COMPANY REGISTRATION NO. 6324278

PERFORM GROUP LIMITED

QUARTERLY FINANCIAL REPORT

FOR THE THREE MONTHS ENDED 31 MARCH 2018

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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
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 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICTED GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2018

Overview

Perform Group Limited is pleased to announce its results for the quarter ended 31 March 2018.

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, its OTT 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 15.

Income Statement

	3 months ended			**LTM**
	31 March 2018 £m	31 March 2017 £m	Movement £m	**31 March 2018 £m**
Revenue	**84.4**	75.7	8.7	**386.2**
Cost of sales	**(49.0)**	(44.1)	(4.9)	**(215.2)**
Gross profit	**35.4**	31.6	3.8	**171.0**
Administrative expenses	**(36.7)**	(33.7)	(3.0)	**(164.7)**
Group operating (loss)/profit	**(1.3)**	(2.1)	0.8	**6.3**
Analysed as:				
Adjusted EBITDA	**6.7**	5.9	0.8	**54.9**
Exceptional items	**(0.2)**	(0.1)	(0.1)	**(16.8)**
Long-term incentive schemes	**(1.4)**	(1.1)	(0.3)	**(4.7)**
EBITDA	**5.1**	4.7	0.4	**33.4**
Amortisation and depreciation	**(4.8)**	(5.1)	0.3	**(20.4)**
Acquisition-related amortisation	**(1.6)**	(1.7)	0.1	**(6.7)**
Group operating (loss)/profit	**(1.3)**	(2.1)	0.8	**6.3**
Net finance costs	**(1.3)**	(1.0)	(0.3)	**(4.5)**
Revaluation of option to convert loan to equity	**-**	-	-	**(112.7)**
Group loss before tax	**(2.6)**	(3.1)	0.5	**(110.9)**
Tax charge	**(1.0)**	(0.5)	(0.5)	**(1.1)**
Group loss after tax	**(3.6)**	(3.6)	-	**(112.0)**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICTED GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2018

Revenue

	3 months ended			LTM
	31 March 2018 £m	31 March 2017 £m	Movement £m	**31 March 2018 £m**
Content	**64.6**	54.5	10.1	**292.4**
Media	**13.1**	13.6	(0.5)	**62.3**
Other	**6.7**	7.6	(0.9)	**31.5**
	84.4	75.7	8.7	**386.2**

Revenue increased by £8.7 million to £84.4 million for the three months ended 31 March 2018 ("Q1 2018") from £75.7 million for the three months ended 31 March 2017 ("Q1 2017").

Content revenue

Content revenue increased by £10.1 million to £64.6 million (Q1 2017: £54.5 million) primarily due to the year on year impact of broadcast revenue generated following the launch of the Group's strategic partnerships with WTA, FIBA and NFL ("the strategic partnerships") at varying times during 2017.

The Group has also continued to generate revenue from its Watch&Bet and its RunningBall customers, with increased events coverage during Q1 2018. Content revenue from the Group's Opta and Omnisport customers increased during the period and the Group benefitted year on year following the acquisition of Scout7 in October 2017.

Media revenue

Media revenue decreased £0.5 million to £13.1 million (Q1 2017: £13.6 million) due to the closure of the US ePlayer business at the end of Q1 2017, offset by continued strong growth in advertising revenue from owned and operated portals, including Goal, Sporting News, Mackolik, Soccerway and Spox.

Other revenue

Other revenue decreased £0.9 million to £6.7 million (Q1 2017: £7.6 million) driven by the strategic exit of the Group's legacy technology & subscription business in Q2 2017.

Gross profit

Gross profit increased £3.8 million to £35.4 million (Q1 2017: £31.6 million) primarily due to the £8.7 million increase in revenues being offset by a £4.9 million increase in cost of sales. Cost of sales increased predominantly due to an increase in rights costs in relation to the Group's strategic partnerships.

Administrative expenses

Administrative expenses increased £3.0 million to £36.7 million (Q1 2017: £33.7 million) due to the following:

- Operational administrative expenses increased £3.0 million to £28.7 million (Q1 2017: £25.7 million) driven by the continued growth of the strategic partnerships year on year;
- Exceptional item costs increased £0.1 million to £0.2 million (Q1 2017: £0.1 million) in relation to the Group's acquisitions and restructuring activities; and
- Long-term incentive schemes costs increased £0.3 million to £1.4 million (Q1 2017: £1.1 million); offset by
- Depreciation and amortisation costs decreased £0.4 million to £6.4 million (Q1 2017: £6.8 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 2018

Operating loss

Operating loss decreased £0.8 million to £1.3 million (Q1 2017: £2.1 million loss) due to the £3.8 million increase in gross profit offset by a £3.0 million increase in administration expenses as explained above.

Net finance costs

Net finance costs increased £0.3 million to £1.3 million (Q1 2017: £1.0 million). The Q1 2018 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 2017: £4.8 million) offset by:
- interest due from the Unrestricted Group of £3.5 million (Q1 2017: £3.8 million).

Taxation

The tax charge for the period was £1.0 million (Q1 2017: £0.5 million charge). This includes a current tax charge of £1.3 million (Q1 2017: £0.8 million) and a deferred tax credit of £0.3 million related to the unwinding of deferred tax on acquisition intangibles (Q1 2017: £0.3 million credit).

Loss after tax

Loss after tax for the period was £3.6 million, in line with Q1 2017 (Q1 2017: £3.6 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 2018

Cash flow

	3 months ended			LTM
	31 March 2018 £m	31 March 2017 £m	Movement £m	**31 March 2018 £m**
Adjusted EBITDA	**6.7**	5.9	**0.8**	**54.9**
Movements in working capital	**(6.1)**	-	**(6.1)**	**(24.9)**
Long-term incentive plan	**-**	-	**-**	**(4.5)**
Corporation tax payments	**(1.7)**	(1.5)	**(0.2)**	**(5.4)**
Exceptional items	**(0.7)**	-	**(0.7)**	**(9.0)**
Cash (outflow)/inflow from operating activities	**(1.8)**	4.4	**(6.2)**	**11.1**
Capital expenditure	**(3.5)**	(5.4)	**1.9**	**(16.1)**
Acquisition of subsidiaries	**-**	-	**-**	**(2.3)**
Investment income	**0.1**	0.1	**-**	**0.7**
Cash outflow from investing activities	**(3.4)**	(5.3)	**1.9**	**(17.7)**
Borrowings and drawdowns	**(10.0)**	-	**(10.0)**	**14.0**
Loan repaid from Unrestricted Group	**-**	-	**-**	**14.0**
Interest and fees	**(0.2)**	(0.4)	**0.2**	**(16.6)**
Cash (outflow)/inflow from financing activities	**(10.2)**	(0.4)	**(9.8)**	**11.4**
Net (decrease)/increase in cash	**(15.4)**	(1.3)	**(14.1)**	**4.8**
Cash at start of period	**49.4**	31.5	**17.9**	**30.1**
Effect of foreign currency exchange rates	**(0.6)**	(0.1)	**(0.5)**	**(1.5)**
Cash at end of period	**33.4**	30.1	**3.3**	**33.4**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE RESTRICTED GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2018

Operating activities

Cash flows from operating activities decreased £6.2 million to £1.8 million outflow (Q1 2017: £4.4 million inflow) due to a £0.7 million increase in exceptional payments to £0.7 million (Q1 2017: £nil), combined with a £6.1 million increase in working capital outflow to £6.1 million (Q1 2017: £nil), and an increase in corporation tax payments £0.2 million to £1.7 million (Q1 2017: £1.5 million), offset by a £0.8 million increase in adjusted EBITDA to £6.7 million (Q1 2017: £5.9 million).

Investing activities

Cash outflows from investing activities decreased £1.9 million to £3.4 million (Q1 2017: £5.3 million outflow) due to a decrease in capital expenditure spend of £1.9 million to £3.5 million (Q1 2017: £5.4 million).

Financing activities

Cash outflow from financing activities increased £9.8 million to an outflow of £10.2 million (Q1 2017: £0.4 million outflow) driven by a £10.0 million repayment of the RCF (Q1 2017: £nil) and a reduction in interest and fees by £0.2 million to £0.2 million (Q1 2017: £0.4 million).

Debt and liquidity

As at 31 March 2018, the Restricted Group held cash of £33.4 million (Q1 2017: £30.1 million; Q4 2017: £49.4 million) and had net debt of £44.1 million (Q1 2017: £28.4 million; Q4 2017: £53.0 million) (representing net borrowings and accrued interest of £215.1 million (Q1 2017: £199.3 million; Q4 2017: £220.6 million) offset by borrowings provided to the Unrestricted Group of £141.0 million (Q1 2017: £155.0 million; Q4 2017: £141.0 million) and accrued interest receivable from the Unrestricted Group of £30.0 million (Q1 2017: £15.9 million; Q4 2017: £26.6 million).

PERFORM GROUP LIMITED
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CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE TOTAL GROUP FOR THE THREE MONTHS ENDED 31 MARCH 2018 (UNAUDITED)

PERFORM GROUP LIMITED

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2018 (UNAUDITED)

All results relate to continuing operations	Notes	**3 months ended** **31 March 2018** **£'000**	 31 March 2017 £'000
Revenue		**114,950**	79,154
Cost of sales		**(108,058)**	(57,249)
Gross profit		**6,892**	21,905
Administrative expenses		**(79,448)**	(67,040)
Group operating loss		**(72,556)**	(45,135)
Finance income		**183**	131
Finance costs	6	**(10,118)**	(7,419)
Group loss before tax		**(82,491)**	(52,423)
Taxation charge	4	**(434)**	(708)
Group loss for the period after tax		**(82,925)**	(53,131)
Group loss for the period attributable to:			
Owners of the Parent		**(83,334)**	(53,097)
Non-controlling interests		**409**	(34)
		(82,925)	(53,131)

PERFORM GROUP LIMITED

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2018 (UNAUDITED)

	3 months ended	
	31 March 2018 £'000	31 March 2017 £'000
Group loss for the period	**(82,925)**	(53,131)
Items that may be reclassified subsequently to loss:		
Exchange differences on translating foreign operations, goodwill and acquisition intangibles held in foreign currencies	**(2,642)**	1,567
Total comprehensive loss for the period	**(85,567)**	(51,564)
Total comprehensive loss for the period attributable to:		
Owners of the Parent	**(85,976)**	(51,530)
Non-controlling interest	**409**	(34)
	(85,567)	(51,564)

PERFORM GROUP LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2018 (UNAUDITED)

	Called up share capital £'000	Share premium £'000	Merger relief reserve £'000	Capital redemption reserve £'000	Retained earnings/ (accumulated deficit) £'000	Foreign exchange reserve £'000	Equity attributable to owners of the Parent £'000	Non-controlling interests £'000	Total equity £'000
At 1 January 2017	7,485	102,310	93,533	38,342	(23,321)	1,495	219,844	(613)	219,231
Loss for the year	-	-	-	-	(370,083)	-	(370,083)	(176)	(370,259)
FX on translating foreign operations, goodwill and intangible assets	-	-	-	-	-	1,455	1,455	-	1,455
Total comprehensive (loss)/profit for the year	-	-	-	-	(370,083)	1,455	(368,628)	(176)	(368,804)
Issuance of option to convert loan to equity	-	-	-	-	(83,566)	-	(83,566)	-	(83,566)
At 31 December 2017	7,485	102,310	93,533	38,342	(476,970)	2,950	(232,350)	(789)	(233,139)
At 1 January 2018	**7,485**	**102,310**	**93,533**	**38,342**	**(476,970)**	**2,950**	**(232,350)**	**(789)**	**(233,139)**
Loss for the period	**-**	**-**	**-**	**-**	**(83,334)**	**-**	**(83,334)**	**409**	**(82,925)**
FX on translating foreign operations, goodwill and intangible assets	**-**	**-**	**-**	**-**	**-**	**(2,642)**	**(2,642)**	**-**	**(2,642)**
Total comprehensive (loss)/profit for the period	**-**	**-**	**-**	**-**	**(83,334)**	**(2,642)**	**(85,976)**	**409**	**(85,567)**
Issuance of option to convert loan to equity	**-**	**-**	**-**	**-**	**(12,816)**	**-**	**(12,816)**	**-**	**(12,816)**
At 31 March 2018	**7,485**	**102,310**	**93,533**	**38,342**	**(573,120)**	**308**	**(331,142)**	**(380)**	**(331,522)**

PERFORM GROUP LIMITED

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018 (UNAUDITED)

	Notes	**31 March 2018 £'000**	31 December 2017 £'000	31 March 2017 £'000
Non-current assets				
Goodwill		**210,850**	213,590	208,654
Acquisition intangibles		**44,529**	46,995	52,342
Other intangible assets		**48,277**	42,468	35,143
Property, plant and equipment		**29,743**	33,076	27,215
Deferred tax asset		**8,950**	8,945	5,852
		342,349	345,074	329,206
Current assets				
Trade and other receivables		**59,866**	54,832	50,135
Prepayments		**324,339**	294,065	225,695
Cash and cash equivalents	7	**111,387**	197,568	92,127
		495,592	546,465	367,957
Total assets		**837,941**	891,539	697,163
Current liabilities				
Trade and other payables		**(156,417)**	(153,976)	(155,956)
Derivative liabilities	9	**(217,071)**	(204,255)	(12,000)
Current borrowings	7	**(578,632)**	(537,342)	(160,218)
Current tax liabilities		**(295)**	(2,121)	(1,794)
		(952,415)	(897,694)	(329,968)
Net current (liabilities)/assets		**(456,823)**	(351,229)	37,989
Non-current liabilities				
Non-current borrowings	7	**(209,070)**	(218,505)	(193,382)
Deferred tax liability		**(7,978)**	(8,479)	(10,146)
		(217,048)	(226,984)	(203,528)
Total liabilities		**(1,169,463)**	(1,124,678)	(533,496)
Net (liabilities)/assets		**(331,522)**	(233,139)	163,667
Equity				
Called up share capital	8	**7,485**	7,485	7,485
Share premium		**102,310**	102,310	102,310
Merger relief reserve		**93,533**	93,533	93,533
Capital redemption reserve		**38,342**	38,342	38,342
Accumulated deficit		**(573,120)**	(476,970)	(80,418)
Foreign exchange reserve		**308**	2,950	3,062
Equity attributable to owners of the Parent		**(331,142)**	(232,350)	164,314
Non-controlling interests		**(380)**	(789)	(647)
Total equity		**(331,522)**	(233,139)	163,667

PERFORM GROUP LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2018 (UNAUDITED)

	3 months ended	
	31 March 2018 £'000	31 March 2017 £'000
Operating activities		
Group operating loss	**(72,556)**	(45,135)
Increase in trade and other receivables and prepayments	**(35,308)**	(69,747)
Increase in trade and other payables	**864**	25,238
Depreciation and amortisation (including acquisition intangibles amortisation)	**10,196**	8,741
Employee long-term incentive scheme charges	**1,900**	1,568
Exceptional items	**189**	67
Corporation tax payments	**(2,068)**	(2,112)
Payments in respect of exceptional items	**(659)**	-
Cash outflow from operating activities	**(97,442)**	(81,380)
Investing activities		
Purchases of property, plant and equipment	**(1,519)**	(5,251)
Purchases of intangible assets	**(8,159)**	(6,640)
Investment income	**183**	131
Cash outflow from investing activities	**(9,495)**	(11,760)
Financing activities		
Borrowings	**22,000**	50,000
Interest and finance lease charges paid	**(223)**	(357)
Cash inflow from financing activities	**21,777**	49,643
Net decrease in cash and cash equivalents in the period	**(85,160)**	(43,497)
Cash and cash equivalents at start of period	**197,568**	134,880
Effect of foreign currency exchange rates	**(1,021)**	744
Cash and cash equivalents at end of period	**111,387**	92,127

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2018 (UNAUDITED)

1. General Information

These condensed consolidated financial statements for the three months ended 31 March 2018 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 2017 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 consolidated 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 2017.

Adoption of new and revised standards

In the current year, the Group has applied a number of amendments to IFRSs and a new Interpretation issued by the International Accounting Standard Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2018 as follows:

Standard	Description	Effective Date
IFRS 9	Financial Instruments	1 January 2018
IFRS 15 including to IFRS 15 (April 2016)	Revenue from contracts with customers	1 January 2018
IFRIC 22	Foreign currency transactions and advance consideration	1 January 2018
Amendments to IFRS 2 (June 2016)	Classification and measurement of share-based payment transactions	1 January 2018
Annual improvements to IFRS's: 2014-2016 cycle (Dec 2016)	Annual improvements to IFRS's: 2014-2016 cycle – IFRS 1 and IAS 28 amendments	1 January 2018

Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

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:

Standard	Description	Effective Date
IFRS 16	Leases	1 January 2019
Amendments to IFRS 10 and IAS 28 (Sept 2016)	Sale or contribution of assets between and investor and its associate or joint venture	Postponed
IFRIC 23	Uncertainty over income tax treatments	1 January 2019
Amendments to IFRS 9 (Oct 2017)	Prepayment features with negative compensation	1 January 2019
Amendments to IAS 28 (Oct 2017)	Long-term interests in associates and joint ventures	1 January 2019
Annual improvements to IFRS's: 2015-2017 cycle (Dec 2017)	Annual improvements to IFRS's: 2015-2017 cycle – IFRS 3, IFRS 11, IAS 12 and IAS 23 amendments	1 January 2019
IFRS 17	Insurance contracts	1 January 2021

2. Accounting policies (continued)

Going concern

Having reviewed cash flow forecasts and budgets the Directors have a reasonable expectation that the Group has sufficient resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of approval of these financial statements.

The Group had cash balances of £111.4 million (Q1 2017: £92.1 million, Q4 2017: £197.6 million) at 31 March 2018, net current liabilities of £456.8 million (Q1 2017: £38.0 million net current assets, Q4 2017: £351.2 million net current liabilities) and net liabilities of £331.5 million (Q1 2017: £163.7 million net assets, Q4 2017: £233.1 million net liabilities).

The Group continued the expansion of its OTT business in 2017 with the launch of Canada during August 2017. As part of the investment phase in this exciting and significant growth opportunity, the Group has made significant commitments for the acquisition of critical content rights and development of the platform and product ahead of the launch of the OTT business. As at 31 March 2018, the Group, as a whole had commitments to acquire rights of £2,595 million (Q1 2017: £2,541 million, Q4 2017: £2,586 million).

The Group has prepared a detailed financial forecast for the five year period to 2022. These forecasts indicate that, based on management's assumptions, the Group is likely to require significant additional funding during this period in order to discharge all obligations as they fall due.

The Group's principal shareholder, Access Industries ("Access"), has confirmed its current intention to continue to provide financial support to the Group to ensure that it has the necessary funding to complete its investment in its OTT business and ensure that the Group and its subsidiaries meet their obligations as they fall due. This commitment is not legally binding. Additional funding may take the form of further direct investment from Access or other shareholders and/ or from external sources. The Group has a good record of obtaining the necessary funding to support its investment and growth plans, including shareholder support if required, evidenced by the take-private of the Group in 2014 and the subsequent raising of both public and private debt between 2015 and 2017. The Directors of the Group have considered the likely availability of alternative funding sources, and are satisfied that the necessary cash flow resources will be available.

Taking into account the uncertainty within the cash flow forecasts and the expected availability of funding, including support by Access as required, the Directors consider that the Group can meet its liabilities as they fall due for the foreseeable future. On this basis, the Directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future, being at least 12 months from the date of signing these financial statements, and accordingly have continued to adopt the going concern basis in preparing the accounts.

3. Seasonality

The Group's revenue and profit before tax are subject to some seasonal fluctuations, as follows:

- The Group's Content business is subject to seasonal fluctuations in relation to the calendar of sporting events and competitions, particularly in relation to the strategic partnerships.
- The Group's Media business typically experiences seasonality alongside consumer and advertiser spend, which is most often lowest in the first quarter, and highest in the final quarter, on the build up to the holiday season. Media revenues and costs are also subject to seasonal fluctuations in relation to the calendar of sporting events and competitions, such as the soccer World Cup.

4. Taxation

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

5. Exceptional items

	3 months ended	
	31 March 2018 £'000	31 March 2017 £'000
Dilapidation costs upon exit from property leases	**116**	67
HMRC settlement	**10**	-
Costs in relation to the Group's acquisitions	**63**	-
Total exceptional items	**189**	67

Exceptional items of £0.2 million were recognised in the three months ended 31 March 2018 (2017: £0.1 million) due to the following:

- £0.1 million of dilapidation costs upon exit from property leases (Q1 2017: £0.1 million);
- costs in relation to the Group's acquisitions £0.1 million (Q1 2017: £nil);

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

6. Finance costs

	3 months ended	
	31 March 2018 £'000	31 March 2017 £'000
Interest, bank fees and related charges	**4,766**	4,767
Interest on Shareholder Loan	**5,352**	2,652
Total finance costs	**10,118**	7,419

Finance costs of £10.1 million were recognised in the three months ended 31 March 2018 (2017: £7.4 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 2017: £4.8 million); and
- interest on the Shareholder Loan (refer to note 7 for further details) of £5.4 million (2017: £2.7 million).

7. Net debt

	31 March 2018 £'000	31 December 2017 £'000	31 March 2017 £'000
Cash and cash equivalents	**111,387**	197,568	92,127
Borrowings	**(787,702)**	(755,847)	(353,600)
Net debt	**(676,315)**	(558,279)	(261,473)

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 (The "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 31 March 2018 is £5.4 million (Q1 2017: £7.5 million, Q4 2017: £5.9 million). Interest of £5.6 million (Q1 2017: £5.6 million, Q4 2017: £1.9 million) has also accrued but not been paid at 31 March 2018. The carrying value of borrowings is presented net of fees but includes accrued interest.

The Group repaid £10.0 million under the RCF in March 2018, taking the total amount drawn down to £40.0 million. The RCF was subject to directly attributable fees of £1.0 million, the carrying value of the fees as at 31 March 2018 was £0.5 million (Q1 2017: £0.7 million, Q4 2017: £0.6 million).

On 10 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 "Unrestricted Group Shareholder Facility Agreement") with AI International S.á.r.l, an entity in the Access Industries group, the Group's principal shareholder. Perform Investment has utilised the Facility based on the funding requirements of the OTT business. The initial loan agreements were for a combined total of £100.0 million, which were subsequently amended in seven extended agreements up to 26 February 2018 to take the combined total from £100.0 million to £542.0 million. 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. None of the principal terms of the Shareholder Loan were altered as part of the amendments and extensions.

8. Share capital

	31 March 2018 £'000	31 December 2017 £'000	31 March 2017 £'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	129
	7,485	7,485	7,485

	31 March 2018 £'000	31 December 2017 £'000	31 March 2017 £'000
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	4,635
	269,453	269,453	269,453

As at 31 March 2018, the Company's share capital consisted of three classes of voting equity shares – A shares, M shares, and Z shares.

AI Perform Holdings LLP, a portfolio company of Access Industries, held 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 at 31 March 2018 represented 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 comprised 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 held 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. 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 £169.6 million (Q1 2017: £167.5 million, Q4 2017: £169.1 million) and a fair value of £179.5 million as at 31 March 2018 (Q1 2017: £185.7 million, Q4 2017: £180.9 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.

In connection with the Shareholder Loan received from AI International S.á.r.l, as described further in note 7, the Company granted its immediate parent company, AI Perform Holdings LLP, an option to convert the loan to equity, subject to certain conditions (the “Equity Commitment Deed”). 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 a derivative is calculated by discounting the maximum derivative value by a return on equity discount factor of 11% (2016: 11%) and conversion probability factor of 10% (2016: 10%).

For derivative liabilities issued during 2016, the maximum derivative value was calculated by reference to a recent equity transaction. Regarding derivative liabilities issued during the period ended 31 March 2018, the maximum derivative value is calculated through the use of multiple valuation techniques including trading comparables (“TC”) and discounted cash flows (“DCF”) to triangulate the valuation assessment. The TC assessment involves the use of certain observable inputs including peer share prices and reference to the Group’s previously listed prices before de-listing in 2014. The DCF assessment involves the use of certain unobservable inputs such as the weighted average cost of capital (range: 9% to 16%), revenue compound average growth rate (“CAGR”) growth assumptions by division (range: 15% to 120%) as derived from the five-year forecast up to 2022, approved by the Group Directors, and terminal value multipliers (range: 3% to 4%).

9. Financial instruments fair value disclosure (continued)

The tables below are a reconciliation of the derivatives over own equity measurements for the 3 months ended 31 March 2018:

	2018 £'000
1 January	**204,255**
Issuance of option to convert loan to equity recognised through accumulated deficit	**12,816**
Revaluation of option to convert loan to equity recognised through profit and loss	**-**
31 March	**217,071**

	2017 £'000
1 January	8,000
Issuance of option to convert loan to equity recognised through accumulated deficit	4,000
Revaluation of option to convert loan to equity recognised through profit and loss	-
31 March	**12,000**
Issuance of option to convert loan to equity recognised through accumulated deficit	79,566
Revaluation of option to convert loan to equity recognised through profit and loss	112,689
31 December	**204,255**

10. Long-term incentive schemes

A total charge relating to the Group's long-term incentive schemes of £1.9 million (Q1 2017: £1.6 million) has been included in the income statement for the three months ended 31 March 2018.

In order to ensure appropriate retention 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 what the award holders received on vesting of their awards (with reference to the £2.60 price paid per share by Access), and what would been 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 was to 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 has been recognised over the vesting period, the total of which ended in April 2017. As such, charges have been recognised in respect of these cash replacement schemes of £nil million for the three months ended 31 March 2018 (Q1 2017: £0.4 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 Adjusted 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 £1.9 million in three months ended 31 March 2018 (Q1 2017: £1.2 million).

11. Commitments

(a) Operating leases

As at 31 March, the Group had total outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £'000	2017 £'000
Within one year	**10,301**	7,697
In the second to fifth years inclusive	**28,496**	20,102
After five years	**12,514**	6,734
	51,311	34,533

Operating lease payments represent rentals payable by the Group for office property and computer equipment costs.

(b) Rights commitments

As at 31 March, the Group had total outstanding commitments to acquire sports content rights as follows:

	2018 £'000	2017 £'000
Within one year	**444,839**	**320,955**
In the second to fifth years inclusive	**1,210,162**	**909,440**
After five years	**939,550**	**1,310,260**
	2,594,551	**2,540,655**

12. Contingent liabilities

There were no contingent liabilities at 31 March 2018 (2017: £nil).

13. Related parties

Refer to note 7 for details related to the Shareholder Loan for transactions with the Group's principal shareholder, Access Industries, during the reporting period.

In November 2015, an affiliate of Access Industries purchased £25.0 million aggregate principal amount of the 2020 Notes from the initial purchasers.

During the year ended 31 December 2016, the Group issued an unsecured personal loan of £370,000 to a Director of one of the Group's subsidiary companies. The loan does not attract interest and is not repayable for a period of at least 24 months from the balance sheet date. The total loan amount was outstanding at the end of the reporting period.

There are no additional related party transactions to disclose.

14. Post balance sheet events

RCF drawdown

On 23 April 2018, £10.0 million was drawn down under the Revolving Credit Facility.

Additional notes

On 27 April 2018, the Group, through Perform Group Financing plc, successfully priced an offering of £40.0 million in aggregate principal amount of its 8.5% Senior Secured Notes due 2020, which, upon final completion of the offering, will result in an aggregate of £215.0 million in the principal amount of the Notes outstanding.

Shareholder loan

On 16 April 2018, the aggregate amount available under the Shareholder Loan increased from £542.0 million to £650.0 million, of which all £108.0 million was drawn down on 20 April 2018.

Z Shareholder loan

On 24 April 2018, the Z Shareholder provided £65.0 million to Perform Investment Limited under a new loan facility (the ''Z Shareholder Loan''). The full £65.0 million of funds were drawn down on 2 May 2018. This loan was novated in consideration for £65.0 million of the £300.0 million consideration in relation to the Z share issue described below on the 8 May 2018.

Changes to our shareholding structure, novation of the Unrestricted Group Shareholder Facility Agreement and the Z Shareholder Loan, and termination of the Equity Commitment Deed

On 2 March 2018, binding documents (the ''Shareholding Restructuring Documents'') were executed in relation to certain transactions (collectively, the ''Shareholding Restructuring'') that, upon completion thereof (such completion, the ''Shareholding Restructuring Completion'') resulted in the following changes to the shareholding structure of the Company. The Shareholder Restructuring Completion took place on 8 May 2018 ("the Shareholding Restructuring Completion Date").

- Z shares. The Group issued 35,682,707 new Z shares to the existing Z Shareholder for consideration valued at £300.0 million. This has resulted in the Z shareholder holding 40,317,209 Z shares, or 9.85% of the voting shares in the capital of the Company following the Shareholding Restructuring Completion. The Z Shareholder Loan is novated to the Company.

- Access Industries.

  (a) All outstanding I shares were (i) transferred by their previous holders to AI Perform Holdings LLP (the ''Transfer of I Shares'') for certain cash consideration and certain M shares (as to which, see (b) below); (ii) redesignated as M shares and (iii) converted into A shares.

  (b) The Company issued 14,523,495 M Shares to AI Perform Holdings LLP: (i) 3,213,834 of which were transferred to the current holders of I shares in exchange for the Transfer of I Shares; and (ii) 11,309,661 of which were retained by AI Perform Holdings LLP and converted into A shares.

  c) The Company issued 89,614,239 new A shares to AI Perform Holdings LLP in exchange for Access Industries procuring the novation of the Unrestricted Group Shareholder Facility Agreement to the Company (the Equity Commitment Deed related to the Unrestricted Group Shareholder Facility Agreement was then terminated).

14. Post balance sheet events (continued)

This has resulted in AI Perform Holdings LLP holding 332,472,630 A shares, representing 81.23% of the voting shares in the capital of the Company following the Shareholding Restructuring Completion.

- M' shares. 36,483,618 M shares, representing 8.92% of the voting shares in the capital of the Company following the Shareholding Restructuring Completion, were held by Group management, employees and various other shareholders.

- G shares. New class of ''growth'' shares in the capital of the Company have been created, but no G shares are yet issued as of the Shareholding Restructuring Completion Date.

For completeness, the shareholding structure as at 8 May 2018 was as follows:

Type of Shares	Number of Shares	Held by	Voting	% Voting Shares
Deferred	200	AI Perform Holdings LLP	No	N/A
G	N/A	Management	N/A	N/A
A	332,472,630	AI Perform Holdings LLP	Yes	81.23%
M	36,483,618	Management, employees and public shareholders	Yes	8.92%
Z	40,317,209	Z Shareholder	Yes	9.85%
Total:	**409,273,657**			**100%**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2018 (UNAUDITED)

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 months ended 31 March 2018 is set out in the following tables.

Income Statement	3 months to 31 March 2018			
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Revenue	84,433	36,630	(6,113)	114,950
Cost of sales	(49,042)	(64,799)	5,783	(108,058)
Gross profit/(loss)	35,391	(28,169)	(330)	6,892
Administrative expenses	(36,716)	(42,795)	63	(79,448)
Group operating loss	(1,325)	(70,964)	(267)	(72,556)
Finance income	3,474	54	(3,345)	183
Finance costs	(4,756)	(8,707)	3,345	(10,118)
Group loss before tax	(2,607)	(79,617)	(267)	(82,491)
Taxation charge	(964)	530	-	(434)
Group loss after tax	(3,571)	(79,087)	(267)	(82,925)
Adjusted EBITDA	6,664	(66,606)	(330)	(60,272)
Exceptional items	(189)	-	-	(189)
Long-term incentive schemes	(1,400)	(500)	-	(1,900)
EBITDA	5,075	(67,106)	(330)	(62,361)
Amortisation and depreciation	(4,751)	(3,858)	63	(8,546)
Acquisition-related amortisation	(1,649)	-	-	(1,649)
Group operating loss	(1,325)	(70,964)	(267)	(72,556)

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

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)

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

Balance Sheet	As at 31 March 2018			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Non-current assets				
Goodwill	210,850	-	-	210,850
Acquisition intangibles	44,529	-	-	44,529
Other intangible assets	22,452	26,179	(354)	48,277
Property, plant and equipment	13,040	16,703	-	29,743
Loan to Unrestricted Group	170,980	-	(170,980)	-
Deferred tax asset	8,678	272	-	8,950
	470,529	43,154	(171,334)	342,349
Current assets				
Trade and other receivables	46,682	13,184	-	59,866
Prepayments and accrued income	89,808	236,224	(1,693)	324,339
Cash and cash equivalents	33,444	77,943	-	111,387
	169,934	327,351	(1,693)	495,592
Total assets	640,463	370,505	(173,027)	837,941
Current liabilities				
Trade and other payables	(106,923)	(49,494)	-	(156,417)
Derivative liabilities	(217,071)	-	-	(217,071)
Current borrowings	(5,997)	(572,635)	-	(578,632)
Current tax liabilities	(1,119)	824	-	(295)
	(331,110)	(621,305)	-	(952,415)
Net current liabilities	(161,176)	(293,954)	(1,693)	(456,823)
Non-current liabilities				
Non-current borrowings	(209,070)	-	-	(209,070)
Payable to Restricted Group	-	(170,980)	170,980	-
Deferred tax liability	(7,978)	-	-	(7,978)
	(217,048)	(170,980)	170,980	(217,048)
Total liabilities	(548,158)	(792,285)	170,980	(1,169,463)
Net assets/(liabilities)	92,305	(421,780)	(2,047)	(331,522)
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
Accumulated deficit	(146,729)	(424,344)	(2,047)	(573,120)
Foreign exchange reserve	(2,256)	2,564	-	308
Equity attributable to owners of the Parent	92,685	(421,780)	(2,047)	(331,142)
Non-controlling interest	(380)	-	-	(380)
Total equity	92,305	(421,780)	(2,047)	(331,522)

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

Balance Sheet	**As at 31 December 2017**			
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Non-current assets				
Goodwill	213,590	-	-	213,590
Acquisition intangibles	46,995	-	-	46,995
Other intangible assets	22,042	20,843	(417)	42,468
Property, plant and equipment	14,645	18,431	-	33,076
Loan to Unrestricted Group	167,634	-	(167,634)	-
Deferred tax asset	8,679	266	-	8,945
	473,585	39,540	(168,051)	345,074
Current assets				
Trade and other receivables	42,285	12,547	-	54,832
Prepayments	81,956	213,472	(1,363)	294,065
Cash and cash equivalents	49,353	148,215	-	197,568
	173,594	374,234	(1,363)	546,465
Total assets	647,179	413,774	(169,414)	891,539
Current liabilities				
Trade and other payables	(99,851)	(54,125)	-	(153,976)
Derivative liabilities	(204,255)	-	-	(204,255)
Current borrowings	(2,060)	(535,282)	-	(537,342)
Current tax liabilities	(2,031)	(90)	-	(2,121)
	(308,197)	(589,497)	-	(897,694)
Net current liabilities	(134,603)	(215,263)	(1,363)	(351,229)
Non-current liabilities				
Non-current borrowings	(218,505)	-	-	(218,505)
Payable to Restricted Group	-	(167,634)	167,634	-
Deferred tax liability	(8,479)	-	-	(8,479)
	(226,984)	(167,634)	167,634	(226,984)
Total liabilities	(535,181)	(757,131)	167,634	(1,124,678)
Net assets/(liabilities)	111,998	(343,357)	(1,780)	(233,139)
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
Accumulated deficit	(129,931)	(345,259)	(1,780)	(476,970)
Foreign exchange reserve	1,048	1,902	-	2,950
Equity attributable to owners of the Parent	112,787	(343,357)	(1,780)	(232,350)
Non-controlling interest	(789)	-	-	(789)
Total equity	111,998	(343,357)	(1,780)	(233,139)

PERFORM GROUP LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2018 (UNAUDITED)

15. 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/(liabilities)	631,811	236,999	(171,647)	697,163
Current liabilities				
Trade and other payables	(109,108)	(46,848)	-	(155,956)
Derivative liabilities	(12,000)	-	-	(12,000)
Current borrowings	(5,900)	(154,318)	-	(160,218)
Current tax (liabilities)/assets	(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/(accumulated deficit)	56,350	(136,018)	(750)	(80,418)
Foreign exchange reserve	1,293	1,769	-	3,062
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

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

Cash Flows	**3 months to 31 March 2018**			
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Operating activities				
Group operating loss	**(1,324)**	**(70,964)**	**(267)**	**(72,555)**
(Decrease) in trade and other receivables and prepayments	**(12,249)**	**(23,390)**	**330**	**(35,309)**
Increase/(decrease) in trade and other payables	**6,135**	**(5,270)**	**-**	**865**
Depreciation and amortisation (including acquisition intangibles amortisation)	**6,400**	**3,858**	**(63)**	**10,195**
Employee long-term incentive scheme charges	**1,400**	**500**	**-**	**1,900**
Corporation tax payments	**(1,674)**	**(394)**	**-**	**(2,068)**
Exceptional items	**189**	**-**	**-**	**189**
Payments in respect of exceptional items	**(659)**	**-**	**-**	**(659)**
Cash outflow from operating activities	**(1,782)**	**(95,660)**	**-**	**(97,442)**
Investing activities				
Purchases of property, plant and equipment	**(822)**	**(698)**	**-**	**(1,520)**
Purchases of intangible assets	**(2,653)**	**(5,506)**	**-**	**(8,159)**
Investment income	**129**	**54**	**-**	**183**
Cash outflow from investing activities	**(3,346)**	**(6,150)**	**-**	**(9,496)**
Financing activities				
(Repayments)/borrowings	**(10,000)**	**32,000**	**-**	**22,000**
Loan to Unrestricted Group from Restricted Group	**-**	**-**	**-**	**-**
Interest and finance lease charges paid	**(211)**	**(12)**	**-**	**(223)**
Cash (outflow)/inflow from financing activities	**(10,211)**	**31,988**	**-**	**21,777**
Net decrease in cash and cash equivalents in the period	**(15,339)**	**(69,822)**	**-**	**(85,161)**
Cash and cash equivalents at start of period	**49,353**	**148,215**	**-**	**197,568**
Effect of foreign currency exchange rates	**(570)**	**(450)**	**-**	**(1,020)**
Cash and cash equivalents at end of period	**33,444**	**77,943**	**-**	**111,387**

15. 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