COMPANY REGISTRATION NO 6324278

PERFORM GROUP LIMITED

QUARTERLY FINANCIAL REPORT

FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2016

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QUARTERLY FINANCIAL REPORT

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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 15. Management’s discussion and analysis of the financial condition and results of operations of the Restricted Group is set out below.

PERFORM GROUP LIMITED
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MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICTED GROUP FOR THE THREE MONTHS ENDED 30 JUNE 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICED GROUP FOR THE THREE MONTHS ENDED 30 JUNE 2016

Overview

Perform Group Limited is pleased to announce its results for the quarter ended 30 June 2016.

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), subscription 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 leverage 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 15.

Income Statement

	3 month period ended			**LTM**
	30 June 2016 £m	30 June 2015 £m	Movement £m	**30 June 2016 £m**
Revenue	**69.7**	60.3	9.4	**274.8**
Cost of sales	**(37.0)**	(33.1)	(3.9)	**(147.1)**
Gross profit	**32.7**	27.2	5.5	**127.7**
Administrative expenses	**(22.5)**	(28.7)	6.2	**(109.0)**
Group profit/(loss)	**10.2**	(1.5)	11.7	**18.7**
Analysed as:				
Adjusted EBITDA	**14.0**	8.1	5.9	**49.3**
Exceptional items	**1.5**	(2.8)	4.3	**(4.9)**
Share-based payments	**(1.3)**	(1.2)	(0.1)	**(4.7)**
EBITDA	**14.2**	4.1	10.1	**39.7**
Amortisation and depreciation	**(4.0)**	(4.1)	0.1	**(16.2)**
Acquisition-related amortisation	**(0.0)**	(1.5)	1.5	**(4.7)**
Group operating profit/(loss)	**10.2**	(1.5)	11.7	**18.8**
Net finance costs	**(2.9)**	(1.9)	(1.0)	**(10.3)**
Group profit/(loss) before tax	**7.3**	(3.4)	10.7	**8.5**
Tax charge	**(4.4)**	(2.2)	(2.2)	**(1.8)**
Group profit/(loss) after tax	**2.9**	(5.6)	8.5	**6.7**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICED GROUP FOR THE THREE MONTHS ENDED 30 JUNE 2016

Revenue

	3 month period ended			**LTM**
	30 June 2016 £m	30 June 2015 £m	Movement £m	**30 June 2016 £m**
Content	**48.2**	37.4	10.8	**187.3**
Media	**15.2**	16.9	(1.7)	**63.2**
Other	**6.3**	6.0	0.3	**24.3**
	69.7	60.3	9.4	**274.8**

Revenue increased by £9.4 million to £69.7 million for the three month period ended 30 June 2016 ("Q2 2016") from £60.3 million for the three month period ended 30 June 2015 ("Q2 2015").

Content revenue
Content revenue increased by £10.8 million to £48.2 million (Q1 2015: £37.4 million) due to a combination of tier 1 upsells to Watch&Bet customers and the effect of new Watch&Bet customers acquired during the second half of 2015 and the first half of 2016. In addition, the number of RunningBall events increased and new Opta customers were added in the period.

Media revenue
Media revenue decreased by £1.7 million to £15.2 million (Q2 2015: £16.9 million), reflecting weakness in US video advertising.

Other revenue
Other revenues increased £0.3 million to £6.3 million (Q2 2015: £6.0 million) driven by an increase in the delivery of Sports Cloud Services.

Gross profit
Gross profit increased £5.5 million to £32.7 million (Q2 2015: £27.2 million) due to the £9.4 million increase in revenues offset by a £3.9 million increase in cost of sales primarily due to increased content and production costs to support the growth in Content revenues.

Administrative expenses
Administrative expenses decreased £6.2 million to £22.5 million (Q2 2015: £28.7 million) resulting from lower exceptional items (£4.3 million) and the amortisation of acquisition intangibles (£1.5 million).

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICED GROUP FOR THE THREE MONTHS ENDED 30 JUNE 2016

Exceptional items reduced by £4.3 million to £1.5 million (credit) (Q2 2015: £2.8 million (charge)) due to the following:

- no re-measurement of deferred consideration in respect of the Mackolik acquisition for which the final payment was settled in the current quarter (Q2 2015: £4.2 million (charge));
- a decrease of £0.6 million to £0.1 million in costs related to acquisition, corporate and restructuring activities (Q2 2015: £0.7 million); offset by
- an increase of £0.4 million to £1.6 million (gain) in the foreign exchange gain upon revaluation of deferred consideration related to the Mackolik acquisition (Q2 2015: £2.1 million (gain)).

Operating profit

Operating profit increased £11.7 million to £10.2 million (profit) (Q2 2015: £1.5 million (loss)) due to the increase in gross profit (£5.5 million) and the decrease in administration expenses (£6.2 million).

Net finance costs

Net finance costs increased £1.0 million to £2.9 million (Q2 2015: £1.9 million) and the Q2 2016 charge consists of the following:

- interest and related costs in respect of the Refinancing Transactions of £4.5 million (Q2 2015: £0.3 million relating to the Group's old RCF));
- loss on revaluation of the Group's foreign exchange hedge of £nil which was used to part fund the acquisition of the remaining 49% of Mackolik in May 2016 (Q2 2015: £0.8 million);
- accretion of deferred consideration of £0.8 million (Q2 2015: £0.6 million); offset by
- interest due from the Unrestricted Group of £2.2 million (Q2 2015: £nil).

Taxation

The tax charge for the period is £4.4 million (Q2 2015: £2.2 million). This comprises a current tax charge of £4.7 million (Q2 2015: £3.5 million) and a deferred tax credit of £0.3 million (Q2 2015: £1.3 million).

Further to the Refinancing Transactions, the Group has undertaken a review of the countries in which it expects to generate a taxable profit in future years and accordingly has written off a portion of its historical deferred tax asset relating to historical UK trading losses.

Profit after tax

Profit after tax increased by £8.5 million to £2.9 million (profit) (Q2 2015: £5.6 million (loss)) due to the increase in operating profit (£11.7 million), offset by an increase in net finance costs (£1.0 million) and a decrease in taxation (£2.2 million).

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICED GROUP FOR THE THREE MONTHS ENDED 30 JUNE 2016

Cashflow

	3 month period ended			**LTM**
	30 June 2016 £m	30 June 2015 £m	Movement £m	**30 June 2016 £m**
Adjusted EBITDA	**14.0**	8.1	5.9	**49.3**
Movements in working capital	**(2.1)**	(8.2)	6.1	**8.2**
Corporation tax payments	**(0.9)**	(2.1)	1.2	**(4.5)**
Cash inflow/(outflow) from operating activities (pre-exceptional items)	**11.0**	(2.2)	13.2	**53.0**
Exceptional items	**(0.3)**	(1.2)	0.9	**(1.4)**
Cash inflow/(outflow) from operating activities (post exceptional items)	**10.7**	(3.4)	14.1	**51.6**
Capital expenditure	**(6.2)**	(5.2)	(1.0)	**(22.5)**
Acquisition of subsidiaries	**(3.4)**	(7.8)	4.4	**(3.4)**
Investment income	**0.0**	(0.0)	(0.0)	**0.3**
Cash (outflow)/inflow from investing activities	**(9.6)**	(13.0)	3.4	**(25.6)**
Dividends paid to non-controlling interests	**(2.2)**	(1.4)	(0.8)	**(2.2)**
Acquisitions of non-controlling interests	**(28.0)**	(0.0)	(28.0)	**(28.0)**
Borrowings and drawdowns	**26.0**	(0.2)	26.2	**144.0**
Loan to Unrestricted Group	**(26.0)**	(0.0)	(26.0)	**(120.0)**
Exceptional finance exchange gain on existing debt facility	**0.0**	0.5	(0.5)	**0.0**
Interest and fees	**(8.2)**	(0.3)	(7.9)	**(10.1)**
Cash outflow from financing activities	**(38.4)**	(1.4)	(37.0)	**(16.3)**
Net decrease in cash	**(37.3)**	(17.8)	(19.5)	**9.7**
Cash at start of period	**75.5**	45.9	29.6	**27.4**
Effect of foreign currency exchange rates	**1.2**	(0.7)	1.9	**2.3**
Cash at end of period	**39.4**	27.4	12.0	**39.4**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICED GROUP FOR THE THREE MONTHS ENDED 30 JUNE 2016

Cash inflow from operating activities (after exceptional items)

Cash inflows from operating activities increased £14.1 million to £10.7 million (Q2 2015: £3.4 million (outflow)) primarily due to a £5.9 million higher movement in adjusted EBITDA of £14.0 million (Q2 2015: £8.1 million) and £0.9 million lower exceptional payments of £0.3 million (Q2 2015: £1.2 million). This is combined with a £6.1 million improvement in working capital to £2.1 million (Q2 2015: £8.2 million) and a decrease in corporation tax payments of £1.2 million to £0.9 million (Q2 2015: £2.1 million).

The improvement in working capital is due to a combination of strong collection of trade debtors and advance receipts from customers in respect of the 2017 WTA contract.

Investing activities

Cash outflow from investing activities decreased £3.4 million to £9.6 million (Q2 2015: £13.0 million) due to a decrease in the acquisition of subsidiaries to £3.4 million (Q2 2015: £7.8 million) offset by an increase in capital expenditure of £1.0 million to £6.2 million (Q2 2015: £5.2 million) due to timing of capex projects.

Financing activities

Cash from financing activities increased £37.0 million to an outflow of £38.4 million (Q2 2015: £1.4 million outflow) largely driven by an increase in deferred consideration payments to £28.0 million (Q2 2015: £nil) primarily relating to Mackolik as well as an increase in interest and fees of £7.9 million to £8.2 million (Q2 2015: £0.3 million) due to interest in respect of the Refinancing Transactions.

Debt and liquidity

As at 30 June 2016 the Restricted Group held cash of £39.4 million (30 June 2015: £27.4 million) and had net debt of £67.3 million (31 December 2015: £70.7 million) (representing net borrowings and accrued interest of £193.0 million (31 December 2015: £165.8 million) offset by borrowings provided to the Unrestricted Group of £120.0 million (31 December 2015: £94.0 million) and accrued interest payable by the Unrestricted Group of £5.7 million (£1.1 million)).

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CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE TOTAL GROUP FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2016 (UNAUDITED)

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2016 (UNAUDITED)

		6 months to		3 months to	
All results relate to continuing operations	**Notes**	**30 June 2016 £'000**	30 June 2015 £'000	**30 June 2016 £'000**	30 June 2015 £'000
Revenue		**131,333**	122,646	**67,194**	60,342
Cost of sales		**(79,269)**	(69,418)	**(38,568)**	(33,155)
Gross profit		**52,064**	53,228	**28,626**	27,187
Administrative expenses		**(60,022)**	(52,414)	**(27,384)**	(29,350)
Group operating (loss)/profit		**(7,958)**	814	**1,242**	(2,163)
Investment income		**204**	91	**91**	47
Finance income		**-**	77	**-**	77
Finance costs	4	**(9,887)**	(4,303)	**(5,272)**	(2,077)
Group loss before tax		**(17,641)**	(3,321)	**(3,939)**	(4,116)
Taxation charge	5	**(5,638)**	(1,625)	**(5,721)**	(2,215)
Group loss for the period after tax		**(23,279)**	(4,946)	**(9,660)**	(6,331)
Group loss for the period attributable to:					
Owners of the Parent		**(24,451)**	(6,588)	**(9,954)**	(7,038)
Non-controlling interests		**1,172**	1,642	**294**	707
		(23,279)	(4,946)	**(9,660)**	(6,331)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2016 (UNAUDITED)

	6 months to		**3 months to**	
	30 June 2016 £'000	30 June 2015 £'000	**30 June 2016 £'000**	30 June 2015 £'000
Group loss for the period	**(23,279)**	(4,946)	**(9,660)**	(6,331)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating goodwill and acquisition intangibles held in foreign currencies	**14,515**	(18,712)	**7,245**	(11,753)
Total comprehensive loss for the period	**(8,764)**	(23,658)	**(2,415)**	(18,084)
Total comprehensive loss for the period attributable to:				
Owners of the Parent	**(9,936)**	(25,300)	**(2,709)**	(18,791)
Non-controlling interest	**1,172**	1,642	**294**	707
	(8,764)	(23,658)	**(2,415)**	(18,084)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2016 (UNAUDITED)

	Issued share capital £'000	Share premium £'000	Merger relief reserve £'000	Capital redemption reserve £'000	Profit and loss account £'000	FX reserve £'000	Other reserve £'000	Total to owners of the Parent £'000	Non-controlling interests £'000	Total equity £'000
At 1 January 2015	7,356	68,323	93,533	38,342	41,348	(8,594)	49,993	290,301	4,230	294,531
(Loss)/profit for the period	-	-	-	-	(6,588)	-	-	(6,588)	1,642	(4,946)
Payment of dividends to non-controlling interest	-	-	-	-	-	-	1,394	1,394	(1,394)	-
FX on translating foreign operations	-	-	-	-	-	(4,005)	-	(4,005)	-	(4,005)
FX on translating goodwill and acquisition intangibles	-	-	-	-	-	(14,707)	-	(14,407)	-	(14,407)
Total comprehensive profit/(loss) for the year	**-**	**-**	**-**	**-**	**(6,588)**	**(18,712)**	**1,394**	**(23,906)**	**248**	**(23,658)**
Adjustment arising from change in non-controlling interest	-	-	-	-	(19,492)	-	(7,222)	(26,714)	(2,085)	(28,799)
At 30 June 2015	7,356	68,323	93,533	38,342	15,268	(27,306)	44,165	239,681	2,393	242,074
At 1 January 2015	7,356	68,323	93,533	38,342	41,348	(8,594)	49,993	290,301	4,230	294,531
(Loss)/profit for the year	-	-	-	-	(3,841)	-	-	(3,841)	2,107	(1,734)
FX on translating foreign operations, goodwill and intangible assets	-	-	-	-	-	(11,443)	-	(11,443)	-	(11,443)
Total comprehensive (loss)/profit for the year	**-**	**-**	**-**	**-**	**(3,841)**	**(11,443)**	**-**	**(15,284)**	**2,107**	**(13,177)**
Payment of dividends to non-controlling interests	-	-	-	-	-	-	1,394	1,394	(1,394)	-
Adjustment arising from change in non-controlling interest	-	-	-	-	(19,494)	-	(7,222)	(26,716)	(2,085)	(28,801)
At 31 December 2015	7,356	68,323	93,533	38,342	18,013	(20,037)	44,165	249,695	2,858	252,553
At 1 January 2016	**7,356**	**68,323**	**93,533**	**38,342**	**18,013**	**(20,037)**	**44,165**	**249,695**	**2,858**	**252,553**
(Loss)/profit for the year	-	-	-	-	(24,451)	-	-	(24,451)	1,172	(23,279)
FX on translating foreign operations, goodwill and intangible assets	-	-	-	-	-	14,515	-	14,515	-	14,515
Total comprehensive (loss)/profit for the year	**-**	**-**	**-**	**-**	**(24,451)**	**14,515**	**-**	**(9,936)**	**1,172**	**(8,764)**
Payment of dividends to non-controlling interests	-	-	-	-	(2,249)	-	-	(2,249)	-	(2,249)
Adjustment arising from change in non-controlling interest	-	-	-	-	48,640	-	(44,165)	4,475	(4,475)	-
At 30 June 2016	**7,356**	**68,323**	**93,533**	**38,342**	**39,953**	**(5,522)**	**-**	**241,985**	**(445)**	**241,540**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016 (UNAUDITED)

	Notes	**30 June 2016 £'000**	31 December 2015 £'000	30 June 2015 £'000
Non-current assets				
Goodwill		**197,952**	189,073	184,187
Acquisition intangibles		**55,395**	54,288	55,602
Other intangible assets		**31,097**	24,588	20,656
Property, plant and equipment		**21,365**	14,827	10,796
Deferred tax asset		**7,487**	11,223	9,119
		313,296	293,999	280,360
Current assets				
Trade and other receivables		**131,870**	99,160	76,725
Cash and cash equivalents	7	**74,730**	129,549	27,357
		206,600	228,709	104,082
Total assets		**519,896**	522,708	384,442
Current liabilities				
Trade and other payables		**(69,924)**	(55,819)	(48,651)
Current acquisition-related financial liabilities	9	**-**	(31,547)	(26,847)
Current borrowings	7	**(1,859)**	(1,859)	-
Current tax liabilities		**(3,966)**	(5,758)	(5,726)
		(75,749)	(94,983)	(81,224)
Net current assets		**130,851**	133,726	22,858
Non-current liabilities				
Non-current borrowings	7	**(191,157)**	(163,987)	(46,308)
Deferred tax liability		**(11,450)**	(11,185)	(14,836)
		(202,607)	(175,172)	(61,144)
Total liabilities		**(278,356)**	(270,155)	(142,368)
Net assets		**241,540**	252,553	242,074
Equity				
Called-up share capital	8	**7,356**	7,356	7,356
Share premium		**68,323**	68,323	68,323
Merger relief reserve		**93,533**	93,533	93,533
Capital redemption reserve		**38,342**	38,342	38,342
Retained earnings		**39,953**	18,013	15,268
Foreign exchange reserve		**(5,522)**	(20,037)	(27,306)
Other reserve		**-**	44,165	44,165
Equity attributable to owners of the Parent		**241,985**	249,695	239,681
Non-controlling interests		**(445)**	2,858	2,393
Total equity		**241,540**	252,553	242,074

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2016 (UNAUDITED)

	6 months to		3 months to	
	30 June 2016 £'000	30 June 2015 £'000	**30 June 2016 £'000**	30 June 2015 £'000
Operating activities				
Group operating (loss)/profit	(7,958)	814	1,242	(2,163)
(Increase) in trade and other receivables	(31,685)	(6,235)	(10,126)	(2,806)
Increase/(Decrease) in trade and other payables	9,715	(6,403)	(7,078)	(4,693)
Depreciation and amortisation (including acquisition intangible amortisation)	10,053	10,683	4,404	5,542
Employee share-based payment	2,813	2,002	1,481	1,177
Exceptional items	1,351	1,502	(1,545)	2,795
Corporation tax payments	(3,169)	(2,916)	(903)	(2,103)
Cash outflow from operating activities (prior to exceptional items)	(18,880)	(553)	(12,525)	(2,251)
Payments in respect of exceptional items	(740)	(3,768)	(318)	(1,184)
Cash outflow from operating activities (after exceptional items)	(19,620)	(4,321)	(12,843)	(3,435)
Investing activities				
Purchases of property, plant and equipment	(10,974)	(2,547)	(4,144)	(1,330)
Purchases of intangible assets	(10,954)	(7,902)	(7,444)	(3,879)
Acquisition of subsidiaries (net of cash acquired)	(3,391)	(7,818)	(3,391)	(7,818)
Investment income	131	91	18	47
Cash outflow from investing activities	(25,188)	(18,176)	(14,961)	(12,980)
Financing activities				
Dividend paid to non-controlling interests	(2,247)	(1,394)	(2,247)	(1,394)
Acquisition of non-controlling interests	(27,956)	(30,896)	(27,956)	(20)
Borrowings (net of bank fees and costs)	26,000	47,283	26,000	(201)
Fees relating to arrangement and non-commitment of debt facilities	-	(260)		
Interest, bank fees and related charges	(8,820)	(145)	(8,167)	(340)
Exceptional finance exchange loss on existing debt facility	-	-	-	460
Cash (outflow)/inflow from financing activities	(13,023)	14,588	(12,370)	(1,495)
Net decrease in cash and cash equivalents in the period (all continuing operations)	(57,831)	(7,909)	(40,174)	(17,910)
Cash and cash equivalents at start of period	129,549	36,246	112,889	45,945
Effect of foreign currency exchange rates	3,012	(980)	2,015	(678)
Cash and cash equivalents at end of period	74,730	27,357	74,730	27,357

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2016 (UNAUDITED)

1. General Information

These condensed consolidated financial statements for the three and six months ended 30 June 2016 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 2015 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 2015.

New and Revised IFRSs in issue but not yet effective
At the date of authorisation of the financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective and have also not yet been adopted by the EU.

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*

The directors do not expect that the adoptions of the Standards listed above will have a material impact on the financial statements of the Group in future periods, except that IFRS 9 will impact both the measurement and disclosures of financial instruments, IFRS 15 may have an impact on revenue recognition and related disclosures and IAS 16 will also have an impact as operating leases will be recorded on the balance sheet. Beyond the information above, it is not practicable to provide a reasonable estimate of the effect of IFRS9, IFRS 15 and IAS 16 until a detailed review has been completed.

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

	6 months to		**3 months to**	
	30 June 2016 £'000	30 June 2015 £'000	**30 June 2016 £'000**	30 June 2015 £'000
Costs relating to acquisitions and restructuring	**1,046**	1,520	**70**	669
FX revaluation of acquisition-related financial liability	**151**	(4,230)	**(1,615)**	(2,086)
Remeasurement of acquisition-related financial liability	**154**	4,212	**-**	4,212
Total exceptional items	**1,351**	1,502	**(1,545)**	2,795

Exceptional items of £1.4 million (charge) were recognised in the six month period to 30 June 2016 (Q2 2015: £1.5 million) relating to the following:

- costs in relation to acquisitions, corporate and restructuring activities of £1.0 million (Q2 2015: £1.5 million);
- foreign exchange revaluation loss of deferred consideration of £0.2 million (Q2 2015: £4.2 million (gain)); and
- remeasurement of the Mackolik acquisition related financial liability of £0.2 million (Q2 2015: £4.2 million).

Exceptional items of £1.5 million (gain) were recognised in the three month period to 30 June 2016 (Q2 2015: £2.8 million (charge)) relating to the following:

- foreign exchange revaluation gain of deferred consideration of £1.6 million (Q2 2015: £2.1 million) primarily due to Mackolik and the strengthening of the Turkish Lira; offset by
- costs in relation to acquisitions, corporate and restructuring activities of £0.1 million (Q2 2015: £0.7 million); and
- remeasurement of the Mackolik acquisition related financial liability of £nil (Q2 2015: £4.2 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

	6 months to		**3 months to**	
	30 June 2016 £'000	30 June 2015 £'000	**30 June 2016 £'000**	30 June 2015 £'000
Interest, bank fees and related charges	**9,015**	942	**4,522**	598
Accretion of deferred consideration	**1,741**	1,458	**750**	615
Exceptional finance costs:				
Revaluation of foreign exchange hedge	**(869)**	1,443	**-**	864
Foreign exchange loss on debt facility	**-**	460	**-**	-
Total finance costs	**9,887**	4,303	**5,272**	2,077

Finance costs of £9.9 million were recognised in the 6 month period to 30 June 2016 (Q2 2015: £4.3 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 £9.0 million (Q2 2015: £0.9 million relating to the Group's previous debt facilities);
- accretion of deferred consideration of £1.7 million (Q2 2015: £1.5 million); and
- gain on revaluation of the Group's foreign exchange hedge of £0.9 million which was used to part fund the acquisition of the remaining 49% of Mackolik in May 2016 (Q2 2015: £1.4 million (loss)) due to the strengthening of the Turkish Lira in 2016.

Finance costs of £5.3 million were recognised in the 3 month period to 30 June 2016 (Q2 2015: £2.1 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 £4.5 million (Q2 2015: £0.6 million relating to the Group's previous debt facilities); and
- accretion of deferred consideration of £0.8 million (Q2 2015: £0.6 million);
- loss on revaluation of the Group's foreign exchange hedge of £nil which was used to part fund the acquisition of the remaining 49% of Mackolik in May 2016 (Q2 2015: £0.9 million).

5. Taxation

The rate applied in these condensed consolidated financial statements differs from the expected full year rate due to the different split of profits and losses between different jurisdictions in the three and six months to 30 June 2016. The tax charge for the six months 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 following the Refinancing Transactions.

6. Acquisitions

Mackolik

On 16 May 2016, the Group acquired the remaining 49% interest in Mackolik Internet Hitzmetleri, taking its holding to 100%. The consideration paid for this 49% interest was £27.9 million (TRY 121.4 million) plus £2.2 million of dividends (TRY 9.0 million). The remaining balances associated with Mackolik contained within the non-controlling interest and other reserves have been re-cycled to the profit and loss reserve.

Voetbalzone

On 1 April 2016 the Group made the final payment of £3.4 million (€4.3 million) related to the acquisition of Voetbalzone B.V.

7. Net debt

	30 June 2016 £'000	31 December 2015 £'000	30 June 2015 £'000
Cash and cash equivalents	**74,730**	129,549	27,357
Borrowings	**(193,016)**	(165,846)	(46,308)
Net debt	**(118,286)**	(36,297)	(18,951)

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 into 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 30 June 2016 is £9.0 million (31 December 2015: £11.0 million). Interest of £1.8 million has also accrued but not been paid at 30 June 2016 (31 December 2015: £1.9 million). The carrying value of borrowings is presented net of the carrying value of fees and discount but includes accrued interest.

In June 2016 the Group drew down £26.0 million under the RCF and provided it to the OTT business.

8. Share capital

	30 June 2016 £'000	31 December 2015 £'000	30 June 2015 £'000
Issued, allotted and fully paid			
A Ordinary shares of 2 and 7/9ths pence each	6,423	6,423	6,423
M Ordinary shares of 2 and 7/9ths pence each	933	933	933
I Ordinary shares of 2 and 7/9ths pence each	-	-	-
	7,356	7,356	7,356

	30 June 2016 £'000	31 December 2015 £'000	30 June 2015 £'000
Issued, allotted and fully paid			
A Ordinary shares of 2 and 7/9ths pence each	231,221	231,221	231,221
M Ordinary shares of 2 and 7/9ths pence each	33,592	33,592	33,592
I Ordinary shares of 2 and 7/9ths pence each	5	5	-
	264,818	264,818	264,813

The Company's share capital consists of two classes of equity shares – 'A' shares and 'M' shares.

AI Perform Holdings LLP, a portfolio company of Access Industries, holds all of the 'A' shares, which represent approximately 87% of the equity share capital of the Company.

'M' shares are held by members of management, its employees and other shareholders, which represent approximately 13% of the equity share capital of the Company.

'A' and 'M' shareholders have equal voting rights and are entitled to dividends on a pro rata basis and *pari passu*.

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.

9. Deferred consideration and associated acquisition-related liabilities

The following table summarises and reconciles acquisition-related deferred consideration recorded in the financial statements:

	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 30 June 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**	**-**	**-**	**-**

Comparative information:

	At 1 January 2015 £'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 2015 £'000	Due in < 1 year £'000	Due after > 1 year £'000
Mackolik	22,614	7,772	2,824	29	(1,394)	(3,384)	28,461	28,461	-
Spox	1,158	(498)	-	-	(690)	30	-	-	-
Voetbalzone	7,108	(296)	440	-	(3,646)	(520)	3,086	3,086	-
Activaweb	3,739	-	119	-	(3,482)	(376)	-	-	-
	34,619	**6,978**	**3,383**	**29**	**(9,212)**	**(4,250)**	**31,547**	**31,547**	**-**

	At 1 January 2015 £'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 30 June 2015 £'000	Due in < 1 year £'000	Due after > 1 year £'000
Mackolik	22,614	4,710	1,022	-	(1,394)	(3,224)	23,728	23,728	-
Spox	1,158	(498)	-	-	(690)	30	-	-	-
Voetbalzone	7,108	-	317	-	(3,646)	(660)	3,119	3,119	-
Activaweb	3,739	-	119	-	(3,482)	(376)	-	-	-
	34,619	**4,212**	**1,458**	**-**	**(9,212)**	**(4,230)**	**26,847**	**26,847**	**-**

10. 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 on the basis of publicly available information from outside sources or on the basis of discounted cash flow models where appropriate.

The Group holds senior secured notes and RCF (refer to note 7 for further details) categorised as Level 1 and a foreign exchange hedge (forward purchasing 48 million Turkish Lira to part fund the acquisition of the remaining 49% of Mackolik in 2016) categorised as Level 2. 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 period.

As at 30 June 2016 the senior secured notes have a carrying value of £165.9 million (31 December 2015: £16.8 million) and a fair value of £158.8 million (31 December 2015: £166.9 million).

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 only Level 3 financial instruments held by the Group during the period are for acquisition-related financial liabilities. Fair values have been derived by discounting estimated future cash flows. The table below is a reconciliation of the Level 3 fair value measurements for the period ended 30 June 2016:

	Acquisition-related financial liabilities £'000
1 January 2015	34,619
Recognised on acquisition	-
Re-measured	4,212
Unwind of discount	1,458
Service related charge	-
Payment	(9,212)
Foreign exchange	(4,230)
30 June 2015	26,847
1 January 2015	34,619
Re-measured	6,978
Unwind of discount	3,383
Service related charge	29
Payment	(9,212)
Foreign exchange	(4,250)
31 December 2015	31,547

10. Financial instruments fair value disclosure (continued)

	Acquisition-related financial liabilities £'000
1 January 2016	**31,547**
Re-measured	**154**
Unwind of discount	**1,741**
Payment	**(33,594)**
Foreign exchange	**152**
30 June 2016	**-**

11. Long-term incentive schemes

A total charge of £2.8 million (H1 2015: £2.0 million) relating to the Group's long-term incentive schemes has been included in the income statement for the 6 months ended 30 June 2016 and a charge of £1.5 million for the 3 months ended 30 June 2016 (Q2 2015: £1.2 million).

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 will be paid, 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 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 £1.5 million for the 6 months ended 30 June 2016 (Q2 2015: £1.7 million) and £0.7 million for the 3 months ended 30 June 2016 (Q2 2015: 0.8 million).

Furthermore, the Group has put in place long-term cash-based schemes in April 2015 and April 2016 that will vest in April 2018 and April 2019 respectively. The amount of the payment will be determined by the level of business performance against revenue and EBITDA targets over the three years and the cost of the scheme will be spread over the vesting period. As such charges have been recognised in respect of these schemes of £1.3 million in the 6 months ended to 30 June 2016 (Q2 2015: £0.3 million) and £0.8 million in the 3 months ended 30 June 2016 (Q2 2015: £0.3 million).

12. Contingent liabilities

There were no contingent liabilities at 30 June 2016 (30 June 2015: nil).

13. Related parties

There have been no material changes in the related party transactions described in the last annual report aside from those disclosed elsewhere in this interim statement.

14. Post balance sheet events

On 10th August 2016, Perform Investment Limited, a wholly owned subsidiary of the Group and part of the Unrestricted Group, entered into a loan facility agreement ("the Facility") with AI International SARL, part of the Access Industries, the Group's principal shareholder. Perform Investment Limited can utilise the Facility by drawing down in two tranches of up to £50.0 million, the first tranche no later than 31st August 2016 and the second tranche no later than 30th December 2016, in each case subject to certain conditions.

Any amounts outstanding in relation to the Facility will be repaid on the earlier of 12th August 2019 or upon the occurrence of certain equity conversion events.

15. 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 and six months ended 30 June 2016 is set out in the following tables.

Income Statement	**6 months to 30 June 2016**			
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Revenue	136,333	-	(5,000)	**131,333**
Cost of sales	(76,958)	(7,311)	5,000	**(79,269)**
Gross profit/(loss)	59,375	(7,311)	-	**52,064**
Administrative expenses	(52,087)	(7,935)	-	**(60,022)**
Group operating profit/(loss)	7,288	(15,246)	-	**(7,958)**
Investment income	4,716	56	(4,568)	**204**
Finance income	-	-	-	**-**
Finance costs	(9,882)	(4,573)	4,568	**(9,887)**
Group profit/(loss) before tax	2,122	(19,763)	-	**(17,641)**
Taxation charge	(4,265)	(1,373)	-	**(5,638)**
Group loss after tax	(2,143)	(21,136)	-	**(23,279)**
Adjusted EBITDA	20,668	(14,409)	-	**6,259**
Exceptional items	(1,351)	-	-	**(1,351)**
Share-based payments	(2,516)	(297)	-	**(2,813)**
EBITDA	16,801	(14,706)	-	**2,095**
Amortisation and depreciation	(7,771)	(540)	-	**(8,311)**
Acquisition-related amortisation	(1,742)	-	-	**(1,742)**
Group operating profit/(loss)	7,288	(15,246)	-	**(7,958)**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2016 (UNAUDITED)

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

Income Statement	6 months to 30 June 2015			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Revenue	122,646	-	-	**122,646**
Cost of sales	(69,418)	-	-	**(69,418)**
Gross profit	53,228	-	-	**53,228**
Administrative expenses	(51,511)	(903)	-	**(52,414)**
Group operating profit/(loss)	1,717	(903)	-	**814**
Investment income	91	-	-	**91**
Finance income	77	-	-	**77**
Finance costs	(4,303)	-	-	**(4,303)**
Group loss before tax	(2,418)	(903)	-	**(3,321)**
Taxation charge	(1,625)	-	-	**(1,625)**
Group loss after tax	(4,043)	(903)	-	**(4,946)**
Adjusted EBITDA	15,904	(903)	-	**15,001**
Exceptional items	(1,502)	-	-	**(1,502)**
Share-based payments	(2,002)	-	-	**(2,002)**
EBITDA	12,400	(903)	-	**11,497**
Amortisation and depreciation	(7,658)	-	-	**(7,658)**
Acquisition-related amortisation	(3,025)	-	-	**(3,025)**
Group operating profit/(loss)	1,717	(903)	-	**814**

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

Income Statement	3 months to 30 June 2016			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Revenue	69,694	-	(2,500)	**67,194**
Cost of sales	(37,040)	(4,028)	2,500	**(38,568)**
Gross profit/(loss)	32,654	(4,028)	-	**28,626**
Administrative expenses	(22,452)	(4,932)	-	**(27,384)**
Group operating profit/(loss)	10,202	(8,960)	-	**1,242**
Investment income	2,402	24	(2,335)	**91**
Finance income	-	-	-	**-**
Finance costs	(5,270)	(2,337)	2,335	**(5,272)**
Group profit/(loss) before tax	7,334	(11,273)	-	**(3,939)**
Taxation charge	(4,348)	(1,373)	-	**(5,721)**
Group profit/(loss) after tax	2,986	(12,646)	-	**(9,660)**
Adjusted EBITDA	13,987	(8,405)	-	**5,581**
Exceptional items	1,545	-	-	**1,545**
Share-based payments	(1,322)	(159)	-	**(1,481)**
EBITDA	14,210	(8,564)	-	**5,642**
Amortisation and depreciation	(3,936)	(396)	-	**(4,332)**
Acquisition-related amortisation	(72)	-	-	**(72)**
Group operating profit/(loss)	10,202	(8,960)	-	**1,242**

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

Income Statement	3 months to 30 June 2015			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Revenue	60,342	-	-	60,342
Cost of sales	(33,155)	-	-	(33,155)
Gross profit	27,187	-	-	27,187
Administrative expenses	(28,617)	(733)	-	(29,350)
Group operating loss	(1,430)	(733)	-	(2,163)
Investment income	47	-	-	47
Finance income	77	-	-	77
Finance costs	(2,077)	-	-	(2,077)
Group loss before tax	(3,383)	(733)	-	(4,116)
Taxation charge	(2,215)	-	-	(2,215)
Group loss after tax	(5,598)	(733)	-	(6,331)

Adjusted EBITDA	8,084	(733)	-	7,351
Exceptional items	(2,795)	-	-	(2,795)
Share-based payments	(1,177)	-	-	(1,177)
EBITDA	4,112	(733)	-	3,379
Amortisation and depreciation	(4,059)	-	-	(4,059)
Acquisition-related amortisation	(1,483)	-	-	(1,483)
Group operating loss	(1,430)	(733)	-	(2,163)

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

Balance Sheet	As at 30 June 2016			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Non-current assets				
Goodwill	197,952	-	-	**197,952**
Acquisition intangibles	55,395	-	-	**55,395**
Other intangible assets	24,038	7,809	(750)	**31,097**
Property, plant and equipment	15,510	5,855	-	**21,365**
Loan to Unrestricted Group	125,684	-	(125,684)	**-**
Deferred tax asset	7,487	-	-	**7,487**
	426,066	13,664	(126,434)	**313,296**
Current assets				
Trade and other receivables	79,839	52,031	-	**131,870**
Cash and cash equivalents	39,385	35,345	-	**74,730**
	119,224	87,376	-	**206,600**
Total assets	545,290	101,040	(126,434)	**519,896**
Current liabilities				
Trade and other payables	(67,822)	(2,102)	-	**(69,924)**
Current acquisition-related financial liabilities	-	-	-	**-**
Current borrowings	(1,859)	-	-	**(1,859)**
Current tax liabilities	(3,966)	-	-	**(3,966)**
	(73,647)	(2,102)	-	**(75,749)**
Net current assets	45,577	85,274	-	**130,851**
Non-current liabilities				
Non-current borrowings	(191,157)	-	-	**(191,157)**
Payable to Restricted Group	-	(125,684)	125,684	**-**
Deferred tax liability	(11,450)	-	-	**(11,450)**
	(202,607)	(125,684)	125,684	**(202,607)**
Total liabilities	(276,254)	(127,786)	125,684	**(278,356)**
Net assets	269,036	(26,746)	(750)	**241,540**
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	67,406	(26,703)	(750)	**39,953**
Foreign exchange reserve	(5,478)	(44)	-	**(5,522)**
Equity attributable to owners of the Parent	269,482	(26,747)	(750)	**241,985**
Non-controlling interest	(445)	-	-	**(445)**
Total equity	269,037	(26,747)	(750)	**241,540**

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

Balance Sheet	**As at 31 December 2015**			
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Non-current assets				
Goodwill	189,073	-	-	189,073
Acquisition intangibles	54,288	-	-	54,288
Other intangible assets	21,145	4,193	(750)	24,588
Property, plant and equipment	13,722	1,105	-	14,827
Loan to Unrestricted Group	95,116	-	(95,116)	-
Deferred tax asset	9,955	1,268	-	11,223
	383,299	6,566	(95,866)	293,999
Current assets				
Trade and other receivables	82,402	17,176	(418)	99,160
Cash and cash equivalents	61,080	68,469	-	129,549
	143,482	85,645	(418)	228,709
Total assets	526,781	92,211	(96,284)	522,708
Current liabilities				
Trade and other payables	(53,574)	(2,663)	418	(55,819)
Current acquisition-related financial liabilities	(31,547)	-	-	(31,547)
Current borrowings	(1,859)	-	-	(1,859)
Current tax liabilities	(5,758)	-	-	(5,758)
	(92,738)	(2,663)	418	(94,983)
Net current assets	50,744	82,982	-	133,726
Non-current liabilities				
Non-current borrowings	(163,987)	-	-	(163,987)
Non-current borrowings from Restricted Group	-	(95,116)	95,116	-
Deferred tax liability	(11,185)	-	-	(11,185)
	(175,172)	(95,116)	95,116	(175,172)
Total liabilities	(267,910)	(97,779)	95,534	(270,155)
Net assets	258,871	(5,568)	(750)	252,553
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	24,331	(5,568)	(750)	18,013
Foreign exchange reserve	(20,037)	-	-	(20,037)
Other reserve	44,165	-	-	44,165
Equity attributable to owners of the Parent	256,013	(5,568)	(750)	249,695
Non-controlling interest	2,858	-	-	2,858
Total equity	258,871	(5,568)	(750)	252,553

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

Balance Sheet	**As at 30 June 2015**			
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Non-current assets				
Goodwill	184,187	-	-	184,187
Acquisition intangibles	55,602	-	-	55,602
Other intangible assets	20,656	-	-	20,656
Property, plant and equipment	10,796	-	-	10,796
Loan to Unrestricted Group	-	-	-	-
Deferred tax asset	9,119	-	-	9,119
	280,360	-	-	280,360
Current assets				
Trade and other receivables	72,441	4,284	-	76,725
Receivable from the Unrestricted group	5,187	-	(5,187)	-
Cash and cash equivalents	27,357	-	-	27,357
	104,985	4,284	(5,187)	104,082
Total assets	385,345	4,284	(5,187)	384,442
Current liabilities				
Trade and other payables	(48,651)	-	-	(48,651)
Payable to Restricted Group	-	(5,187)	5,187	-
Current acquisition-related financial liabilities	(26,847)	-	-	(26,847)
Current tax liabilities	(5,726)	-	-	(5,726)
	(81,224)	(5,187)	5,187	(81,224)
Net current assets	23,761	(903)	-	22,858
Non-current liabilities				
Non-current borrowings	(46,308)	-	-	(46,308)
Deferred tax liability	(14,836)	-	-	(14,836)
	(61,144)	-	-	(61,144)
Total liabilities	(142,368)	(5,187)	5,187	(142,368)
Net assets	242,977	(903)	-	242,074
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	16,171	(903)	-	15,268
Foreign exchange reserve	(27,306)	-	-	(27,306)
Other reserve	44,165	-	-	44,165
Equity attributable to owners of the Parent	240,584	(903)	-	239,681
Non-controlling interest	2,393	-	-	2,393
Total equity	242,977	(903)	-	242,074

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

Cash Flows	**6 months to 30 June 2016**			
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Operating activities				
Group operating profit	7,288	(15,246)	-	(7,958)
Decrease/(Increase) in trade and other receivables	3,977	(35,662)	-	(31,685)
Increase in trade and other payables	9,262	453	-	9,715
Depreciation and amortisation (including acquisition intangible amortisation)	9,513	540	-	10,053
Employee share-based payment	2,516	297	-	2,813
Exceptional items	1,351	-	-	1,351
Corporation tax payments	(3,169)	-	-	(3,169)
Cash inflow/(outflow) from operating activities (prior to exceptional items)	30,738	(49,618)	-	(18,880)
Payments in respect of exceptional items	(740)	-	-	(740)
Cash inflow/(outflow) operating activities (after exceptional items)	29,998	(49,618)	-	(19,620)
Investing activities				
Purchases of property, plant and equipment	(4,622)	(6,352)	-	(10,974)
Purchases of intangible assets	(6,827)	(4,127)	-	(10,954)
Acquisition of subsidiaries (net of cash acquired)	(3,391)	-	-	(3,391)
Investment income	113	18	-	131
Cash outflow from investing activities	(14,727)	(10,461)	-	(25,188)
Financing activities				
Dividend paid to non-controlling interests	(2,247)	-	-	(2,247)
Acquisition of non-controlling interests	(27,956)	-	-	(27,956)
Borrowings (net of bank fees and costs)	26,000	-	-	26,000
Loan to Unrestricted Group	(26,000)	26,000	-	-
Borrowings capital repayments	-	-	-	-
Exceptional finance exchange loss on existing debt facility	-	-	-	-
Interest, bank fees and related charges	(8,820)	-	-	(8,820)
Cash (outflow)/inflow from financing activities	(39,023)	26,000	-	(13,023)
Net decrease in cash and cash equivalents in the period (all continuing operations)	(23,752)	(34,079)	-	(57,831)
Cash and cash equivalents at start of period	61,080	68,469	-	129,549
Effect of foreign currency exchange rates	2,057	955	-	3,012
Cash and cash equivalents at end of period	39,385	35,345	-	74,730

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2016 (UNAUDITED)

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

Cash Flows		**6 months to 30 June 2015**		
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Operating activities				
Group operating profit/(loss)	1,717	(903)	-	814
Decrease/(Increase) in trade and other receivables	(1,951)	(4,284)	-	(6,235)
Decrease in trade and other payables	(6,403)	-	-	(6,403)
Increase in receivable from the Unrestricted Group	(5,187)	-	5,187	-
Increase in payable to the Restricted Group	-	5,187	(5,187)	-
Depreciation and amortisation (including acquisition intangible amortisation)	10,683	-	-	10,683
Employee share-based payment	2,002	-	-	2,002
Exceptional items	1,502	-	-	1,502
Corporation tax payments	(2,916)	-	-	(2,916)
Cash outflow from operating activities (prior to exceptional items)	(553)	-	-	(553)
Payments in respect of exceptional items	(3,768)	-	-	(3,768)
Cash outflow operating activities (after exceptional items)	(4,321)	-	-	(4,321)
Investing activities				
Purchases of property, plant and equipment	(2,547)	-	-	(2,547)
Purchases of intangible assets	(7,902)	-	-	(7,902)
Acquisition of subsidiaries (net of cash acquired)	(7,818)	-	-	(7,818)
Investment income	91	-	-	91
Cash outflow from investing activities	(18,176)	-	-	(18,176)
Financing activities				
Dividend paid to non-controlling interests	(1,394)	-	-	(1,394)
Acquisition of non-controlling interests	(30,896)	-	-	(30,896)
Borrowings (net of bank fees and costs)	47,283	-	-	47,283
Loan to Unrestricted Group	-	-	-	-
Fees relating to arrangement and non-commitment of debt facilities	(260)	-	-	(260)
Borrowings capital repayments	-	-	-	-
Exceptional finance exchange loss on existing debt facility	-	-	-	-
Interest, bank fees and related charges	(145)	-	-	(145)
Cash inflow from financing activities	14,588	-	-	14,588
Net decrease in cash and cash equivalents in the period (all continuing operations)	(7,909)	-	-	(7,909)
Cash and cash equivalents at start of period	36,246	-	-	36,246
Effect of foreign currency exchange rates	(980)	-	-	(980)
Cash and cash equivalents at end of period	27,357	-	-	27,357

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

Cash Flows	**3 months to 30 June 2016**			
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Operating activities				
Group operating profit/(loss)	10,202	(8,960)	-	1,242
Decrease/(Increase) in trade and other receivables	4,313	(14,439)	-	(10,126)
(Decrease)/increase in trade and other payables	(6,375)	(703)	-	(7,078)
Depreciation and amortisation (including acquisition intangible amortisation)	4,008	396	-	4,404
Employee share-based payment	1,322	159	-	1,481
Exceptional items	(1,545)	-	-	(1,545)
Corporation tax payments	(903)	-	-	(903)
Cash inflow/(outflow) from operating activities (prior to exceptional items)	11,022	(23,547)	-	(12,525)
Payments in respect of exceptional items	(318)	-	-	(318)
Cash inflow/(outflow) operating activities (after exceptional items)	10,704	(23,547)	-	(12,843)
Investing activities				
Purchases of property, plant and equipment	(2,063)	(2,081)	-	(4,144)
Purchases of intangible assets	(4,095)	(3,349)	-	(7,444)
Acquisition of subsidiaries (net of cash acquired)	(3,391)	-	-	(3,391)
Investment income	-	18	-	18
Cash outflow from investing activities	(9,549)	(5,412)	-	(14,961)
Financing activities				
Dividend paid to non-controlling interests	(2,247)	-	-	(2,247)
Acquisition of non-controlling interests	(27,956)	-	-	(27,956)
Borrowings (net of bank fees and costs)	26,000	-	-	26,000
Loan to Unrestricted Group	(26,000)	26,000	-	-
Borrowings capital repayments	-	-	-	-
Exceptional finance exchange loss on existing debt facility	-	-	-	-
Interest, bank fees and related charges	(8,167)	-	-	(8,167)
Cash (outflow)/inflow from financing activities	(38,370)	26,000	-	(12,370)
Net decrease in cash and cash equivalents in the period (all continuing operations)	(37,215)	(2,959)	-	(40,174)
Cash and cash equivalents at start of period	75,540	37,349	-	112,889
Effect of foreign currency exchange rates	1,060	955	-	2,015
Cash and cash equivalents at end of period	39,385	35,345	-	74,730

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2016 (UNAUDITED)

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

Cash Flows	3 months to 30 June 2015			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Operating activities				
Group operating loss	(1,430)	(733)	-	(2,163)
Decrease/(Increase) in trade and other receivables	1,478	(4,284)	-	(2,806)
(Decrease)/increase in trade and other payables	(4,693)	-	-	(4,693)
Increase in receivable from the Unrestricted Group	(5,017)	-	5,017	-
Increase in payable to the Restricted Group	-	5,017	(5,017)	-
Depreciation and amortisation (including acquisition intangible amortisation)	5,542	-	-	5,542
Employee share-based payment	1,177	-	-	1,177
Exceptional items	2,795	-	-	2,795
Corporation tax payments	(2,103)	-	-	(2,103)
Cash outflow from operating activities (prior to exceptional items)	(2,251)	-	-	(2,251)
Payments in respect of exceptional items	(1,184)	-	-	(1,184)
Cash outflow operating activities (after exceptional items)	(3,435)	-	-	(3,435)
Investing activities				
Purchases of property, plant and equipment	(1,330)	-	-	(1,330)
Purchases of intangible assets	(3,879)	-	-	(3,879)
Acquisition of subsidiaries (net of cash acquired)	(7,818)	-	-	(7,818)
Investment income	47	-	-	47
Cash outflow from investing activities	(12,980)	-	-	(12,980)
Financing activities				
Dividend paid to non-controlling interests	(1,394)	-	-	(1,394)
Acquisition of non-controlling interests	(20)	-	-	(20)
Borrowings (net of bank fees and costs)	(201)	-	-	(201)
Loan to Unrestricted Group	-	-	-	-
Fees relating to arrangement and non-commitment of debt facilities	-	-	-	-
Borrowings capital repayments	-	-	-	-
Exceptional finance exchange loss on existing debt facility	460	-	-	460
Interest, bank fees and related charges	(340)	-	-	(340)
Cash outflow from financing activities	(1,495)	-	-	(1,495)
Net decrease in cash and cash equivalents in the period (all continuing operations)	(17,910)	-	-	(17,910)
Cash and cash equivalents at start of period	45,945	-	-	45,945
Effect of foreign currency exchange rates	(678)	-	-	(678)
Cash and cash equivalents at end of period	27,357	-	-	27,357