Company Registration Number 05833659

AMG Advertising Topco Limited

Annual Report and Financial statements for the year ended

31 December 2015

Contents **Pages**

Company information	**1**
Directors' report	**4**
Statement of directors' responsibilities	**5**
Profit and loss account	**8**
Balance sheet	**9**
Notes to the financial statements	**11 to 28**

Company information

Directors	N V Sunderland T T Moebius G Zocco K Reed Perell A Markus (resigned 30 January 2015)
Registered office	5 Giffard Court Millbrook Close Northampton Northamptonshire NN5 5JF
Bankers	HSBC Bank Plc 117 Great Portland Street London W1W 6 QJ
Solicitors	Osborne Clarke 2 Temple Back East Temple Quay Bristol BS1 6 EG
Independent Auditors	Mercer and Hole Fleet Place House 2 Fleet Place London EC4M 7RF

Principal Activity

The principal activity of the group continues to be provision of performance/driven Online Advertising Networks which deliver online advertisements using proprietary technology that provide better results for advertisers and optimal revenue for publishers. AMG conducts business primarily in Continental Europe and Latin America and has offices in 10 countries: Germany, Spain, Sweden, Denmark, Norway, Finland, Netherlands, Mexico and Brazil.

The principal activity of the parent company during the year was that of a non-trading holding company for the group. This includes administrative functions, but also providing intercompany finance.

Review of the Business and key performance indicators

The statement of comprehensive income of the group for the last year is set out on page 9.

The directors feel that the company has continued to suffer from challenging economic climate and increased market competition in the group main operating areas for continuing operations. AMG overall revenues from continuing operations decreased by 4,0 % in the course of the year compare to an increase of 1,5% in 2014.

Review of the Business and key performance indicators (continued)

Details and analysis of key performance indicators (KPI's) from continued operations can be summarised as follow:

	2015 **$ 000**	2014 $ 000	Analysis
Revenue	**79.172**	82.732	
Movement in revenue in %	**-4%**	2%	Revenue in Continental Europe almost remained stable revenue in South America decreased slightly
Gross profit	**26.956**	27.108	
Gross profit margin in % on revenue	**34,04%**	32.8%	Gross profit margin slightly up from prior year due to optimisation of costs
Adjusted EBITDA	**1.314**	1.253	
Adjusted EBITDA margin in %	**1,7%**	1,5%	Adjusted EBITDA margin is slightly up from prior year but remains within expectations.
Loss for the year from continued operations	**-232**	-61.459	The loss is mainly impacted by impairment charges from previous year acquisitions.

Future developments:

Despite the overall uncertainty about the development of the global economy AMG plans to further growth in its core business area in 2016.

Budget plans for 2016 foresee further growth in Continental Europe and Latin America due to the introduction of new products.

Although the group has proven successful even in uncertain economic environments and the increased competition the remaining risk of significant restriction on marketing spending have to be considered.

The directors present their report and the audited financial statements of the company for the year ended 31 December 2015.

Directors
The directors of the company who served throughout the year and up to date of this report are listed below:

N V Sunderland
T T Moebius
G Zocco
K Reed Perell
F Böhnke
A Markus (resigned 30 January 2015)

Principal Activity
The principal activity of the group continues to be provision of performance/driven Online Advertising Networks which deliver online advertisements using proprietary technology that provide better results for advertisers and optimal revenue for publishers. AMG conducts business primarily in Continental Europe and Latin America and has offices in 10 countries: Germany, Spain, Sweden, Denmark, Norway, Finland, Netherlands, Mexico and Brazil.
The principal activity of the parent company during the year was that of a non-trading holding company for the group. This includes administrative functions, but also providing intercompany finance.

Review of the Business
A summary of the results of the year is given in the profit and loss account on page 9 of the financial statements. The company's financial position at the year-end is shown in the balance sheet on page 10 of the financial statements.

Principal risks and uncertainties
The market in which the company operates is a highly competitive one. Therefore, the company is exposed to a number of risks including loss of key personnel or a change in demand for their products and services.

Financial Risk Management
The company's operations expose it to a certain level of financial risk. The company has in place a risk management programme that seeks to limit the adverse effects on financial performance of the company by monitoring levels of debt finance and the related finance costs. Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Credit Risk
The company has implemented policies that require appropriate credit checks on potential new customers before sales are made. The amount of exposure given to any single counterparty is limited to avoid specific risk of individual customer default. Where appropriate, payments in advance or on account are requested.

Exchange Rate Risk
The company does not adopt a policy of hedging to protect itself against movements in foreign exchange rates. However, exposure is limited as both payments and receipts are made primarily in Sterling.

Liquidity Risk
The company incurred a net loss of £156,491 during the year ended 31 December 2015 and, at that date, the company's current assets exceeded its total liability by £37,775,461 Accordingly, the financial statements have been prepared on a basis of going concern.

Results and dividends
The loss for the year amounted to 156,491 (2014: 61,459m). Dividend payments made in the year total £nil (2014: £nil). The directors do not recommend a dividend.

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors
In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

Frank Böhnke
Director

Report on the financial statements

Our opinion
In our opinion, AMG Advertising Topco Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - Basis of preparation
In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the basis of accounting. The directors decided due to the group's restructuring that the company will cease trading and started the process of terminating the company's activities during 2014. The company incurred a net loss of £74,541 during the year ended 31 December 2015 and, at that date, the company's current liabilities exceeded its total assets by £1,709,279 and it had net current liabilities of £1,709,279. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 1 to the financial statements. Adjustments have been made in these financial statements to reclassify fixed assets as current assets.

What we have audited
AMG Advertising Topco Limited's financial statements comprise:

- the Balance sheet as at 31 December 2015;
- the Profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and IFRS as adopted by the European Union.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration
Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies' exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

AMG Advertising Topco Limited

Group Statement of comprehensive income for the Year ended 31 December 2015

	Notes	2015 $ 000	2014 $ 000
Revenue	3	**79.172**	82.732
Cost of Sales		**(52.215)**	(55.624)
Gross Profit		**26.957**	27.108
Administrative Expenses		**(26.213)**	(80.623)
Operating Profit/ (loss)	7	**744**	(53.515)
Finance Income	4	**133**	1.396
Finance Costs	4	**(304)**	(12.279)
Other (losses)/ gains - net		**905**	(452)
Loss for the year on ordinary activities before taxation from continuing operations		**1.478**	(64.850)
Income tax		**(1.710)**	3.391
Profit/ (Loss) for year from continuing operations		**(232)**	(61.459)
Discontinued operations (attibutable to the owners of the company)			171.204
Profit/ (Loss) for the year		**(232)**	109.745
Other comprehensive income:			
Exchange differences on translation of foreign operations		**1.667**	3.009
Other comprehensive / (expenses) for the year, net of tax			3.587
Total comprehensive / (expenses) for the year		**(232)**	113.332
Attributable to:			
Owners of the parent		**(232)**	113.332
Total comprehensive income / (expenses) for the year		**(232)**	113.332
Total comprehensive income attributable to the equity shareholders arises from:			
- Continued operations		**(232)**	(58.450)
- Discontinued operations			171.782
		(232)	113.332

The notes on pages 11 to 28 form part of these financial statements

AMG Advertising Topco Limited

Group statement of financial position as at 31 December 2015

	Notes	2015 $ 000	2014 $ 000
Non-Current Assets			
Property, plant and equipment		559	778
Intangible assets		22.780	22.037
Current Assets			
Trade and other receivables	9	90.029	84.577
Cash and equivalents	10	21.931	23.691
Total assets		135.299	131.083
Current liabilities			
Trade and other payables	11	(46.484)	(36.651)
Borrowings		(1.395)	(2.260)
Financial liablities at fair value through P&L		(220)	(247)
Provision for other liabilities and charges			-
Long term employee benefits		(626)	(4.829)
Share based compensation	13	(127)	(145)
Corporate tax			(224)
Non-Current liabilities			
Borrowings		(401)	(447)
Financial liablities at fair value through P&L			-
Long term employee benefits			-
Share based compensation		(4.786)	(4.876)
Deferred tax		(1.052)	(5.540)
Total liabilities		(55.091)	(55.219)
Net assets		80.208	75.864
Equity			
Called up share capital	14	1.114	1.114
Share premium account			-
Retained earnings		73.696	74.304
Other reserves		5.203	69
Exchange reserves		195	377
Equity attributable to owners of the company		80.208	75.864
Total equity		80.208	75.864

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Frank Böhnke
Director

The notes on pages 11 to 28 form part of these financial statements.

AMG Advertising Topco Limited

Group statement of cash flows as at 31 December 2015

	Notes	2015 $ 000	2014 $ 000
Cash flow from operating activities			
Cash (used in)/ generated from operations		**29.324**	(60.908)
Income tax paid		**(1.354)**	(734)
Net Cash (used in)/ generated from operating activities - continued operations		**27.970**	(61.642)
Net Cash (used in)/ generated from operating activities - discontinued operations		-	8.542
Total Net Cash used in operating activities		**27.970**	**(53.100)**
Cash Flow from investing activities			
Purchase of property, plant and equipment		**(16)**	(275)
Purchase of intangibles		**(1.329)**	(1.330)
Purchase of other assets		**(6.014)**	-
Acquisition of subsidaries, net of cash acquired		**(3.964)**	(189)
Sales of subsidaries		-	205.099
Interest received		**(127)**	9
Net Cash (used in)/ generated from investing activities - continued operations		**(11.450)**	203.314
Net Cash (used in)/ generated from investing activities - discontinued operations		-	12.399
Total Net Cash generated from/ (used in) investing activities		**(11.450)**	**215.713**
Cash Flow from financing activities			
Proceeds from issue of share capital		**(19.963)**	1.404
Payment for reduction of capital		**124**	(41.620)
Proceeds from borrowings		**6.081**	6.032
Repayment of borrowings		**(645)**	(76.280)
Interest paid		**(44)**	(15.621)
Net Cash (used in)/ generated from financing activities - continued operations		**(14.447)**	(126.085)
Net Cash (used in)/ generated from financing activities - discontinued operations			(5.518)
Total Net cash (used in)/ generated from financing activities		**(14.447)**	(131.603)
Net increase/ (decrease) in cash and cash equivalents		**2.073**	**31.010**
Cash and cash equivalents at the beginning of the year		**23.434**	(6.311)
Exchange (losses) on cash and cash equivalents		**(5.257)**	(2.883)
Net Cash and cash equivalents at the end of the year		**20.250**	**21.816**

1. General information

AMG Advertising Topco Limited is a private limited liability company incorporated and domiciled in the United Kingdom. The company was incorporated on 31 May 2006. The address of the registered office is given on page 3. The principal activities of the group are set out in the strategic report. Amounts are rounded to the nearest thousands and are suffixed with a "k" in certain disclosure paragraphs, unless otherwise stated.

2. Summary of significant accounting policies

The principal accounting policies adopted are set out below and have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements of AMG Advertising Topco Limited have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention as modified by financial liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although the estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates. The most significant of these relates to impairments.

Going concern

The group meets its day-to-day working capital requirements through its cash reserves. The current economic conditions continue to create uncertainty particularly over (a) the level of demand for the group's products and services; and (b) the availability of bank finance for the foreseeable future. However, the group is expected to strengthen its position in digital video advertising in its existing markets and accelerate the deployment of its digital distribution platform into the emerging markets of Central Europe and Latin America and despite the overall uncertainty about the development of the global economy the group plans for further growth in 2016 and beyond. These growth plans are supported by a further shift in the spending of agencies and direct marketers from offline media to online advertising business. AMG Advertising Topco Limited is well prepared due to its diversified product offerings and presence to benefit from these market trends.

The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current cash reserves and facilities. Budget plans foresee further revenue growth in 2016 with contributions from all major markets. As the operating cost basis is expected to increase slower than the top line growth and an improvement in margins is expected. The group believes it has adequate resources to continue in operational existence for the foreseeable future.

The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Basis of consolidation

Subsidiaries
Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the sum of tile fair values of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at tile acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in an acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Subsequent changes to the fair value of the contingent consideration is recognised in profit or loss. Contingent consideration classified as equity is not remeasured, and subsequent settlement is accounted for within equity. The excess of the consideration transferred over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. Inter-company transactions and balances between group companies are eliminated. Accounting policies of subsidiaries are consistent with tile policies adopted by the group. Investments in subsidiaries are accounted for at cost less impairment. Cost is defined as the fair value of the consideration transferred, excluding acquisition-related costs.

Revenue recognition
Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the group's activities. Revenue is shown net of value added tax, returns, rebates and discounts after eliminating sales within the group.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the group's activities.

Revenue from online based advertising consist of display and video distribution; and delivery of emails. These are calculated using a cost-per-click or cost-per-thousand impressions basis. The email delivery applies to the product suite for Spain only.

Revenue is recognised in the period that the impressions or clicks occur. Where the fees are fixed or determinable, there are no significant company obligations remaining and the collection of the resulting receivable is reasonably certain.

Cost of sales
Cost of sales consists primarily of media costs. Media costs presents website publisher fees paid on a revenue share basis. Cost of sales is recognised when the costs are incurred.

Finance cost
Finance costs are accrued on a time basis, by reference to the principal outstanding and the interest rate applicable.

Property, plant and equipment
Property, plant and equipment is stated at cost less accumulated depreciation and any impairment losses. Cost includes the original purchase price of the assets and the costs attributable to bringing the assets to its working condition for its intended use. Depreciation is charged so as to write the cost less residual value over estimated useful lives, using the straight-line method commencing in the month following the purchase, on the following basis:
Fixtures and equipment Between 3 to 15 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Intangible assets
a. Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains or losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating units.

b. Other intangible assets
Other intangible Assets acquired by the group are stated at cost less accumulated amortisation except those identifiable intangible assets acquired as part of a business combination which are shown at fair value at the date of acquisition and subsequently less accumulated amortisation. Identifiable intangible assets are those which can be sold separately or which arise from legal rights.

Amortisation is charged to the profit or loss for the financial year using the straight—line method to allocate the cost of other intangible assets over their estimated useful lives unless such lives are judged to be indefinite.

The estimated useful lives and amortisation methods for each major class of other intangible asset are as follows:

Customer relationships	Between 1 to 10 years
Non-compete agreements	Between 2 to 3 years

c. Trademarks and licences
Separately acquired trademarks and licences are shown at historical cost less accumulated amortisation. Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date and subsequently presented less accumulated amortisation. Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives 5 to 10 years.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 to 5 years.

d. Internally generated development expenditure
The group capitalises expenditure that is directly attributable to the development of the intangible asset which is amortised on a straight-line basis over 3 to 5 years from the point the asset is available for use. The assets are valued at cost less accumulated amortisation. Where no intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefit is probable, and the group

intends to and has commercially feasible, future economic benefits are probable, and the group intends to and has sufficient resources to complete development and to use or sell the asset.

Provisions
Provisions ate recognised when the group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources employing economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

Provisions ate measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the year-end date.

Foreign currencies
The consolidated financial statements are presented in US dollars, which the directors consider is the appropriate presentational currency of the company. The functional currency of the parent company is pound sterling.

Transactions in currencies other than the functional currency of the company are recorded at the rates of exchange prevailing on the dates of' the transactions.

At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date. Gains or losses arising on retranslation of monetary items are included in net profit or loss for the period. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Financial instruments
Financial assets and financial liabilities are recognised in the group's statement of financial position when the group become a party to the contractual provisions of the instrument.

Financial assets
The group classifies all its financial assets as loans and receivables that comprise of trade and other receivables; and cash and cash equivalents.

Trade receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and other short-term deposits. Bank overdrafts are presented separately in the statement of financial position in borrowings under current liabilities.

Financial liabilities and equity
An equity instrument is any contract that evidences a residual interest in the assets or an entity after deducting all of its liabilities. A liability is all unavoidable obligation to pay cash or transfer other financial assets.

Share capital represents tile nominal value of shares that have been issued. Share premium includes any premiums received on issue of share capital. Retained earnings include all current and prior period retained profits or losses. Exchange reserve represent the movement in exchange rates on foreign operations retranslated into US dollar at year-end.

Trade Payables
Trade Payables are obligations to pay for good or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Trade Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Bank borrowings
Interest-bearing bank loans are recorded at the proceeds received, which is similar to its fair value, net of direct issue costs. Proceeds received are considered to present fair value, except if otherwise indicated. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in profit or loss using the effective interest rate method.

Current and deferred income tax
Current tax currently payable is based on taxable profits for the year. Taxable profits differ from net profits as reported in the statement of comprehensive income because it excludes items that are taxable or deductible in other years and items that are not taxable or deductible.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date, in the country where the company and its subsidiaries operate and generate taxable income.

Share based payments
The Group operates various equity-settled and cash-settled share schemes that consist of employee share option scheme, share award schemes and put/call share options.

Equity-settled, share based compensation plans
a) Employee share option scheme
Equity-settled, share based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the group. The fair value of the employee services received in exchange for the grant of the options are recognised as an expense.

The total amount to be expensed is determined by reference to the fair value of the options granted:
- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions;
- including the impact of any non-vesting conditions.

Non-market Vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that ate expected to vest based on the non-marketing vesting conditions.

b) Share award schemes
For equity-settled share award, the fair value is calculated based on the share price at the grant date and, where applicable, any market vesting conditions, and expensed over the vesting period based on the number of shares expected to vest. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting condition; which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance or service conditions are satisfied.

Cash-settled, share based compensation plans
For cash-settled plans, a liability is recorded, for the services received from employees that are measured at fair value over the vesting period and the recognition of a corresponding liability at each reporting date with any movements in fair value being recorded to the appropriate profit or loss for the financial year' heading within the operating results. Any subsequent cash flows from exercise of vested awards are recorded as a reduction of the liability.

Mutually exclusive awards
Both the Put/call share options and Long Term Incentive Program ('LTIP') are considered to be two mutually exclusive awards, one equity-settled and one cash-settled. The cash-settled award, although affected by the probability of being paid, always has a fair value which is recognised over the vesting period. If the awards are ultimately settled in equity the fair value of the liability falls to nil.
The equity-settled alternative is only recognised if it is considered probable. If the award is ultimately settled in cash the equity alternative would have become improbable and so no cumulative expense would be recognised for this. Once the contingent settlement provision resolves, the cumulative charge will represent only the expense actually incurred under either the equity or cash settlement option.

Operating lease commitments
Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating leases payments net of any incentives received (including contracts with fixed escalation clauses) from the lessor are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Short-term employment benefits
Short-term employment benefits consist of salaries, wages and bonuses payable within twelve months of the balance sheet date. A liability and an expense (unless capitalisation is appropriate) are recognised when an employee has rendered services. For short-term bonuses a liability and an expense (unless capitalisation is permitted) are recognised when the reporting entity has a present legal or constructive obligation to make payments as a result of past events and a reliable estimate can be made of the amount payable.

Long-term employee benefits
Long—term bonuses are accounted for as a liability when employees have provided services in exchange for benefits to be paid in the future. The obligation is measured using the projected credit method and discounted to present value. All Past service costs are recognised immediately as an expense.

Segmental analysis
The group is not required to apply IFRS 8 nor has it opted for voluntarily disclosure. However, the group has opted to disclose geographical analysis information as it believes this would attribute to the information provided in financial statements. Management assesses the performance of the geographical operations based on a measure of adjusted EBITDA. This measurement basis excludes the effects of non-recurring expenditure such as corporate finance and other advisory related expenses, provision for termination and settlement and goodwill impairments when the impairment is the result of an isolated, non-recurring event. The measure also excludes the effects of costs associated with acquisitions, share based payments and other income or expenses. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the group.

Critical accounting judgments and key sources of estimation uncertainty
The preparation of financial statements in conformity with general accepted accounting practice requires management to make estimates and judgments that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The significant judgments made by management in applying the group's accounting policies and the key sources of estimation uncertainty were:

a. Fair value of share options
The fair value of share options granted in the year has been assessed using the Black Scholes Option Pricing Model. These charges are amended to take into account changes in the number of equity instruments expected to vest as a consequence of the changes in expectations.

b. Estimated impairment of goodwill
The Group tests annually whether goodwill has suffered any impairment, in accordance with the Group's accounting policy. In determining the recoverable amount of all CGUs it is necessary to make a series of assumptions to estimate the present value of future cash flows or fair value less cost to sell. In each case, these key assumptions have been made by management reflecting past experience and future expectations.

The main assumptions within forecast operating cash flow include the achievement of future sales, the cost incurred, removing non-cash flow items, and the levels of ongoing capital expenditure required to support forecast production. Similarly, determining the fair value includes the achievement of revenue forecasts and applying multiples that supports similar online advertising companies.

c. Capitalised development costs
The group capitalise development costs, in accordance with the Group's accounting policy. Determining the amounts to be capitalised requires management to make assumptions and estimates regarding the expected future cash generation of new developments and the expected period of benefits.

d. Impairment of trade receivables
The group provides for any amount that is estimated to be irrecoverable from customers. Each reporting entity are responsible for calculating a specific provision based on client knowledge, trade receivables past due and recent history of default and performance of customers.

e. Amortisation of intangible assets
The amortisation and useful life of intangible asset are defined as the period over which the amortised amount of the asset is allocated and the period over which the asset is expected to be available for use by an entity. In assessing the useful live at each reporting period the following relevant factors are considered: the expected usage by the group of the asset; technical, technological, commercial and other types of obsolescence and the period for which the entity has control of the asset and any legal use. We assess the historical experience, contracts period, competitors and life cycle to determine the useful lives of the customer relationships and the period for which contractual and/or other legal rights are held for non-compete agreements. Legal rights for trademarks and licences are assessed over the fixed period and internally generated development expenditure is mainly assessed against technical, technological, commercial and other types of obsolescence.

3. Geographical analysis

The group operates in one principal area of activity, that of online advertisement. Geographically management considers the performance in the United Kingdom (UK), Continental Europe and Latin America,

Geographical information for the year ended 31 December 2015 from continuing operations is as follows:

	UK	Continental Europe	Latin America	Consolidation	Total
	$000	$000	$000	$000	$000
Total geographical revenue	-	77.431	3.063	(1.322)	79.172
Inter-geographical revenue	-	(1.322)		1.322	
Revenue from external customers		76.109	3.063		79.172
Adjusted EBITDA	(2.230)	4.359	(512)	(300)	1.317

Geographical information for the year ended 31 December 2014 from continuing operations is as follows:

	UK	Continental Europe	Latin America	Consolidation	Total
	$000	$000	$000	$000	$000
Total geographical revenue	-	80.944	2.854	(1.066)	82.732
Inter-geographical revenue	-	(1.066)		1.066	
Revenue from external customers		79.878	2.854		82.732
Adjusted EBITDA	(1.520)	3.018	(126)	(119)	1.253

A reconciliation of adjusted EBITDA to profit/ (loss) for the year from continuing operations is as follows:

	2015 $ 000	2014 $ 000
Adjusted EBITDA	1.317	1.253
Corporate finance and other advisory	-	(4.824)
Bonus costs associated wit aquisitions	-	(1.545)
Depreciation and amortisation	(1.797)	(16.303)
Impairment of goodwill	-	(30.274)
Share based payment charge	7	9.688
Finance income	133	1.396
Finance costs	(304)	(12.279)
Gain of foreign exchange	1.667	5.866
Other (losses)/ gains - net	905	(452)
Other loss	(450)	(17.376)
Income tax	(1.710)	3.391
Loss for the year from continuing operations	(232)	(61.459)

4. Finance income and finance costs

Finance income

	2015 $ 000	2014 $ 000
Interest on short-term deposits	-	9
Interest on intra-company financing	133	1.387
Finance incom from continuing operations	133	1.396

4. Finance income and finance costs (continued)

Finance cost

	2015 $ 000	2014 $ 000
Interest on bank overdrafts		1.671
Interest on provision for other liabilities		17
Interest on long-term employee benefits		173
Interest on borrowings		98
Interest in shareholder loans		10.320
Interest on intra-group financing	304	
Finance incom from continuing operations	304	12.279

5. Employee information

The average monthly number of full time and part time persons (including executive directors) from continuing operations employed by the group during the year was:

	2015	2014
Sales and Marketing	112	140
Research and development	50	50
General and administration	6	7
	168	197

	2015 $ 000	2014 $ 000
Staff Costs (of above persons)		
Wages and salaries	12.890	14.416
Social security costs	1.913	2.598
Long term emplozee benefits	-	1.545
Share based payments	-	(10.728)
Staff Costs from continuing operations	14.803	7.831

6. Directors' emoluments and key management compensation

The directors' aggregated emoluments in respect of qualifying services for continuing operations were:

	2015 $ 000	2014 $ 000
Total emoluments	**2.405**	2.673

Emoluments of the highest paid director:

	2015 $ 000	2014 $ 000
Total emoluments	**1.274**	1.268

The highest paid director did not exercise any options in 2015.

Key management compensation

Additionally, there is a key management team having authority and responsibility for planning, directing, and controlling an operative entity respectively business unit.

J-P Fumagalli - Chief Executive Officer, smartclip
R Schaber - Chief Operating Officer, smartclip
T Servatius - Chief Technical Officer, smartclip

The company's policy on remuneration of directors is to attract, retain and motivate the best people, recognising the input they have to the ongoing success of the business. Consistent with this policy, the benefit packages to directors and key management are intended to be competitive. They comprise a mix of performance-related and non-performance related remuneration designed to incentivise directors and align their interests with those of shareholders. The remuneration consists of the elements outlined below.

Base pay
Key managements' base pay is designed to reflect individual's capabilities and role within tile business. Salary levels are reviewed annually and targeted at the median position against similar industries.

Quarterly bonus
All full-time employees participate in tile company's quarterly bonus plan. One component of tile bonus plan is related to Group, Company or Business Unit achievement, and one component is based on individual performance goals.

	2015 $ 000	2014 $ 000
Short-term employee benefits	**921**	944
Key management share based compensation	-	810
Total key management compensation	**921**	1.754

7. Operating profit / (loss)

	2015 $ 000	2014 $ 000
Operating loss from continuing operations is stated after charging		
Depreciation on property, fixtures and equipment	154	319
Amortisation of intangible assets	500	6.001
Impairment of intangible assets		9.982
Impairment of goodwill		30.274
Gain on foreign exchange	(1.667)	(5.866)
Impairment of receivables		770
Operating leases costs - land and buildings	972	1.410
Auditors renumeration		
- Audit of parent company and consolidated financial statements	501	254
- The Audit of the company's subsidaries prusuant to legislation	498	322
- Corporate finance and advisory service	133	213
- Tax Services	103	165

8. Investments in subsidiaries

Investments comprise the following:

Directly held investments	Country of Incorporation/ Place of Business	Holding	Principal Activity	Ownership Interest
AMG UK Intermediate Holdings Limited	United Kingdom	Ordinary	Holding Company	100,0%
AMG UK Advertising Limited	United Kingdom	Ordinary	In Liquidation	100,0%
smartclip Holding AG	Germany	Ordinary	Holding Company	100,0%
smartclip Mexico S.A.de C.V.	Mexico	Ordinary	Digital Media	75,1%
Smartclip Latam SL	Spain	Ordinary	Holding Company	100,0%
Indirectly (trough subsidaries)				
AMG Media Advertising GmbH	Germany	Ordinary	In Liquidation	100,0%
Adconion SARL *	France	Ordinary	In Liquidation	100,0%
Adconion S.L.	Spain	Ordinary	Digital Media	100,0%
Publead S.L.	Spain	Ordinary	Digital Media	100,0%
Arkeero Media S.L.	Spain	Ordinary	Digital Media	100,0%
SHOC Media Agency AB (aka ADR Nordics AB)	Sweden	Ordinary	Digital Media	100,0%
smartclip AG	Germany	Ordinary	Digital Media	100,0%
smartclip UK Limited *	United Kingdom	Ordinary	In Liquidation	100,0%
smartclip Hispania S.L.	Spain	Ordinary	Digital Media	100,0%
smartclip France SAS *	France	Ordinary	In Liquidation	100,0%
smartclip Benelux B.V.	The Netherlands	Ordinary	Digital Media	100,0%
smarclip Nordics AB	Sweden	Ordinary	Digital Media	100,0%
smartclip Italia S.R.L.	Italy	Ordinary	Digital Media	100,0%
Broisten Holdings Ltd. *	Cyprus	Ordinary	In Liquidation	100,0%
FLC smartclip Ltd. *	Cyprus	Ordinary	In Liquidation	100,0%

Each subsidiary not marked with (*) has been included in the consolidation.

9. Financial instruments by category

	2015 $ 000	2014 $ 000
Assets as per statement of financial position:		
Loans and receiveables		
Trade and other receivables excluding non financial assets	**89.773**	77.256
Cash and equivalents, net of bank overdrafts	**20.250**	21.816
	110.023	99.072

	2015 $ 000	2014 $ 000
Liabilities as per statement of financial position:		
Financial liabilities at fair value through the P&L		
Borrowings excluding bank overdraft	**286**	832
Trade and other payables excluding non financial liabilities	**44.088**	28.553
	44.374	29.385

10. Cash and cash equivalents

Cash and cash equivalents include the following for the purpose of the cash flow statement:

	2015 $ 000	2014 $ 000
Cash and cash equivalents,	**21.931**	23.691
Bank overdrafts	**(1.681)**	(1.875)
	20.250	21.816

11. Trade and other receivables

	2015 $ 000	2014 $ 000
Trade receivables	**22.987**	26.871
Less: provision for impairment of trade receivables	**(435)**	(617)
Trade receivables net	**22.552**	26.254
Other receivables	**67.477**	50.994
Other taxation and social security costs	**2.672**	5.244
Prepayments	**118**	2.085
	90.029	84.577

Trade receivables that were past due but not impaired relate to a number of agency customers for whom there is no recent history of default.

The aging of these trade receivables is as following:

	2015 $ 000	2014 $ 000
Up to 3 months due	**8.552**	7.389
More than 3 months past due	**13.999**	2.618
Trade receivables net	**22.551**	10.007

12. Trade and other payables

	2015 $ 000	2014 $ 000
Trade payables	**16.368**	9.300
Other Taxation and social security costs	**5.044**	5.077
Other payables	**1.125**	814
Accruals	**23.947**	21.460
	46.484	36.651

12. Commitments under operating leases

The group leases various offices under non-cancellable operating lease agreements. The lease terms are between 1 and 6 years, and the majority of the lease agreement are renewable at the end of the lease period at market rates:

	2015	2014
	$ 000	$ 000
Operating Leases which expire:		
within one year	765	698
between one and five years	497	497
After more then five years	-	-
	1.262	1.195

13. Shared Based Compensation

The group has various Employee incentives programs in place:

a) Employee share option scheme
The group has a share option scheme for all employees (including directors) within the group. Options are exercisable at a price equal to the average market price of the company's shares on the date of grant. The vesting period is between one and four years. The Weighted Average Exercise Price (WAEP) has also been disclosed for all movements in the number of share options during the year.

b) Long Term Incentive Program ("LTIP")
In 2012, a new award system, the Long-Term Incentive Program ("LTIP"), was established. Under the AMU Long Term Incentive Plan eligible employees will receive a conditional Award of AMG Topco limited shares. The vesting of the Award is generally conditional on remaining employed over a three-year period and on the satisfaction of certain conditions. Awards under the Plan are not transferable and benefits under the Plan are not pensionable. Receipt of this Award under the LTIP is discretionary and only occurs when specific conditions and targets have been met. Receipt of an Award in one year does not guarantee to receive an Award in the future or the level of any future Award.

14. Called up Share Capital

	2015		2014	
	Number	$	Number	$
Alloted and called up:				
Ordinary shares of GBP 0.01 each	**30.536.819**	**557.610**	30.536.819	557.610
A ordinary shares of GBP 0.01 each	**2.467.170**	**48.541**	2.467.170	48.541
B ordinary shares of GBP 0.01 each	**1.400.000**	**27.544**	1.400.000	27.544
C ordinary shares of GBP 0.01 each	**13.475.442**	**252.256**	13.475.442	252.256
D ordinary shares of GBP 0.01 each	**10.939.714**	**176.962**	10.939.714	176.962
Preference shares of GBP 0.01 each	**2.593.750**	**51.031**	2.593.750	51.031
	61.412.895	**1.113.944**	61.412.895	1.113.944

All shares issued by the group were fully paid.

There are no differences in terms of voting rights associated with the six different classes of shares. The preference shareholders are not entitled to receive a distribution of profits. D ordinary shareholders are ranked highest in order of preference on winding tip, C ordinary shareholders are second in line, preference shareholders are third in—line with the remaining shareholders ranked equally.

15. Related Party transactions

Group relationships

All inter group transactions (including management fee and interest), loans and trading balances, which are related parties, have been eliminated on consolidation and excluded for disclosure.

Shareholder loans

There were no Shareholder loans were issued by the parent company in 2015.

Key management

All transactions within AMG group are carried out at arm's length.

16. Financial risk management

The group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk) The group's overall risk management focuses on the unpredictable of financial markets and seeks to minimise potential adverse effects on the group's financial performance. Risk management is carried out by the central finance department (corporate finance). Corporate finance identifies, evaluates and hedges financial risks in close co-operation with the group's operating units.

Foreign exchange risk
The group's principal foreign currency exposures arise from purchases from non-EU companies and sales to non-EU customers. As there are local entities in all major markets only a small percentage of the group's sales are to foreign companies. In addition to this, AMG advances intercompany loans to its' operating entities denominated mainly in Sterling and Euro. While there is no effect on group level, currency fluctuations might result in significant adjustments on local level.

Interest rate risk
The group Interest rate risk arises from bank overdrafts that are currently in place for the business in Spain. The group manages its interest rate risk by regularly reviewing its existing position, refinancing or alternative financing to ensure the group seeks to borrow at competitive rates.

Credit risk
Credit risk is managed on a group basis expect for credit risk relating to accounts receivables balances. Each local entity is responsible to managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.
The group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and clients.

Liquidity risk
Cash flow forecasting is performed in the operating entities of the group and aggregated by group finance. Group finance monitors rolling forecasts of the group's liquidity requirements to ensure it has sufficient cash to meet operational needs. Surplus cash held by the operating entities over and above balance required for working capital management are transferred to the group finance. Group finance invests surplus cash in interest bearing current financial statements, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts. At the reporting date, the group held cash and cash equivalents of $21,931k (2014: $23,691k) that are expected to readily generate cash inflows for managing liquidity risk.

Capital risk management
The groups objectives when managing capital and to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.
In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

17. Ultimate parent company and controlling company

the directors consider AMG Advertising Topco limited as the ultimate parent undertaking and controlling party, a company incorporated in United Kingdom.

AMG Advertising Topco Limited is the parent undertaking of the largest and the smallest group of undertakings to consolidate these financial statements at 31 December 2015.