COMPANY REGISTRATION NO. 6324278

PERFORM GROUP LIMITED

QUARTERLY FINANCIAL REPORT

FOR THE THREE AND TWELVE MONTHS ENDED 31 DECEMBER 2017

PERFORM GROUP LIMITED
QUARTERLY FINANCIAL REPORT

CONTENTS **PAGE**

PERFORM GROUP LIMITED
QUARTERLY FINANCIAL REPORT

DISCLAIMER

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

INTRODUCTION

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

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

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

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

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

The condensed consolidated financial statements contained within this report set out the financial condition and results of the Group, which comprises both the Restricted and Unrestricted Groups. A dis-aggregation of the Group between the Restricted and Unrestricted Groups is set out in note 16. 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 DECEMBER 2017

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

Overview

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

Perform is a global market leader in the commercialisation of multimedia sports content across multiple Internet-enabled digital platforms. Perform uses proprietary content collection, production and distribution capabilities, alongside industry-leading digital products, to generate revenue through a mix of licensing content, media (display and video based advertising and sponsorship), and, to a lesser extent, technology and production service fees. Perform's portfolio of digital sports media rights serves as the basis for its content business, 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 16.

Income Statement

	3 months ended			**LTM**
	31 December 2017 £m	31 December 2016 £m	Movement £m	**31 December 2017 £m**
Revenue	**106.6**	79.6	27.0	**377.4**
Cost of sales	**(57.7)**	(38.6)	(19.1)	**(210.3)**
Gross profit	**48.9**	41.0	7.9	**167.1**
Administrative expenses	**(39.3)**	(37.2)	(2.1)	**(161.8)**
Group operating profit	**9.6**	3.8	5.8	**5.3**
Analysed as:				
Adjusted EBITDA	**17.7**	14.9	2.8	**54.0**
Exceptional items	**(0.4)**	(0.1)	(0.2)	**(16.7)**
Long-term incentive schemes	**(0.9)**	(1.5)	0.6	**(4.4)**
EBITDA	**16.5**	13.2	3.3	**32.9**
Amortisation and depreciation	**(5.4)**	(7.5)	2.1	**(20.8)**
Acquisition-related amortisation	**(1.5)**	(1.8)	0.3	**(6.7)**
Group operating profit	**9.6**	3.8	5.8	**5.3**
Net finance costs	**(1.2)**	(0.2)	(1.0)	**(4.1)**
Revaluation of option to convert loan to equity	**(9.8)**	-	(9.8)	**(112.7)**
Group (loss)/profit before tax	**(1.4)**	3.6	(5.0)	**(111.5)**
Tax credit/(charge)	**2.9**	(1.6)	4.5	**1.0**
Group profit/(loss) after tax	**1.6**	2.1	(0.5)	**(110.5)**

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

Revenue

	3 months ended			**LTM**
	31 December 2017 £m	31 December 2016 £m	Movement £m	**31 December 2017 £m**
Content	**77.5**	53.7	23.8	**281.0**
Media	**19.0**	21.1	(2.1)	**62.8**
Other	**10.1**	4.8	5.3	**33.6**
	106.6	79.6	27.0	**377.4**

Revenue increased by £27.0 million to £106.6 million for the three months ended 31 December 2017 ("Q4 2017") from £79.6 million for the three months ended 31 December 2016 ("Q4 2016").

Content revenue

Content revenue increased by £23.8 million to £77.5 million (2016: £53.7 million) primarily due to broadcast revenue generated following the launch of the Group's strategic partnerships with WTA, FIBA and NFL ("the strategic partnerships") during the period. The Group has also continued to generate revenue from its Watch&Bet customers following a successful contract renewal process at the end of 2016, and from its RunningBall customers, with increased events coverage during 2017. Content revenue from the Group's Opta and Omnisport customers increased during the period and the Group expanded its OptaPro offering with the acquisition of Scout7 in October 2017.

Media revenue

Media revenue decreased £2.1 million to £19.0 million (Q4 2016: £21.1 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 increased £5.3 million to £10.1 million (Q4 2016: £4.8 million) driven by an increase in revenue generated from the Group's Sports Cloud product, partially offset by the strategic exit of the Group's legacy technology & subscription business which commenced in 2015.

Gross profit

Gross profit increased £7.9 million to £48.9 million (Q4 2016: £41.0 million) primarily due to the £27.0 million increase in revenues being offset by a £19.1 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 £2.1 million to £39.3 million (Q4 2016: £37.2 million) due to the following:

- Content and production costs increased £4.9 million to £31.1 million (2016: £26.3 million) driven by the launch and continued growth of the strategic partnerships during the year; and
- Exceptional item costs increased £0.2 million to £0.4 million (2016: £0.1 million) in relation to the Group's acquisitions and restructuring activities; offset by
- Depreciation and amortisation costs decreased £2.4 million to £6.9 million (2016: £9.3 million); and
- Long term incentive schemes costs decreased £0.6 million to £0.9 million (Q4 2016: £1.5 million).

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

Financial review and key performance indicators (continued)

Operating profit

Operating profit increased £5.8 million to £9.6 million (Q4 2016: £3.8 million) due to the £7.9 million increase in gross profit offset by a £2.1 million increase in administration expenses as explained above.

Net finance costs

Net finance costs increased £1.0 million to £1.2 million (Q4 2016: £0.2 million). The Q4 2017 charge consists of the following:

- interest, bank fees and related charges (including the amortisation of arrangement fees due on the Group's senior secured notes and revolving credit facility) of £4.7 million (Q4 2016: £4.6 million) offset by;
- interest due from the Unrestricted Group of £3.5 million (Q4 2016: £4.4 million).

Taxation

The tax credit for the period is £2.9 million (Q4 2016: £1.6 million charge). This includes a current tax charge of £1.0 million (Q4 2016: £nil) and a deferred tax credit of £3.9 million related to the recognition of assets in respect of brought forward losses (Q4 2016: £1.6 million charge).

Profit after tax

Profit after tax decreased by £0.5 million to £1.6 million (Q4 2016: £2.1 million profit) due to the increase in net finance costs (£1.0 million) and the decrease in the tax charge (£4.5 million) to a £2.9 million credit, as well as an increase in operating profit (£5.8 million).

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

Cash flow

	3 months ended			LTM
	31 December 2017 £m	31 December 2016 £m	Movement £m	**31 December 2017 £m**
Adjusted EBITDA	**17.7**	14.9	2.8	**54.0**
Movements in working capital	**(1.0)**	(8.3)	7.3	**(18.8)**
Long-term incentive plan	**-**	-	-	**(4.5)**
Corporation tax payments	**(0.8)**	(0.8)	-	**(5.3)**
Exceptional items	**(2.2)**	(0.7)	(1.5)	**(8.4)**
Cash inflow from operating activities	**13.7**	5.1	8.6	**17.0**
Capital expenditure	**(4.2)**	(4.7)	0.5	**(18.0)**
Acquisition of subsidiaries	**(2.3)**	-	(2.3)	**(2.3)**
Investment income	**0.2**	0.1	0.1	**0.6**
Cash outflow from investing activities	**(6.3)**	(4.6)	(1.7)	**(19.7)**
Borrowings and drawdowns	**10.0**	-	10.0	**24.0**
Loan to Unrestricted Group	**6.0**	-	6.0	**14.0**
Interest and fees	**(8.0)**	(8.0)	-	**(16.5)**
Cash inflow/(outflow) from financing activities	**8.0**	(8.0)	16.0	**21.5**
Net increase/(decrease) in cash	**15.4**	(7.5)	22.9	**18.8**
Cash at start of period	**34.1**	38.5	(4.4)	**31.5**
Effect of foreign currency exchange rates	**(0.1)**	0.5	(0.6)	**(1.0)**
Cash at end of period	**49.4**	31.5	17.9	**49.4**

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

Operating activities

Cash inflows from operating activities increased £8.6 million to £13.7 million (Q4 2016: £5.1 million) due to a £2.8 million increase in adjusted EBITDA to £17.7 million (Q4 2016: £14.9 million) offset by a £1.5 million increase in exceptional payments to £2.2 million (Q4 2016: £0.7 million), combined with a £7.3 million decrease in working capital outflow to £1.0 million (Q4 2016: £8.3 million outflow).

Investing activities

Cash outflows from investing activities decreased £1.7 million to £6.3 million (Q4 2016: £4.6 million outflow) due to cash paid for acquisition of subsidiaries of £2.3 (Q4 2016: £nil), offset by a decrease in capital expenditure spend of £0.5 million to £4.2 million (Q4 2016: £4.7 million).

Financing activities

Cash from financing activities increased £16.0 million to an inflow of £8.0 million (Q4 2016: £8.0 million outflow) driven by the drawdown of the remaining RCF of £10.0 million (Q4 2016: £nil million) and cash received from the Unrestricted Group of £6.0 million (Q4 2016: £nil).

Debt and liquidity

As at 31 December 2017, the Restricted Group held cash of £49.4 million (31 December 2016: £31.5 million) and had net debt of £53.0 million (31 December 2016: £27.6 million) (representing net borrowings and accrued interest of £220.6 million (31 December 2016: £194.8 million) offset by borrowings provided to the Unrestricted Group of £141.0 million (31 December 2016: £155.0 million) and accrued interest receivable from the Unrestricted Group of £26.6 million (31 December 2016: £12.2 million).

PERFORM GROUP LIMITED
QUARTERLY FINANCIAL REPORT

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

PERFORM GROUP LIMITED

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE THREE AND TWELVE MONTHS ENDED 31 DECEMBER 2017 (UNAUDITED)

		12 months ended		3 months ended	
All results relate to continuing operations	**Notes**	**31 December 2017 £'000**	31 December 2016 £'000	**31 December 2017 £'000**	31 December 2016 £'000
Revenue		**438,576**	286,564	**136,665**	83,893
Cost of sales		**(360,790)**	(164,383)	**(122,600)**	(45,189)
Gross profit		**77,786**	122,181	**14,065**	38,704
Administrative expenses		**(291,934)**	(173,005)	**(70,430)**	(61,664)
Group operating loss		**(214,148)**	(50,824)	**(56,365)**	(22,960)
Finance income		**710**	346	**305**	77
Finance costs	6	**(43,625)**	(21,018)	**(14,770)**	(5,824)
Revaluation of option to convert loan to equity		**(112,689)**	-	**(9,773)**	-
Group loss before tax		**(369,752)**	(71,496)	**(80,603)**	(28,707)
Taxation (charge)/credit		**(507)**	(7,216)	**2,752**	(1,615)
Group loss for the period after tax		**(370,259)**	(78,712)	**(77,851)**	(30,322)
Group loss for the period attributable to:					
Owners of the Parent		**(370,083)**	(79,716)	**(77,853)**	(29,993)
Non-controlling interests		**(176)**	1,004	**2**	(329)
		(370,259)	(78,712)	**(77,851)**	(30,322)

PERFORM GROUP LIMITED

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

	12 months ended		**3 months ended**	
	31 December 2017 £'000	31 December 2016 £'000	**31 December 2017 £'000**	31 December 2016 £'000
Group loss for the period	**(370,259)**	(78,712)	**(77,851)**	(30,322)
Items that may be reclassified subsequently to loss:				
Exchange differences on translating foreign operations, goodwill and acquisition intangibles held in foreign currencies	**1,455**	21,532	**(766)**	2,791
Total comprehensive loss for the period	**(368,804)**	(57,180)	**(78,617)**	(27,531)
Total comprehensive loss for the period attributable to:				
Owners of the Parent	**(368,628)**	(58,184)	**(78,619)**	(27,202)
Non-controlling interest	**(176)**	1,004	**2**	(329)
	(368,804)	(57,180)	**(78,617)**	(27,531)

PERFORM GROUP LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017 (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	Other reserves £'000	Equity attributable to owners of the Parent £'000	Non-controlling interests £'000	Total equity £'000
At 1 January 2016	**7,356**	**68,323**	**93,533**	**38,342**	**18,013**	**(20,037)**	**44,165**	**249,695**	**2,858**	**252,553**
(Loss)/profit for the year	-	-	-	-	(79,716)	-	-	(79,716)	1,004	(78,712)
FX on translating foreign operations, goodwill and intangible assets	-	-	-	-	-	21,532	-	21,532	-	21,532
Total comprehensive (loss)/profit for the year	**-**	**-**	**-**	**-**	**(79,716)**	**21,532**	**-**	**(58,184)**	**1,004**	**(57,180)**
Payment of dividends to non-controlling interests	-	-	-	-	-	-	2,258	2,258	(2,258)	-
Issuance of option to convert loan to equity	-	-	-	-	(8,000)	-	-	(8,000)	-	(8,000)
Share capital / premium issued	129	33,987	-	-	-	-	-	34,116	-	34,116
Adjustment arising from change in non-controlling interest	-	-	-	-	(19,210)	-	19,169	(41)	(2,217)	(2,258)
Reclassification of distributable reserves	-	-	-	-	65,592	-	(65,592)	-	-	-
At 31 December 2016	**7,485**	**102,310**	**93,533**	**38,342**	**(23,321)**	**1,495**	**-**	**219,844**	**(613)**	**219,231**
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)**

PERFORM GROUP LIMITED

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

	Notes	**31 December 2017 £'000**	31 December 2016 £'000
Non-current assets			
Goodwill		**213,590**	203,243
Acquisition intangibles		**46,995**	54,277
Other intangible assets		**42,468**	34,022
Property, plant and equipment		**33,076**	23,923
Deferred tax asset		**8,945**	5,867
		345,074	321,332
Current assets			
Trade and other receivables		**54,832**	48,410
Prepayments		**294,065**	157,672
Cash and cash equivalents	7	**197,568**	134,880
		546,465	340,962
Total assets		**891,539**	662,294
Current liabilities			
Trade and other payables		**(153,976)**	(124,302)
Derivative liabilities	10	**(204,255)**	(8,000)
Current borrowings	7	**(537,342)**	(103,609)
Current tax liabilities		**(2,121)**	(3,827)
		(897,694)	(239,738)
Net current (liabilities)/assets		**(351,229)**	101,224
Non-current liabilities			
Non-current borrowings	7	**(218,505)**	(192,817)
Deferred tax liability		**(8,479)**	(10,508)
		(226,984)	(203,325)
Total liabilities		**(1,124,678)**	(443,063)
Net (liabilities)/assets		**(233,139)**	219,231
Equity			
Called-up share capital	8	**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		**(476,970)**	(23,321)
Foreign exchange reserve		**2,950**	1,495
Equity attributable to owners of the Parent		**(232,350)**	219,844
Non-controlling interests		**(789)**	(613)
Total equity		**(233,139)**	219,231

PERFORM GROUP LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE AND TWELVE MONTHS ENDED 31 DECEMBER 2017 (UNAUDITED)

	12 months ended		3 months ended	
	31 December 2017 £'000	31 December 2016 £'000	**31 December 2017 £'000**	31 December 2016 £'000
Operating activities				
Group operating loss	**(214,148)**	(50,824)	**(56,365)**	(22,960)
Increase in trade and other receivables and prepayments	**(146,524)**	(107,657)	**(23,110)**	(47,087)
Increase in trade and other payables	**19,286**	62,758	**4,803**	22,479
Depreciation and amortisation (including acquisition intangibles amortisation)	**39,008**	28,569	**10,823**	10,906
Employee long-term incentive scheme charges	**6,047**	6,601	**1,314**	2,104
Employee long-term incentive scheme payments	**(5,329)**	(834)	**-**	-
Exceptional items	**16,664**	1,688	**372**	337
Corporation tax payments	**(6,847)**	(5,028)	**(920)**	(1,148)
Payments in respect of exceptional items	**(8,377)**	(1,476)	**(2,183)**	(736)
Cash outflow from operating activities	**(300,220)**	(66,203)	**(65,266)**	(36,105)
Investing activities				
Purchases of property, plant and equipment	**(25,160)**	(18,692)	**(7,446)**	(5,186)
Purchases of intangible assets	**(25,626)**	(20,701)	**(3,017)**	(5,190)
Acquisition of subsidiaries (net of cash acquired)	**(2,345)**	(5,141)	**(2,345)**	-
Investment income	**710**	346	**305**	77
Cash outflow from investing activities	**(52,421)**	(44,188)	**(12,503)**	(10,299)
Financing activities				
Dividend paid to non-controlling interests	**-**	(2,258)	**-**	-
Acquisition of non-controlling interests	**-**	(27,956)	**-**	-
Borrowings	**434,000**	126,000	**120,000**	50,000
Proceeds from issues of shares and other equity securities	**-**	34,116	**-**	(884)
Interest and finance lease charges paid	**(16,505)**	(16,997)	**(8,007)**	(7,974)
Cash inflow from financing activities	**417,495**	112,905	**111,993**	41,142
Net increase/(decrease) in cash and cash equivalents in the period	**64,854**	2,514	**34,224**	(5,262)
Cash and cash equivalents at start of period	**134,880**	129,549	**163,715**	141,730
Effect of foreign currency exchange rates	**(2,166)**	2,817	**(371)**	(1,588)
Cash and cash equivalents at end of period	**197,568**	134,880	**197,568**	134,880

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

1. General Information

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

2. Accounting policies

Basis of preparation

The annual 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 2016.

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 2017 as follows:

Standard	Description	Effective Date
Amendments to IAS 7 (Jan 2016)	Disclosure initiative	1 January 2017
Amendments to IAS 12 (Jan 2016)	Recognition of deferred tax assets for unrealised losses	1 January 2017
Annual improvements to IFRS's: 2014-2016 cycle (Dec 2016)	Annual improvements to IFRS's: 2014-2016 cycle – IFRS 12 amendments	1 January 2017

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 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
IFRS 16	Leases	1 January 2019
Amendments to IFRS 10 and IAS 28 (Sept 2016)	Sale or contribution of assets between and investor and it's 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 £197.6 million (2016: £134.9 million) at the year end, net current liabilities of £351.2 million (2016: £101.2 million net current assets) and net liabilities of £233.1 million (2016: £219.2 million net assets).

During 2015 and subsequently in 2016, the Group was preparing for, and then launching, its OTT business. 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 December 2017, the Group, as a whole, had commitments to acquire rights of £2,586 million (2016: £2,548 million).

The Group has prepared a detailed financial forecast for the 5 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. The increase in the estimated effective tax rate for the Group from (11)% in 2016 to 0% in 2017 is mainly due to the recognition of losses and the tax adjustment in respect of the revaluation of the option to convert loan to equity recognised through profit and loss.

5. Exceptional items

	12 months ended		3 months ended	
	31 December 2017 £'000	31 December 2016 £'000	**31 December 2017 £'000**	31 December 2016 £'000
Exceptional costs in relation to closure of US ePlayer	**11,976**	-	**(199)**	-
Dilapidation costs upon exit from property leases	**248**	-	**54**	-
HMRC settlement	**3,942**	-	**20**	-
Costs in relation to the Group's acquisitions	**498**	1,383	**498**	338
FX revaluation of acquisition-related financial liability	**-**	151	**-**	-
Re-measurement of acquisition-related financial liability	**-**	154	**-**	-
Total exceptional items	**16,664**	1,688	**373**	338

Exceptional items of £16.7 million were recognised in the year ended 31 December 2017 (2016: £1.7 million) due to the following:

- £12.0 million of exceptional costs in relation to the closure of the US ePlayer business (2016: £nil);
- £3.9 million results from the net settlement of PAYE and NIC liabilities with HMRC (Q3 2016: £nil) arising from the tax treatment adopted on the Growth Securities Ownership Plans ("GSOP") incentive arrangements instituted in 2010 and 2013/2014;
- £0.2 million of dilapidation costs upon exit from property leases (2016: £nil);
- costs in relation to the restructuring activities of £0.5 million (2016: £1.4 million);
- £nil remeasurement of the Mackolik acquisition related financial liability which was settled in Q2 2016 (2016: £0.2 million); and
- £nil foreign exchange gain or loss upon revaluation of deferred consideration in relation to Mackolik acquisition due to this being settled in Q2 2016 (2016: £0.2 million loss).

Exceptional items of £0.4 million were recognised in the three months to 31 December 2017 (2016: £0.3 million) due to the following:

- costs in relation to restructuring activities of £0.5 million (Q4 2016: £1.4 million);
- £0.1 million of dilapidation costs upon exit from property leases (Q4 2016: £nil); offset by
- £0.2 million gain on revaluation of onerous rights commitments in relation to the closure of the US ePlayer business (Q4 2016: £nil);

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

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

6. Finance costs

	12 months ended		3 months ended	
	31 December 2017 £'000	31 December 2016 £'000	**31 December 2017 £'000**	31 December 2016 £'000
Interest, bank fees and related charges	**17,590**	15,783	**4,350**	4,084
Interest on shareholder loan	**23,615**	1,666	**9,840**	1,107
Amortisation of arrangement fees and other bank charges and finance costs	**2,420**	2,697	**580**	633
Accretion of deferred consideration	**-**	1,741	**-**	-
Exceptional finance costs:				
Revaluation of foreign exchange hedge	**-**	(869)	**-**	-
Total finance costs	**43,625**	21,018	**14,770**	5,824

Finance costs of £43.6 million were recognised in the year ended 31 December 2017 (2016: £21.0 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 £20.0 million (Q4 2016: £18.5 million);
- interest on the Shareholder Loan (refer to note 7 for further details) of £23.6 million (2016: £1.7 million); and
- £nil accretion of deferred consideration on the Mackolik acquisition which was settled in Q2 2016 (2016: £1.7 million);
- £nil revaluation of foreign exchange hedge (2016: £0.9 million gain).

Finance costs of £14.8 million were recognised in the three month period to 31 December 2017 (Q4 2016: £5.8 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 £4.9 million (Q4 2016: £4.7 million); and
- interest on the Shareholder Loan (refer to note 7 for further details) of £9.8 million (Q4 2016: £1.1 million).

7. Net debt

	31 December 2017 £'000	31 December 2016 £'000
Cash and cash equivalents	**197,568**	134,880
Borrowings	**(755,847)**	(296,426)
Net debt	**(558,279)**	(161,546)

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 December 2017 is £5.9 million (2016: £8.0 million). Interest of £1.9 million (2016: £1.9 million) has also accrued but not been paid at 31 December 2017. The carrying value of borrowings is presented net of fees but includes accrued interest.

The Group drew down the remaining £24.0 million under the RCF in two tranches in April 2017 and October 2017 respectively to fund the expansion of the core business. The RCF was subject to directly attributable fees of £1.0 million, the carrying value of the fees as at 31 December 2017 was £0.6 million (2016: £0.8 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 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 five extended agreements up to 2 October 2017 to take the combined total from £100.0 million to £510.0 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 December 2017 £'000	31 December 2016 £'000
Issued, allotted and fully paid		
A Ordinary shares of 2 and 7/9ths pence each	**6,432**	6,432
M Ordinary shares of 2 and 7/9ths pence each	**924**	924
I Ordinary shares of 2 and 7/9ths pence each	**-**	-
Z Ordinary shares of 2 and 7/9ths pence each	**129**	129
	7,485	7,485

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

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

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

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

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

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

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

9. Deferred consideration and associated acquisition-related liabilities

The acquisition-related deferred consideration was settled in the second quarter 2016. The following tables show the 2016 acquisition-related deferred consideration recorded in the 2016 financial statements for comparative purposes:

	At 1 January 2016 £'000	Recognised on acquisition or re-measured £'000	Unwind of discount applied to FV initial liability £'000	Payment £'000	FX £'000	At 31 December 2016 £'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	-

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 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 £169.1 million (2016: £167.0 million) and a fair value of £180.9 million (2016: £176.2 million) as at 31 December 2017.

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

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

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

In connection with the Shareholder Loan received from AI International S.á.r.l, as described further in note 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 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.

10. Financial instruments fair value disclosure (continued)

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 December 2017, 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%).

The assumptions used in the various valuation techniques described above are subject to sensitives such that a reasonable change in the unobservable assumptions could result in up to 15% increase or decrease in the maximum derivative value, which would result in an increase or decrease in the revaluation of option to convert loan to equity recognised through profit and loss of up £72.9 million.

The table below is a reconciliation of the derivatives over own equity measurements for the year ended 31 December 2017:

	2017 **£’000**	2016 £’000
1 January	**8,000**	-
Issuance of option to convert loan to equity recognised through accumulated deficit	**83,566**	8,000
Revaluation of option to convert loan to equity recognised through profit and loss	**112,689**	-
31 December	**204,255**	8,000

11. Long-term incentive schemes

A total charge relating to the Group’s long-term incentive schemes of £6.0 million (2016: £6.6 million) has been included in the income statement for the year ended 31 December 2017 and a charge of £1.3 million (Q4 2016 £2.1 million) for the three months ended 31 December 2017.

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 £0.4 million for the year ended 31 December 2017 (Q4 2016: £2.4 million) and £nil for the three months ended 31 December 2017 (Q4 2016: £0.3 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 £5.6 million in the year ended 31 December 2017 (Q4 2016: £4.2 million) and £1.3 million in three months ended 31 December 2017 (Q4 2016: £1.8 million).

12. Commitments

(a) Operating leases

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

	2017 **£'000**	2016 £'000
Within one year	**9,679**	6,545
In the second to fifth years inclusive	**22,779**	14,403
After five years	**15,578**	4,403
	48,046	25,351

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

(b) Rights commitments

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

	2017 **£'000**	2016 £'000
Within one year	**410,935**	315,327
In the second to fifth years inclusive	**1,167,512**	914,602
After five years	**1,007,336**	1,317,696
	2,585,783	2,547,625

13. Contingent liabilities

There were no contingent liabilities at 31 December 2017 (2016: £nil).

14. Related parties

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

In November 2015, an affiliate of Access Industries purchased £25 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.

15. Post balance sheet events

- On 23 February 2018 the Group purchased the non-controlling interest in Perform Media Sales Japan KK.
- Subsequent to the end of the reporting period, on 26 February 2018, the Shareholder Loan was amended and restated from £510.0 million to £542.0 million. £32.0 million of which was drawn down on 1 March 2018, in addition to the £410.0 million drawn down in 2017. None of the principal terms of the Shareholder Loan were altered as part of the amendment and restatement.

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

16. 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 twelve months ended 31 December 2017 is set out in the following tables.

Income Statement	12 months to 31 December 2017			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Revenue	377,400	90,822	(29,646)	438,576
Cost of sales	(210,279)	(178,794)	28,283	(360,790)
Gross profit/(loss)	167,121	(87,972)	(1,363)	77,786
Administrative expenses	(161,774)	(130,493)	333	(291,934)
Group operating profit/(loss)	5,347	(218,465)	(1,030)	(214,148)
Finance income	14,996	133	(14,419)	710
Finance costs	(19,108)	(38,936)	14,419	(43,625)
Revaluation of option to convert loan to equity	(112,689)	-	-	(112,689)
Group loss before tax	(111,454)	(257,268)	(1,030)	(369,752)
Taxation credit/(charge)	1,024	(1,531)	-	(507)
Group loss after tax	(110,430)	(258,799)	(1,030)	(370,259)
Adjusted EBITDA	53,958	(205,024)	(1,363)	(152,429)
Exceptional items	(16,664)	-	-	(16,664)
Long-term incentive schemes	(4,409)	(1,638)	-	(6,047)
EBITDA	32,885	(206,662)	(1,363)	(175,140)
Amortisation and depreciation	(20,795)	(11,803)	333	(32,265)
Acquisition-related amortisation	(6,743)	-	-	(6,743)
Group operating profit/(loss)	5,347	(218,465)	(1,030)	(214,148)

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

Income Statement	12 months to 31 December 2016			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Revenue	289,375	8,677	(11,488)	286,564
Cost of sales	(152,403)	(23,468)	11,488	(164,383)
Gross profit/(loss)	136,972	(14,791)	-	122,181
Administrative expenses	(121,831)	(51,174)	-	(173,005)
Group operating profit/(loss)	15,141	(65,965)	-	(50,824)
Finance income	12,111	68	(11,833)	346
Finance costs	(19,324)	(13,527)	11,833	(21,018)
Group profit/(loss) before tax	7,928	(79,424)	-	(71,496)
Taxation charge	(5,638)	(1,578)	-	(7,216)
Group profit/(loss) after tax	2,290	(81,002)	-	(78,712)
Adjusted EBITDA	47,785	(61,750)	-	(13,965)
Exceptional items	(1,495)	(193)	-	(1,688)
Long-term incentive payments	(5,517)	(1,085)	-	(6,602)
EBITDA	40,773	(63,028)	-	(22,255)
Amortisation and depreciation	(19,267)	(2,937)	-	(22,204)
Acquisition-related amortisation	(6,365)	-	-	(6,365)
Group operating profit/(loss)	15,141	(65,965)	-	(50,824)

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

Income Statement	3 months to 31 December 2017			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Revenue	106,649	37,953	(7,937)	136,665
Cost of sales	(57,749)	(72,458)	7,607	(122,600)
Gross profit/(loss)	48,900	(34,505)	(330)	14,065
Administrative expenses	(39,285)	(31,208)	63	(70,430)
Group operating profit/(loss)	9,615	(65,713)	(267)	(56,365)
Finance income	3,711	85	(3,491)	305
Finance costs	(4,917)	(13,344)	3,491	(14,770)
Revaluation of option to convert loan to equity	(9,773)	-	-	(9,773)
Group loss before tax	(1,364)	(78,972)	(267)	(80,603)
Taxation charge	2,923	(171)	-	2,752
Group profit/(loss) after tax	1,559	(79,143)	(267)	(77,851)
Adjusted EBITDA	17,748	(61,273)	(330)	(43,855)
Exceptional items	(373)	-	-	(373)
Long-term incentive schemes	(905)	(409)	-	(1,314)
EBITDA	16,470	(61,682)	(330)	(45,542)
Amortisation and depreciation	(5,355)	(4,031)	63	(9,323)
Acquisition-related amortisation	(1,500)	-	-	(1,500)
Group operating profit/(loss)	9,615	(65,713)	(267)	(56,365)

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

Income Statement	**3 months to 31 December 2016**			
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Revenue	79,623	8,131	(3,861)	83,893
Cost of sales	(38,601)	(10,449)	3,861	(45,189)
Gross profit/(loss)	41,022	(2,318)	-	38,704
Administrative expenses	(37,183)	(24,481)	-	(61,664)
Group operating profit/(loss)	3,839	(26,799)	-	(22,960)
Finance income	4,487	5	(4,415)	77
Finance costs	(4,699)	(5,540)	4,415	(5,824)
Group profit/(loss) before tax	3,627	(32,334)	-	(28,707)
Taxation charge	(1,550)	(65)	-	(1,615)
Group profit/(loss) after tax	2,077	(32,399)	-	(30,322)
Adjusted EBITDA	14,866	(24,476)	-	(9,610)
Exceptional items	(145)	(193)	-	(338)
Share-based payments	(1,525)	(580)	-	(2,105)
EBITDA	13,196	(25,249)	-	(12,053)
Amortisation and depreciation	(7,538)	(1,550)	-	(9,088)
Acquisition-related amortisation	(1,819)	-	-	(1,819)
Group operating profit/(loss)	3,839	(26,799)	-	(22,960)

16. 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)

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

Balance Sheet	As at 31 December 2016			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Non-current assets				
Goodwill	203,243	-	-	203,243
Acquisition intangibles	54,277	-	-	54,277
Other intangible assets	22,725	12,047	(750)	34,022
Property, plant and equipment	16,449	7,474	-	23,923
Loan to Unrestricted Group	167,215	-	(167,215)	-
Deferred tax asset	5,838	29	-	5,867
	469,747	19,550	(167,965)	321,332
Current assets				
Trade and other receivables	46,348	2,062	-	48,410
Prepayments	65,780	91,892	-	157,672
Cash and cash equivalents	31,489	103,391	-	134,880
	143,617	197,345	-	340,962
Total assets	613,364	216,895	(167,965)	662,294
Current liabilities				
Trade and other payables	(91,907)	(32,395)	-	(124,302)
Derivative liabilities	(8,000)	-	-	(8,000)
Current borrowings	(1,943)	(101,666)	-	(103,609)
Current tax (liabilities)/assets	(3,909)	82	-	(3,827)
	(105,759)	(133,979)	-	(239,738)
Net current assets	37,858	63,366	-	101,224
Non-current liabilities				
Non-current borrowings	(192,817)	-	-	(192,817)
Payable to Restricted Group	-	(167,215)	167,215	-
Deferred tax liability	(10,508)	-	-	(10,508)
	(203,325)	(167,215)	167,215	(203,325)
Total liabilities	(309,084)	(301,194)	167,215	(443,063)
Net assets/(liabilities)	304,280	(84,299)	(750)	219,231
Equity				
Called up share capital	7,485	-	-	7,485
Share premium	102,310	-	-	102,310
Merger relief reserve	93,533	-	-	93,533
Capital redemption reserve	38,342	-	-	38,342
Retained earnings/(accumulated deficit)	63,888	(86,459)	(750)	(23,321)
Foreign exchange reserve	(665)	2,160	-	1,495
Equity attributable to owners of the Parent	304,893	(84,299)	(750)	219,844
Non-controlling interest	(613)	-	-	(613)
Total equity	304,280	(84,299)	(750)	219,231

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

Cash Flows	12 months to 31 December 2017			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Operating activities				
Group operating profit/(loss)	5,347	(218,465)	(1,030)	(214,148)
Increase in trade and other receivables and prepayments	(15,822)	(132,065)	1,363	(147,524)
(Decrease)/increase in trade and other payables	(2,955)	22,242	-	19,286
Depreciation and amortisation (including acquisition intangibles amortisation)	27,538	11,803	(333)	39,008
Employee long-term incentive scheme charges	4,409	1,638	-	6,047
Employee long-term incentive scheme payments	(4,500)	(829)	-	(5,329)
Corporation tax payments	(5,263)	(1,584)	-	(6,847)
Exceptional items	16,664	-	-	16,664
Payments in respect of exceptional items	(8,377)	-	-	(8,377)
Cash inflow/(outflow) from operating activities	17,040	(317,260)	-	(300,220)
Investing activities				
Purchases of property, plant and equipment	(8,153)	(17,007)	-	(25,160)
Purchases of intangible assets	(9,844)	(15,782)	-	(25,626)
Acquisition of subsidiaries (net of cash acquired)	(2,345)	-	-	(2,345)
Investment income	577	133	-	710
Cash outflow from investing activities	(19,765)	(32,656)	-	(52,421)
Financing activities				
Borrowings	24,000	410,000	-	434,000
Loan to Unrestricted Group from Restricted Group	14,000	(14,000)	-	
Interest and finance lease charges paid	(16,455)	(50)	-	(16,505)
Cash inflow from financing activities	21,545	395,950	-	417,495
Net increase in cash and cash equivalents in the period	18,820	46,034	-	64,854
Cash and cash equivalents at start of period	31,489	103,391	-	134,880
Effect of foreign currency exchange rates	(956)	(1,210)	-	(2,166)
Cash and cash equivalents at end of period	49,353	148,215	-	197,568

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

Cash Flows	12 months to 31 December 2016			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Operating activities				
Group operating profit/(loss)	15,140	(65,964)	-	(50,824)
Increase in trade and other receivables	(30,879)	(76,778)	-	(107,657)
Increase in trade and other payables	30,123	31,801	-	61,924
Depreciation and amortisation (including acquisition intangible amortisation)	25,633	2,936	-	28,569
Employee share-based payment	5,517	1,084	-	6,601
Corporation tax payments	(4,712)	(316)	-	(5,028)
Exceptional items	1,495	193	-	1,688
Payments in respect of exceptional items	(1,476)	-	-	(1,476)
Cash inflow/(outflow) from operating activities	40,841	(107,044)	-	(66,203)
Investing activities				
Purchases of property, plant and equipment	(10,522)	(8,170)	-	(18,692)
Purchases of intangible assets	(11,481)	(9,220)	-	(20,701)
Acquisition of subsidiaries (net of cash acquired)	(5,141)	-	-	(5,141)
Finance income	278	68	-	346
Cash outflow from investing activities	(26,866)	(17,322)	-	(44,188)
Financing activities				
Dividend paid to non-controlling interests	(2,258)	-	-	(2,258)
Acquisition of non-controlling interests	(27,956)	-	-	(27,956)
Borrowings (net of bank fees and costs)	26,000	100,000	-	126,000
Proceeds from issues of shares and other equity securities	34,116	-	-	34,116
Loan to Unrestricted Group from Restricted Group	(60,116)	60,116	-	-
Interest, bank fees and related charges	(16,974)	(23)	-	(16,997)
Cash (outflow)/inflow from financing activities	(47,188)	160,093	-	112,905
Net (decrease)/increase in cash and cash equivalents in the period	(33,213)	35,727	-	2,514
Cash and cash equivalents at start of period	61,080	68,469	-	129,549
Effect of foreign currency exchange rates	3,622	(805)	-	2,817
Cash and cash equivalents at end of period	31,489	103,391	-	134,880

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

Cash Flows	3 months to 31 December 2017			
	Restricted Group £'000	Unrestricted Group £'000	Elimination £'000	Total Group £'000
Operating activities				
Group operating profit/(loss)	9,615	(65,713)	(267)	(56,365)
Increase/(decrease) in trade and other receivables and prepayments	1,161	(24,601)	330	(23,110)
(Decrease)/increase in trade and other payables	(2,175)	6,978	-	4,803
Depreciation and amortisation (including acquisition intangibles amortisation)	6,856	4,030	(63)	10,823
Employee long-term incentive scheme charges	904	410	-	1,314
Corporation tax payments	(818)	(102)	-	(920)
Exceptional items	372	-	-	372
Payments in respect of exceptional items	(2,183)	-	-	(2,183)
Cash inflow/(outflow) from operating activities	13,732	(78,998)	-	(65,266)
Investing activities				
Purchases of property, plant and equipment	(2,578)	(4,868)	-	(7,446)
Purchases of intangible assets	(1,581)	(1,436)	-	(3,017)
Acquisition of subsidiaries (net of cash acquired)	(2,345)	-	-	(2,345)
Investment income	220	85	-	305
Cash outflow from investing activities	(6,284)	(6,219)	-	(12,503)
Financing activities				
Borrowings	10,000	110,000	-	120,000
Loan to Unrestricted Group from Restricted Group	6,000	(6,000)	-	-
Interest and finance lease charges paid	(8,042)	35	-	(8,007)
Cash inflow from financing activities	7,958	104,035	-	111,993
Net increase in cash and cash equivalents in the period	15,406	18,818	-	34,224
Cash and cash equivalents at start of period	34,115	129,600	-	163,715
Effect of foreign currency exchange rates	(168)	(203)	-	(371)
Cash and cash equivalents at end of period	49,353	148,215	-	197,568

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

Cash Flows	**3 months to 31 December 2016**			
	Restricted Group £'000	**Unrestricted Group £'000**	**Elimination £'000**	**Total Group £'000**
Operating activities				
Group operating profit/(loss)	3,839	(26,799)	-	(22,960)
Increase in trade and other receivables	(21,662)	(25,878)	-	(47,540)
Increase in trade and other payables	13,361	9,571	-	22,932
Depreciation and amortisation (including acquisition intangible amortisation)	9,356	1,550	-	10,906
Employee share-based payment	1,525	579	-	2,104
Corporation tax payments	(832)	(316)	-	(1,148)
Exceptional items	144	193	-	337
Payments in respect of exceptional items	(736)	-	-	(736)
Cash inflow/(outflow) from operating activities	4,995	(41,100)	-	(36,105)
Investing activities				
Purchases of property, plant and equipment	(3,702)	(1,484)	-	(5,186)
Purchases of intangible assets	(1,023)	(4,167)	-	(5,190)
Investment income	72	5	-	77
Cash outflow from investing activities	(4,653)	(5,646)	-	(10,299)
Financing activities				
Borrowings (net of bank fees and costs)	-	50,000	-	50,000
Proceeds from issues of shares and other equity securities	(884)	-	-	(884)
Loan to Unrestricted Group from Restricted Group	884	(884)	-	-
Interest, bank fees and related charges	(7,951)	(23)	-	(7,974)
Cash (outflow)/inflow from financing activities	(7,951)	49,093	-	41,142
Net (decrease)/increase in cash and cash equivalents in the period	(7,609)	2,347	-	(5,262)
Cash and cash equivalents at start of period	38,479	103,251	-	141,730
Effect of foreign currency exchange rates	619	(2,207)	-	(1,588)
Cash and cash equivalents at end of period	31,489	103,391	-	134,880