other activities in relation to the OTT Business are, therefore, outside of the Restricted Group for the purposes of the Indenture, but is reflected in the balance sheet of the Group.

The Parent is required under the Indenture to provide to holders of the Notes quarterly and annual financial statements covering its consolidated financial condition, and results of operations accompanied by a discussion and analysis of those results.

The condensed consolidated financial statements contained within this report set out the financial condition and results of the Group, which comprises both the Restricted and Unrestricted Groups. A dis-aggregation of the Group between the Restricted and Unrestricted Groups is set out in note 14. Management's discussion and analysis of the financial condition and results of operations of the Restricted Group is set out below.

PERFORM GROUP LIMITED
QUARTERLY FINANCIAL REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICTED GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICTED GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2017

Overview

Perform Group Limited is pleased to announce its results for the quarter ended 31 March 2017.

Perform is a global market leader in the commercialisation of multimedia sports content across multiple Internet-enabled digital platforms. Perform uses proprietary content collection, production and distribution capabilities, alongside industry-leading digital products, to generate revenue through a mix of licensing content, media (display and video based advertising and sponsorship), and, to a lesser extent, technology and production service fees. Perform's portfolio of digital sports media rights serves as the basis for its content business and parts of its media business. Perform seeks to use long-standing relationships with rights owners to acquire rights to a broad portfolio of sporting leagues, tournaments and events with differing schedules to drive its business.

Commentary on results

The following discussion of the Restricted Group's financial condition and results of operations should be read in conjunction with the unaudited condensed consolidated financial statements and the related notes, in particular the disaggregation of the Group's total financial condition and results between the Restricted and Unrestricted Group set out in note 14.

Income Statement

	3 months ended			LTM
	31 March 2017 £m	31 March 2016 £m	Movement £m	**31 March 2017 £m**
Revenue	**75.7**	66.6	9.1	**298.4**
Cost of sales	**(44.1)**	(39.9)	(4.2)	**(156.4)**
Gross profit	**31.6**	26.7	4.9	**142.0**
Administrative expenses	**(33.7)**	(29.6)	(4.1)	**(126.0)**
Group operating (loss)/profit	**(2.1)**	(2.9)	0.8	**16.0**
Analysed as:				
Adjusted EBITDA	**5.9**	6.7	(0.8)	**47.1**
Exceptional items	**(0.1)**	(2.9)	2.8	**1.3**
Long-term incentive schemes	**(1.1)**	(1.2)	0.1	**(5.5)**
EBITDA	**4.7**	2.6	2.1	**42.9**
Amortisation and depreciation	**(5.1)**	(3.8)	(1.3)	**(20.6)**
Acquisition-related amortisation	**(1.7)**	(1.7)	-	**(6.3)**
Group operating (loss)/profit	**(2.1)**	(2.9)	0.8	**16.0**
Net finance costs	**(1.0)**	(2.3)	1.3	**(5.9)**
Group (loss)/profit before tax	**(3.1)**	(5.2)	2.1	**10.1**
Tax (charge)/credit	**(0.5)**	0.1	(0.6)	**(6.2)**
Group (loss)/profit after tax	**(3.6)**	(5.1)	1.5	**3.9**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICTED GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2017

Revenue

	3 months ended			LTM
	31 March 2017 £m	31 March 2016 £m	Movement £m	**31 March 2017 £m**
Content	**54.5**	46.4	8.1	**206.2**
Media	**13.6**	13.1	0.5	**65.8**
Other	**7.6**	7.1	0.5	**26.4**
	75.7	66.6	9.1	**298.4**

Revenue increased by £9.1 million to £75.7 million for the three months ended 31 March 2017 ("Q1 2017") from £66.6 million for the three months ended 31 March 2016 ("Q1 2016").

Content revenue

Content revenues increased 17% (£8.1 million) to £54.5 million (Q1 2016: £46.4 million) reflecting the launch of the WTA partnership in Q1 2017 and the continued growth in data and news products.

Media revenue

Media revenue increased 4% (£0.5 million) to £13.6 million (Q1 2016: £13.1 million) reflecting strong growth in Europe and APAC, partially offset by declining US video.

Other revenue

Other revenues increased by £0.5 million to £7.6 million (Q1 2016: £7.1 million) driven by an increase in revenue generated from the Groups "Sports Cloud" product.

Gross profit

Gross profit increased £4.9 million to £31.6 million (Q1 2016: £26.7 million) primarily due to the £9.1 million increase in revenues, offset by a £4.2 million increase in cost of sales to support the growth in content revenues.

Administrative expenses

Administrative expenses increased £4.1 million to £33.7 million (Q1 2016: £29.6 million) due to the following:

- Operational costs increased £5.6 million to £26.8 million (Q1 2016: £21.2 million) to support the increase in content revenues and the launch of the new strategic rights partnerships in 2017;
- Depreciation and amortisation costs increased by £1.3 million to £6.8 million (Q1 2016: £5.5 million)
- Exceptional item costs decreased £2.8 million to £0.1 million (Q1 2016: £2.9 million).

Exceptional items

Exceptional items decreased by £2.8 million to £0.1 million (Q1 2016: £2.9 million) due to the following:

- £0.9 million decrease in costs related to acquisition, corporate and restructuring activities (Q1 2016: £1.0 million);
- no re-measurement of deferred consideration in respect of the Mackolik acquisition for which the final payment was settled in the second quarter of 2016 (Q1 2016: £0.2 million); and
- no foreign exchange gain or loss upon revaluation of deferred consideration related to the Mackolik acquisition which was settled in the second quarter of 2016 (Q1 2016: £1.8 million loss).

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICTED GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2017

Operating loss

Operating loss decreased £0.8 million to £2.1 million (Q1 2016: £2.9 million loss) due to the £4.9 million increase in gross profit offset by a £4.1 million increase in administration expenses as explained above.

Net finance costs

Net finance costs decreased £1.3 million to £1.0 million (Q1 2016: £2.3 million). The Q1 2017 charge consists of the following:

- interest, bank fees and related charges (including the amortisation of arrangement fees due on the Group's senior secured notes and revolving credit facility) of £4.8 million (Q1 2016: £4.5 million); offset by
- £nil accretion of deferred consideration related to the Mackolik acquisition which was settled in the second quarter of 2016 (Q1 2016: £0.8 million); and
- £nil gain on revaluation of the Group's foreign exchange hedge which was used to part fund the acquisition of the remaining 49% of Mackolik (Q1 2016: £0.9 million); and
- interest due from the Unrestricted Group of £3.8 million (Q1 2016: £2.3 million).

Taxation

The tax charge for the period is £0.5 million (Q1 2016: £0.1 million (credit)). This includes a current tax charge of £0.8 million (Q1 2016: £2.2 million (credit)) and a deferred tax credit of £0.3 million (Q1 2016: £2.1 million (charge related to historical deferred tax asset write offs.)).

Loss after tax

Loss after tax decreased by £1.5 million to £3.6 million (Q1 2016: £5.1 million loss) due to the decrease in operating loss (£0.8 million), the decrease in net finance costs (£1.3 million) offset by an increase in the tax charge (£0.6 million).

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICTED GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2017

Cash flow

	3 months ended			LTM
	31 March 2017 £m	31 March 2016 £m	Movement £m	**31 March 2017 £m**
Adjusted EBITDA	**5.9**	6.7	(0.8)	**47.1**
Movements in working capital	**-**	15.3	(15.3)	**(16.0)**
Corporation tax payments	**(1.5)**	(2.3)	0.8	**(3.9)**
Cash inflow from operating activities (pre-exceptional items)	**4.4**	19.7	(15.3)	**27.2**
Exceptional items	**-**	(0.4)	0.4	**(1.1)**
Cash inflow from operating activities (post exceptional items)	**4.4**	19.3	(14.9)	**26.1**
Capital expenditure	**(5.4)**	(5.3)	(0.1)	**(22.2)**
Acquisition of subsidiaries	**-**	-	-	**(5.1)**
Investment income	**0.1**	0.1	-	**0.3**
Cash outflow from investing activities	**(5.3)**	(5.2)	(0.1)	**(27.0)**
Dividends paid to non-controlling interests	**-**	-	-	**(2.2)**
Acquisitions of non-controlling interests	**-**	-	-	**(28.0)**
Borrowings and drawdowns	**-**	-	-	**26.0**
Proceeds from issues of shares and other equity securities	**-**	-	-	**34.1**
Loan to Unrestricted Group	**-**	-	-	**(60.1)**
Interest and fees	**(0.4)**	(0.7)	0.3	**(16.7)**
Cash outflow from financing activities	**(0.4)**	(0.7)	0.3	**(46.9)**
Net (decrease)/increase in cash	**(1.3)**	13.4	(14.7)	**(47.8)**
Cash at start of period	**31.5**	61.1	(29.6)	**75.5**
Effect of foreign currency exchange rates	**(0.1)**	1.0	1.1	**2.4**
Cash at end of period	**30.1**	75.5	(43.2)	**30.1**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICTED GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2017

Operating activities (after exceptional items)

Cash inflows from operating activities decreased £14.9 million to £4.4 million (Q1 2016: £19.3 million) due to a £0.8 million decrease in adjusted EBITDA to £5.9 million (Q1 2016: £6.7 million) offset by a £0.4 million decrease in exceptional payments to £nil (Q1 2016: £0.4 million). This is combined with a £15.3 million decrease in working capital outflow to £nil (Q1 2016: £15.3 million inflow) and a decrease in corporation tax payments of £0.8 million to £1.5 million (Q1 2016: £2.3 million).

Investing activities

Cash outflow from investing activities increased £0.1 million to an outflow of £5.3 million (Q1 2016: £5.2 million outflow) due to an increase in capital expenditure of £0.1 million to £5.4 million (Q1 2016: £5.3 million).

Financing activities

Cash from financing activities decreased £0.3 million to an outflow of £0.4 million (Q1 2016: £0.7 million outflow) due to a decrease in interest and fees of £0.3 million to an outflow of £0.4 million (Q1 2016: £0.7 million outflow) due to a decrease in debt facility related costs.

Debt and liquidity

As at 31 March 2017 the Restricted Group held cash of £30.1 million (Q1 2016: £75.5 million, Q4 2016: £31.5 million) and had net debt of £28.4 million (Q1 2016: £72.7 million, Q4: 2016: £27.6 million) (representing net borrowings and accrued interest of £199.3 million (Q1 2016: £170.1 million, Q4 2016: £194.8 million) offset by borrowings provided to the Unrestricted Group including accrued interest receivable of £170.9 million (Q1 2016: £97.4 million, Q4 2016: £167.2 million).

PERFORM GROUP LIMITED
QUARTERLY FINANCIAL REPORT

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE TOTAL GROUP
FOR THE THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)

PERFORM GROUP LIMITED

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)

		3 months ended	
All results relate to continuing operations	**Notes**	**31 March 2017 £'000**	31 March 2016 £'000
Revenue		**79,154**	64,139
Cost of sales		**(57,249)**	(40,701)
Gross profit		**21,905**	23,438
Administrative expenses		**(67,040)**	(32,638)
Group operating loss		**(45,135)**	(9,200)
Finance income		**131**	113
Finance costs	4	**(7,419)**	(4,615)
Group loss before tax		**(52,423)**	(13,702)
Taxation (charge)/credit	5	**(708)**	83
Group loss for the period after tax		**(53,131)**	(13,619)
Group loss for the period attributable to:			
Owners of the Parent		**(53,097)**	(14,497)
Non-controlling interests		**(34)**	878
		(53,131)	(13,619)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)

	3 months ended	
	31 March 2017 £'000	31 March 2016 £'000
Group loss for the period	**(53,131)**	(13,619)
Items that may be reclassified subsequently to profit or (loss):		
Exchange differences on translating foreign operations goodwill and acquisition intangibles held in foreign currencies	**1,567**	7,270
Total comprehensive loss for the period	**(51,564)**	(6,349)
Total comprehensive loss for the period attributable to:		
Owners of the Parent	**(51,530)**	(7,227)
Non-controlling interest	**(34)**	878
	(51,564)	(6,349)

PERFORM GROUP LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)

	Called-up share capital £'000	Share premium £'000	Merger relief reserve £'000	Capital redemption reserve £'000	Retained earnings £'000	Foreign exchange reserve £'000	Other reserves £'000	Equity attributable to owners of the Parent £'000	Non-controlling interests £'000	Total Equity £'000
At 1 January 2016	**7,356**	**68,323**	**93,533**	**38,342**	**18,013**	**(20,037)**	**44,165**	**249,696**	**2,858**	**252,554**
(Loss)/profit for the year	-	-	-	-	(79,715)	-	-	(79,715)	1,004	(78,711)
FX on translating foreign operations, goodwill and intangible assets	-	-	-	-	-	21,532	-	21,532	-	21,532
Total comprehensive (loss)/profit for the year	**-**	**-**	**-**	**-**	**(79,715)**	**21,532**	**-**	**(58,183)**	**1,004**	**(57,179)**
Payment of dividends to non-controlling interests	-	-	-	-	-	-	2,258	2,258	(2,258)	-
Issuance of derivative liability	-	-	-	-	(8,000)	-	-	(8,000)	-	(8,000)
Share capital / premium issued	129	33,987	-	-	-	-	-	34,116	-	34,116
Adjustment arising from change in non-controlling interest	-	-	-	-	46,382	-	(46,423)	(41)	(2,217)	(2,258)
At 31 December 2016	**7,485**	**102,310**	**93,533**	**38,342**	**(23,321)**	**1,495**	**-**	**219,844**	**(613)**	**219,231**
Loss for the year	-	-	-	-	(53,097)	-	-	(53,097)	(34)	(53,131)
FX on translating foreign operations, goodwill and intangible assets	-	-	-	-	-	1,567	-	1,567	-	1,567
Total comprehensive loss for the year	**-**	**-**	**-**	**-**	**(53,097)**	**1,567**	**-**	**(51,530)**	**(34)**	**(51,564)**
Issuance of derivative liability	-	-	-	-	(4,000)	-	-	(4,000)	-	(4,000)
At 31 March 2017	**7,485**	**102,310**	**93,533**	**38,342**	**(80,418)**	**3,062**	**-**	**164,314**	**(647)**	**163,667**

PERFORM GROUP LIMITED

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2017 (UNAUDITED)

	Notes	**31 March 2017 £'000**	31 December 2016 £'000	31 March 2016 £'000
Non-current assets				
Goodwill		**208,654**	203,243	190,605
Acquisition intangibles		**52,342**	54,277	53,558
Other intangible assets		**35,143**	34,022	26,903
Property, plant and equipment		**27,215**	23,923	18,982
Deferred tax asset		**5,852**	5,867	8,860
		329,206	321,332	298,908
Current assets				
Trade and other receivables		**50,135**	48,410	39,660
Prepayments		**225,695**	157,672	82,906
Cash and cash equivalents	6	**92,127**	134,880	112,888
		367,957	340,962	235,454
Total assets		**697,163**	662,294	534,362
Current liabilities				
Trade and other payables		**(155,956)**	(124,302)	(70,852)
Derivative liability		**(12,000)**	(8,000)	-
Current acquisition-related financial liabilities	8	**-**	-	(34,458)
Current borrowings	6	**(160,218)**	(103,609)	(5,578)
Current tax liabilities		**(1,794)**	(3,827)	(1,322)
		(329,968)	(239,738)	(112,210)
Net current assets		**37,989**	101,224	123,244
Non-current liabilities				
Non-current borrowings	6	**(193,382)**	(192,817)	(164,552)
Deferred tax liability		**(10,146)**	(10,508)	(11,396)
		(203,528)	(203,325)	(175,948)
Total liabilities		**(533,496)**	(443,063)	(288,158)
Net assets		**163,667**	219,231	246,204
Equity				
Called-up share capital	7	**7,485**	7,485	7,356
Share premium		**102,310**	102,310	68,323
Merger relief reserve		**93,533**	93,533	93,533
Capital redemption reserve		**38,342**	38,342	38,342
Retained earnings		**(80,418)**	(23,321)	3,516
Foreign exchange reserve		**3,062**	1,495	(12,767)
Other reserves		**-**	-	44,165
Equity attributable to owners of the Parent		**164,314**	219,844	242,468
Non-controlling interests		**(647)**	(613)	3,736
Total equity		**163,667**	219,231	246,204

PERFORM GROUP LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE ENDED 31 MARCH 2017 (UNAUDITED)

	3 months ended	
	31 March 2017 £'000	31 March 2016 £'000
Operating activities		
Group operating loss	**(45,135)**	(9,200)
Increase in trade and other receivables	**(69,747)**	(21,977)
Increase in trade and other payables	**25,238**	17,211
Depreciation and amortisation (including acquisition intangibles amortisation)	**8,741**	5,650
Employee long-term incentive schemes	**1,568**	1,333
Exceptional items	**67**	2,896
Corporation tax payments	**(2,112)**	(2,266)
Cash outflow from operating activities (prior to exceptional items)	**(81,380)**	(6,353)
Payments in respect of exceptional items	**-**	(422)
Cash outflow from operating activities (after exceptional items)	**(81,380)**	(6,775)
Investing activities		
Purchases of property, plant and equipment	**(5,251)**	(6,830)
Purchases of intangible assets	**(6,640)**	(3,510)
Investment income	**131**	113
Cash outflow from investing activities	**(11,760)**	(10,227)
Financing activities		
Borrowings (net of bank fees and costs)	**50,000**	-
Interest, bank fees and related charges	**(357)**	(653)
Cash inflow/(outflow) from financing activities	**49,643**	(653)
Net decrease in cash and cash equivalents in the period (all continuing operations)	**(43,497)**	(17,655)
Cash and cash equivalents at start of period	**134,880**	129,549
Effect of foreign currency exchange rates	**744**	994
Cash and cash equivalents at end of period	**92,127**	112,888

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)

1. General Information

These condensed consolidated financial statements for the three months ended 31 March 2017 do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for the year to 31 December 2016 has been delivered to the Registrar of Companies. The auditor reported on those accounts: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

2. Accounting policies

Basis of preparation

The annual financial statements of Perform Group Limited are prepared in accordance with IFRS as adopted by the European Union and as issued by the International Accounting Standards Board (IASB) and the Group's accounting policies. The condensed set of consolidated financial statements included in this financial report contain financial information and selected notes prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting", as adopted by the European Union.

Significant accounting policies

The accounting policies applied by the Group in this condensed set of consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2016.

New and Revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRSs that have been issued but are not yet effective and had not yet been adopted by the EU:

IFRS 9	*Financial Instruments*
IFRS 15	*Revenue from Contracts with Customers*
IFRS 16	*Leases*
Amendments to IAS 7	*Disclosure initiative*
Amendments to IAS 12	*Recognition of deferred tax assets for unrealised losses*
Amendments to IAS 40	*Transfers of Investment Property*
Amendments to IFRS 2	*Classification and measurement of share-based payment transactions*
Amendments to IFRS 4	*Applying IFRS 9 Financial Instruments with IFRS 4 Customer Contracts*
IFRIC 22	*Foreign currency transactions and advance consideration*
Annual Improvements to IFRSs: 2014 - 2016	

Going concern

This condensed set of consolidated financial statements includes a summary of the Group's financial position and its cash flow. The Directors believe the Group is well placed to manage its business risks successfully and the Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, the Directors continue to adopt the going concern basis in preparing this condensed set of consolidated financial statements.

3. Exceptional items

	3 months ended	
	31 March 2017 £'000	31 March 2016 £'000
Costs in relation to the Group's acquisitions and bid defence	**-**	976
FX revaluation of acquisition-related financial liability	**-**	1,766
Re-measurement of acquisition-related financial liability	**-**	154
Dilapidation costs upon exit from property leases	**67**	-
Total exceptional items	**67**	2,896

Exceptional items of £0.1 million were recognised in the three months to 31 March 2017 (Q1 2016: £2.9 million (charge)) due to the following:

- £0.1 million of dilapidation costs upon exit from property leases (Q1 2016: £nil); and
- £nil foreign exchange gain upon revaluation of deferred consideration in relation to the Mackolik acquisition due to this being settled in the second quarter of 2016 (Q1 2016: £1.8 million); and
- £nil costs in relation to the Group's acquisitions and bid defence (Q1 2016: £1.0 million)
- Re-measurement of the Mackolik acquisition related financial liability of £nil due to this being settled in the second quarter of 2016 (Q1 2016: £0.1 million).

These costs are considered exceptional by the Directors as they are items that are material in size, are unusual and are infrequent in occurrence.

4. Finance costs

	3 months ended	
	31 March 2017 £'000	31 March 2016 £'000
Interest, bank fees and related charges	**4,767**	4,493
Interest on shareholder loan	**2,652**	-
Accretion of deferred consideration	**-**	991
Exceptional finance costs:		
Revaluation of foreign exchange hedge	**-**	(869)
Total finance costs	**7,419**	4,615

Finance costs of £7.4 million were recognised in the three month period to 31 March 2017 (Q1 2016: £4.6 million) relating to the following:

- interest, bank fees and related charges (including the amortisation of arrangement fees) due on the Group's senior secured notes and revolving credit facility of £4.8 million (Q1 2016: £4.5 million relating to the Group's previous debt facilities); and
- Interest on the Shareholder Loan (refer to note 6 for further details) of £2.7 million (Q1 2016: £nil); and
- £nil accretion of deferred consideration on the Mackolik acquisition due to this being settled in the second quarter of 2016 (Q1 2016: £1.0 million); and
- £nil revaluation of foreign exchange hedge (Q1 2016: £0.9 million).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)

5. Taxation

The tax charge for Q1 2016 incorporates a write-off of a portion of the Group's deferred tax asset following a review of the geographical mix of the Group's profits.

6. Net debt

	31 March 2017 £'000	31 December 2016 £'000	31 March 2016 £'000
Cash and cash equivalents	**92,127**	134,880	112,888
Borrowings	**(353,599)**	(296,426)	(170,130)
Net debt	**(261,472)**	(161,546)	(57,242)

On 16 November 2015, Perform Group Financing plc, a wholly-owned subsidiary of Perform Group Limited, issued £175.0 million aggregate principal amount of 8.5% senior secured notes due 2020. On the same date, certain members of the Group entered a new multi-currency revolving credit facility of £50.0 million (the "RCF") (and together with the Issuance of the Notes, the "Refinancing Transactions").

The purpose of the Refinancing Transactions was to, amongst other things, fund the launch of the OTT Business (as defined in the Group's Offering Memorandum dated 11 November 2015 (the "Offering Memorandum")), repay the amounts drawn under, and terminate, the Old RCF and to fund contractual commitments to pay contingent consideration in respect of certain of the Group's historical acquisitions.

The senior secured notes were issued at a discount of £3.5 million and were subject to directly attributable arrangement fees of £7.8 million. The carrying value of the discount and fees at 31 March 2017 is £7.5 million (Q1 2016: £10.5 million). Interest of £5.6 million (Q1 2016 £5.6 million) has also accrued but not been paid at 31 March 2017. The carrying value of borrowings is presented net of fees but includes accrued interest.

On 10 August 2016, Perform Investment Limited, a wholly owned subsidiary of the Group and part of the Unrestricted Group, entered a loan facility agreement ("the Facility") with AI International S.á.r.l, part of Access Industries, the Group's principal shareholder (the "Shareholder Loan"). Perform Investment Limited can utilise the Facility by drawing down in two tranches of up to £50.0 million, the first tranche of which was drawn down on 10 August 2016, and the second tranche on 21 December 2016. The amount drawn down has been presented within current borrowings on the balance sheet. The Facility attracts an interest rate of 8%, which is compounded annually. Any amounts outstanding in relation to the Facility will be repaid on the earlier of 12 August 2019 or upon the occurrence of certain equity conversion events.

On 23 February 2017, the Shareholder Loan was amended and restated from £100.0 million to £250.0 million, £50.0 million of which was drawn down on 27 February 2017, in addition to the £100.0 million drawn down in 2016. None of the principal terms of the Shareholder Loan were altered as part of the amendment and restatement.

Subsequent to the end of the reporting period, on 28 April 2017, a further £50.0 million was drawn down on the Shareholder Loan, in addition to the £100.0 million drawn down during 2016 and £50.0 million in the three months to 31 March 2017.

7. Share capital

	31 March 2017 £'000	31 December 2016 £'000	31 March 2016 £'000
Issued, allotted and fully paid			
A Ordinary shares of 2 and 7/9ths pence each	**6,432**	6,432	6,432
M Ordinary shares of 2 and 7/9ths pence each	**924**	924	924
I Ordinary shares of 2 and 7/9ths pence each	**-**	-	-
Z Ordinary shares of 2 and 7/9ths pence each	**129**	129	-
	7,485	7,485	7,356

	31 March 2017 No. of shares	31 December 2016 No. of shares	31 March 2016 No. of shares
Issued, allotted and fully paid			
A Ordinary shares of 2 and 7/9ths pence each	**231,539**	231,539	231,539
M Ordinary shares of 2 and 7/9ths pence each	**33,274**	33,274	33,274
I Ordinary shares of 2 and 7/9ths pence each	**5**	5	5
Z Ordinary shares of 2 and 7/9ths pence each	**4,635**	4,635	-
	269,453	269,453	264,818

The Company's share capital consists of three classes of voting equity shares – 'A' shares, 'M' shares, and 'Z' shares.

AI Perform Holdings LLP, a portfolio company of Access Industries, holds all of the 'A' shares, which represent approximately 85.93% of the equity share capital of the Company.

'M' shares are held by members of management, its employees and other shareholders, who represent approximately 12.35% of the equity share capital of the Company.

On 20 September 2016, a private investor made an investment of £35.0 million in the capital of the Company in exchange for the issuance of 4,634,502 of a new class of 'Z' ordinary shares in the capital of the Company, which comprises 1.72% of the share capital of the Company upon completion of the investment.

A', 'M' and 'Z' shareholders have equal voting rights.

The Group also has two classes of non-voting shares being 'I' shares, which are held by certain members of its senior management, and deferred shares. The 'I' shares and deferred shares comprise a *de minimis* amount of our total share capital, both individually and in aggregate.

8. Deferred consideration and associated acquisition-related liabilities

The acquisition-related deferred consideration was settled in the second quarter for 2016. As such there is £nil deferred consideration as at 31 March 2017. The following tables show the 2016 acquisition-related deferred consideration recorded in the 2016 financial statements for comparative purposes:

	At 1 January 2016 £'000	Recognised on acquisition or re-measured £'000	Unwind of discount applied to FV initial liability £'000	Service related charge £'000	Payment £'000	FX £'000	At 31 December 2016 £'000	Due in < 1 year £'000	Due after > 1 year £'000
Mackolik	**28,461**	**154**	**1,644**	**-**	**(30,202)**	**(57)**	**-**	**-**	**-**
Voetbalzone	**3,086**	**-**	**97**	**-**	**(3,391)**	**208**	**-**	**-**	**-**
	31,547	**154**	**1,741**	**-**	**(33,593)**	**151**	**-**	**-**	**-**

	At 1 January 2016 £'000	Recognised on acquisition or re-measured £'000	Unwind of discount applied to FV initial liability £'000	Service related charge £'000	Payment £'000	FX £'000	At 31 March 2016 £'000	Due in < 1 year £'000	Due after > 1 year £'000
Mackolik	28,461	154	894	-	-	1,568	31,077	31,077	-
Voetbalzone	3,086	-	97	-	-	198	3,381	3,381	-
	31,547	**154**	**991**	**-**	**-**	**1,766**	**34,458**	**34,458**	**-**

9. Financial instruments fair value disclosure

Financial instruments that are measured at fair value in the consolidated financial statements require disclosure of fair value measurements by level based on the following fair value measurement hierarchy:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair values of financial assets and liabilities are based on quoted market prices where available. Where the market value is not available, the Group has estimated relevant fair values based on publicly available information from outside sources or based on discounted cash flow models where appropriate.

The Group holds senior secured notes and RCF (refer to note 6 for further details) categorised as Level 1. All other financial instruments of the Group are categorised as Level 3. There have been no transfers of assets or liabilities between levels of the fair value hierarchy during the year.

The senior secured notes have a carrying value of £167.5 million and a fair value of £185.7 million as at 31 March 2017.

With the exception of the senior secured notes, the directors consider that the carrying values of financial assets and liabilities recorded at amortised cost in the consolidated financial statements are appropriately equal to their fair value.

The Group held Level 3 instruments during the prior year related to acquisition-related financial liabilities. Fair values have been derived by discounting estimated future cash flows. The table below is a reconciliation of the acquisition-related financial liabilities measurements for the year ended 31 December 2016:

9. Financial instruments fair value disclosure (continued)

	2016 £'000
1 January	31,547
Re-measured	154
Unwind of discount	1,741
Payment	(33,593)
Foreign exchange	151
31 December	-

In connection with the Shareholder Loan received from AI International S.á.r.l, as described further in note 6, the Company granted its immediate parent company, AI Perform Holdings LLP, an option to convert the loan to equity, subject to certain conditions. The option to convert to equity feature meets the definition of a derivative over own equity, a Level 3 financial instrument. Derivatives embedded in other financial instruments are carried on the balance sheet at fair value from the inception of the host contract. The Group has accounted for the initial fair value of the derivative as a current liability, with a corresponding debit being recording in equity, within the profit and loss reserve account. Any subsequent revaluation of the derivative liability will be recorded through the profit and loss account.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of derivative is calculated by discounting the maximum derivative value by a return on equity discount factor. The table below is a reconciliation of the derivatives over own equity measurements for the period ended 31 March 2017:

	2017 **£'000**	2016 £'000
1 January	**8,000**	-
Issuance of derivative liability	4,000	-
31 March	**12,000**	-

10. Long-term incentive schemes

A total charge relating to the Group's long-term incentive schemes of £1.6 million (Q1 2016: £1.3 million) has been included in the income statement for the three months ended 31 March 2017.

In order to ensure appropriate retention arrangements are in place following the takeover in October 2014 by Access Industries it was agreed, with regards to the 2013 and 2014 performance share plans, that the Group will make cash payments equal to the difference between the award holders received on vesting of their awards (with reference to the £2.60 price paid per share by Access), and what they would have received on full vesting of their awards (also calculated at £2.60 per share). Accordingly, after accounting for leavers, 50% of the April 2013 awards and 83% of the 2014 awards were converted into replacement cash awards. These cash awards would become payable, subject to the participants continued employment and the meeting of financial performance criteria, on or around, the same date that the unvested portions of the PSP awards would otherwise have come to maturity, being April 2016 for the 2013 awards and April 2017 for the 2014 awards.

The amount of the cash awards will be determined by the level of business performance against revenue and Adjusted EBITDA targets. The total value of these awards at inception was calculated as £7.3 million and this is being spread over the vesting period. As such charges have been recognised in respect of these cash replacement schemes of £0.4 million for the three months ended 31 March 2017 (Q1 2016: £0.8 million).

Furthermore, the Group put in place long-term cash-based schemes in April 2015, April 2016 and April 2017 that will vest in April 2018, April 2019 and April 2020 respectively. The amount of the payment will be determined by the level of business performance against revenue and EBITDA targets over a three year period and the cost of each scheme will be spread over the vesting period. As such charges have been recognised in respect of these schemes of £1.2 million in three months ended 31 March 2017 (Q1 2016: £0.5 million).

11. Contingent liabilities

There were no contingent liabilities at 31 March 2017 (31 March 2016: £nil, Q4 2016: £nil).

12. Related parties

Refer to note 6 for details related to the Shareholder Loan for transactions with the Group's principal shareholder, during and subsequent to the reporting period.

There are no additional related party transactions to disclose.

13. Post balance sheet events

Subsequent to the end of the reporting period, on 28 April 2017, a further £50.0 million was drawn down on the Shareholder Loan, in addition to the £100.0 million drawn down during 2016 and £50.0 million during the three months to 31 March 2017.

There have been no other material post balance sheet events to disclose.

14. Disaggregation of the Restricted and Unrestricted groups

A disaggregation of the Group's results and financial condition between the Restricted and Unrestricted Group for the three months ended 31 March 2017 is set out in the following tables.

Income Statement	**3 months to 31 March 2017**			
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Revenue	75,716	9,552	(6,114)	79,154
Cost of sales	(44,072)	(19,291)	6,114	(57,249)
Gross profit/(loss)	31,644	(9,739)	-	21,905
Administrative expenses	(33,770)	(33,270)	-	(67,040)
Group operating loss	(2,126)	(43,009)	-	(45,135)
Finance income	3,800	12	(3,681)	131
Finance costs	(4,758)	(6,342)	3,681	(7,419)
Group loss before tax	(3,084)	(49,339)	-	(52,423)
Taxation charge	(490)	(218)	-	(708)
Group loss after tax	(3,574)	(49,557)	-	(53,131)

Adjusted EBITDA	5,886	(40,645)	-	(34,759)
Exceptional items	(67)	-	-	(67)
Share-based payments	(1,159)	(409)	-	(1,568)
EBITDA	4,660	(41,054)	-	(36,394)
Amortisation and depreciation	(5,108)	(1,955)	-	(7,063)
Acquisition-related amortisation	(1,678)	-	-	(1,678)
Group operating loss	(2,126)	(43,009)	-	(45,135)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)

14. Disaggregation of the Restricted and Unrestricted groups (continued)

Income Statement	**3 months to 31 March 2016**			
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Revenue	66,639	-	(2,500)	64,139
Cost of sales	(39,919)	(3,282)	2,500	(40,701)
Gross profit/(loss)	26,720	(3,282)	-	23,438
Administrative expenses	(29,634)	(3,004)	-	(32,638)
Group operating loss	(2,914)	(6,286)	-	(9,200)
Finance income	2,315	31	(2,233)	113
Finance costs	(4,612)	(2,236)	2,233	(4,615)
Group loss before tax	(5,211)	(8,491)	-	(13,702)
Taxation charge	83	-	-	83
Group loss after tax	(5,128)	(8,491)	-	(13,619)
Adjusted EBITDA	6,683	(6,004)	-	679
Exceptional items	(2,896)	-	-	(2,896)
Share-based payments	(1,195)	(138)	-	(1,333)
EBITDA	2,592	(6,142)	-	(3,550)
Amortisation and depreciation	(3,836)	(144)	-	(3,980)
Acquisition-related amortisation	(1,670)	-	-	(1,670)
Group operating loss	(2,914)	(6,286)	-	(9,200)

14. Disaggregation of the Restricted and Unrestricted groups (continued)

Balance Sheet	As at 31 March 2017			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Non-current assets				
Goodwill	208,654	-	-	208,654
Acquisition intangibles	52,342	-	-	52,342
Other intangible assets	22,529	13,364	(750)	35,143
Property, plant and equipment	16,698	10,517	-	27,215
Loan to Unrestricted Group	170,897	-	(170,897)	-
Deferred tax asset	5,823	29	-	5,852
	476,943	23,910	(171,647)	329,206
Current assets				
Trade and other receivables	46,504	3,631	-	50,135
Prepayments	78,221	147,474	-	225,695
Cash and cash equivalents	30,143	61,984	-	92,127
	154,868	213,089	-	367,957
Total assets	631,811	236,999	(171,647)	697,163
Current liabilities				
Trade and other payables	(109,108)	(46,848)	-	(155,956)
Derivative liability	(12,000)	-	-	(12,000)
Current borrowings	(5,900)	(154,318)	-	(160,218)
Current tax liabilities	(2,609)	815	-	(1,794)
	(129,617)	(200,351)	-	(329,968)
Net current assets	25,251	12,738	-	37,989
Non-current liabilities				
Non-current borrowings	(193,382)	-	-	(193,382)
Payable to Restricted Group	-	(170,897)	170,897	-
Deferred tax liability	(10,146)	-	-	(10,146)
	(203,528)	(170,897)	170,897	(203,528)
Total liabilities	(333,145)	(371,248)	170,897	(533,496)
Net assets/(liabilities)	298,666	(134,249)	(750)	163,667
Equity				
Called up share capital	7,485	-	-	7,485
Share premium	102,310	-	-	102,310
Merger relief reserve	93,533	-	-	93,533
Capital redemption reserve	38,342	-	-	38,342
Retained earnings	56,350	(136,018)	(750)	(80,418)
Foreign exchange reserve	1,293	1,769	-	3,062
Other reserve	-	-	-	-
Equity attributable to owners of the Parent	299,313	(134,249)	(750)	164,314
Non-controlling interest	(647)	-	-	(647)
Total equity	298,666	(134,249)	(750)	163,667

PERFORM GROUP LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (UNAUDITED)

14. Disaggregation of the Restricted and Unrestricted groups (continued)

Balance Sheet	As at 31 December 2016			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Non-current assets				
Goodwill	203,243	-	-	203,243
Acquisition intangibles	54,277	-	-	54,277
Other intangible assets	22,725	12,047	(750)	34,022
Property, plant and equipment	16,448	7,474	-	23,923
Loan to Unrestricted Group	167,215	-	(167,215)	-
Deferred tax asset	5,839	29	-	5,867
	469,747	19,550	(167,965)	321,332
Current assets				
Trade and other receivables	46,348	2,062	-	48,410
Prepayments	65,780	91,892	-	157,672
Cash and cash equivalents	31,489	103,391	-	134,880
	143,617	197,345	-	340,962
Total assets	613,364	216,895	(167,965)	662,294
Current liabilities				
Trade and other payables	(91,906)	(32,396)	-	(124,302)
Derivative liabilities	(8,000)	-	-	(8,000)
Current borrowings	(1,943)	(101,666)	-	(103,609)
Current tax liabilities	(3,909)	82	-	(3,827)
	(105,758)	(133,980)	-	(239,738)
Net current assets	37,859	63,365	-	101,224
Non-current liabilities				
Non-current borrowings	(192,817)	-	-	(192,817)
Payable to Restricted Group	-	(167,215)	167,215	-
Deferred tax liability	(10,508)	(0)	-	(10,508)
	(203,325)	(167,215)	167,215	(203,325)
Total liabilities	(309,083)	(301,195)	167,215	(443,063)
Net assets	304,281	(84,300)	(750)	219,231
Equity				
Called up share capital	7,485	-	-	7,485
Share premium	102,310	-	-	102,310
Merger relief reserve	93,533	-	-	93,533
Capital redemption reserve	38,342	-	-	38,342
Retained earnings	63,888	(86,459)	(750)	(23,321)
Foreign exchange reserve	(665)	2,160	-	1,495
Other reserve	-	-	-	-
Equity attributable to owners of the Parent	304,893	(84,299)	(750)	219,844
Non-controlling interest	(613)	-	-	(613)
Total equity	304,280	(84,299)	(750)	219,231

14. Disaggregation of the Restricted and Unrestricted groups (continued)

Balance Sheet	As at 31 March 2016			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Non-current assets				
Goodwill	190,605	-	-	190,605
Acquisition intangibles	53,558	-	-	53,558
Other intangible assets	22,184	5,469	(750)	26,903
Property, plant and equipment	15,152	3,830	-	18,982
Loan to Unrestricted Group	97,349	-	(97,349)	-
Deferred tax asset	7,592	1,268	-	8,860
	386,440	10,567	(98,099)	298,908
Current assets				
Trade and other receivables	39,324	336	-	39,660
Prepayments	44,847	38,059	-	82,906
Cash and cash equivalents	75,539	37,349	-	112,888
	159,710	75,744	-	235,454
Total assets	546,150	86,311	(98,099)	534,362
Current liabilities				
Trade and other payables	(67,832)	(3,020)	-	(70,852)
Current acquisition-related financial liabilities	(34,458)	-	-	(34,458)
Current borrowings	(5,578)	-	-	(5,578)
Current tax liabilities	(1,322)	-	-	(1,322)
	(109,190)	(3,020)	-	(112,210)
Net current assets	50,520	72,724	-	123,244
Non-current liabilities				
Non-current borrowings	(164,552)	-	-	(164,552)
Payable to Restricted Group	-	(97,349)	97,349	-
Deferred tax liability	(11,396)	-	-	(11,396)
	(175,948)	(97,349)	97,349	(175,948)
Total liabilities	(285,138)	(100,369)	97,349	(288,158)
Net assets/(liabilities)	261,012	(14,058)	(750)	246,204
Equity				
Called up share capital	7,356	-	-	7,356
Share premium	68,323	-	-	68,323
Merger relief reserve	93,533	-	-	93,533
Capital redemption reserve	38,342	-	-	38,342
Retained earnings	18,324	(14,058)	(750)	3,516
Foreign exchange reserve	(12,767)	-	-	(12,767)
Other reserve	44,165	-	-	44,165
Equity attributable to owners of the Parent	257,276	(14,058)	(750)	242,468
Non-controlling interest	3,736	-	-	3,736
Total equity	261,012	(14,058)	(750)	246,204

14. Disaggregation of the Restricted and Unrestricted groups (continued)

Cash Flows	3 months to 31 March 2017			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Operating activities				
Group operating loss	(2,126)	(43,009)	-	(45,135)
Increase in trade and other receivables	(12,597)	(57,150)	-	(69,747)
Increase in trade and other payables	12,631	12,607	-	25,238
Depreciation and amortisation (including acquisition-related amortisation)	6,786	1,955	-	8,741
Employee long term incentive schemes	1,159	409	-	1,568
Exceptional items	67	-	-	67
Corporation tax payments	(1,499)	(613)	-	(2,112)
Cash inflow/(outflow) from operating activities (prior to exceptional items)	4,421	(85,801)	-	(81,380)
Payments in respect of exceptional items	-	-	-	-
Cash inflow/(outflow) operating activities (after exceptional items)	4,421	(85,801)	-	(81,380)
Investing activities				
Purchases of property, plant and equipment	(2,759)	(2,492)	-	(5,251)
Purchases of intangible assets	(2,696)	(3,944)	-	(6,640)
Finance income	119	12	-	131
Cash outflow from investing activities	(5,336)	(6,424)	-	(11,760)
Financing activities				
Borrowings (net of bank fees and costs)	-	50,000	-	50,000
Interest, bank fees and related charges	(357)	-	-	(357)
Cash (outflow)/inflow from financing activities	(357)	50,000	-	49,643
Net decrease in cash and cash equivalents in the period (all continuing operations)	(1,272)	(42,225)	-	(43,497)
Cash and cash equivalents at start of period	31,489	103,391	-	134,880
Effect of foreign currency exchange rates	(74)	818	-	744
Cash and cash equivalents at end of period	30,143	61,984	-	92,127

14. Disaggregation of the Restricted and Unrestricted groups (continued)

Cash Flows	3 months to 31 March 2016			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Operating activities				
Group operating loss	(2,914)	(6,286)	-	(9,200)
Increase in trade and other receivables	(336)	(21,223)	(418)	(21,977)
Decrease in trade and other payables	15,637	1,156	418	17,211
Depreciation and amortisation (including acquisition-related amortisation)	5,506	144	-	5,650
Employee share-based payment	1,195	138	-	1,333
Exceptional items	2,896	-	-	2,896
Corporation tax payments	(2,266)	-	-	(2,266)
Cash inflow/(outflow) from operating activities (prior to exceptional items)	19,718	(26,071)	-	(6,353)
Payments in respect of exceptional items	(422)	-	-	(422)
Cash inflow/(outflow) operating activities (after exceptional items)	19,296	(26,071)	-	(6,775)
Investing activities				
Purchases of property, plant and equipment	(2,559)	(4,271)	-	(6,830)
Purchases of intangible assets	(2,732)	(778)	-	(3,510)
Investment income	113	-	-	113
Cash outflow from investing activities	(5,178)	(5,049)	-	(10,227)
Financing activities				
Interest, bank fees and related charges	(653)	-	-	(653)
Cash outflow from financing activities	(653)	-	-	(653)
Net increase/(decrease) in cash and cash equivalents in the period (all continuing operations)	13,465	(31,120)	-	(17,655)
Cash and cash equivalents at start of period	61,080	68,469	-	129,549
Effect of foreign currency exchange rates	994	-	-	994
Cash and cash equivalents at end of period	75,540	37,349	-	112,888