

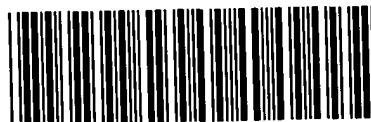
Company Registration Number 05833659

AMG Advertising Topco Limited

Financial statements

31 December 2017

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AMG Advertising Topco Limited

Financial statements

Year ended 31 December 2017

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AMG Advertising Topco Limited

Company information

Directors

N V Sunderland
T T Moebius
G Zocco
K Reed Perell
F Böhnke

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

AMG Advertising Topco Limited

Directors' report

Year ended 31 December 2017

The directors present their report and the audited financial statements of the company for the year ended 31 December 2017.

Going Concern

AMG Advertising Topco Limited has confirmed to the directors that it intends to ensure that the company has sufficient funds to enable it to meet its liabilities as they fall due, and accordingly the director has adopted the going concern basis in preparing the financial statements.

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

Principal Activity

The principal activity of the company during the period was that of a non-trading holding for a group of companies specialising in digital marketing activities.

Review of the Business

A summary of the results of the year is given in the profit and loss account on page 4 of the financial statements. The company's financial position at the year-end is shown in the balance sheet on page 5 of the financial statements.

The company's focus is to further support its investments in the group undertakings and their business activities.

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. These risks have been minimised through the company's focus on key products and services, while enhancing our companies benefits and culture to retain good staff.

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 currently has no trading customers.

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 in various currencies.

Liquidity Risk

The company incurred a net profit of £5,222,743 during the year ended 31 December 2017 and, at that date, the company's current assets exceeded its total liability by £18,389,249. Accordingly, the financial statements have been prepared on a basis of going concern.

Results and dividends

The profit for the year amounted to £5,222,743 (2016: £12,647,948). Dividend payments made in the year total £nil (2016: £nil). The directors do not recommend a dividend.

AMG Advertising Topco Limited

Directors' report

Year ended 31 December 2017

Statement of directors' responsibilities

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.

Signed by

N. V. Sunderland

N. V. Sunderland

Director

Approved by the directors on: 26/8/2019

AMG Advertising Topco Limited**Profit and loss account****Year ended 31 December 2017**

	6Note	2017 £	2016 £
Other income		14,340,143	43,052,458
Administrative expenses		(10,002,723)	(30,428,346)
Operating profit	2	4,337,421	12,624,112
Interest receivable and similar income	3	890,618	24,837
Interest payable and similar charges		-	-
Profit on ordinary activities before taxation		5,228,038	12,648,948
Tax on profit on ordinary activities	4	(5,296)	(1,000)
Profit for the financial year		5,222,743	12,647,948

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above and therefore no separate Statement of Total Recognised Gains and Losses has been presented.

AMG Advertising Topco Limited

Balance sheet

As at 31 December 2017

	Note	2017 £	2016 £
Current assets			
Investments	5	205,356	6,225,310
Debtors	6	9,380,975	13,004,500
Cash at bank and in hand		15,708,549	800,355
		<u>25,089,749</u>	<u>20,038,164</u>
 Creditors: amounts falling due within one year	 7	 <u>(874,920)</u>	 <u>(838,187)</u>
 Net current liabilities		 ()	 (1,226,705)
 Total assets less current liabilities		 <u>24,420,285</u>	 <u>19,199,977</u>
 Net Assets		 <u>23,610,074</u>	 <u>18,389,249</u>
 Capital and reserves			
Called up share capital	8	484,511	484,515
Share Premium Account		17,902,820	5,256,786
Profit and loss account	10	5,222,743	12,647,948
 Total shareholders' equity	 11	 <u>23,610,074</u>	 <u>18,389,249</u>

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

N.V. Sunderland

N.V. Sunderland

Company Registration Number: 05833659

Date 26/8/2019

The notes on pages 6 to 9 form part of these financial statements.

AMG Advertising Topco Limited

Notes to the financial statements

Year ended 31 December 2017

1. Accounting policies

Basis of accounting

These financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom ("UK GAAP"). The principal accounting policies are set out below and have been consistently applied, unless otherwise stated.

The company incurred a net profit of £5,222,743 during the year ended 31 December 2017 and, at that date, the company's current assets exceeded its total liabilities by £24,420,285 and it had net current assets of £23,610,285.

Cash flow statement

The company has used the exemption under FRS 1 (Revised 1996), not to prepare a cash flow statement as consolidated financial statements are prepared by AMG Advertising Topco Limited.

Related party transactions

All Transactions within AMG Advertising Topco Limited are carried out at arm's length.

Tangible Fixed assets

Tangible fixed assets are shown at historical cost less accumulated depreciation.

Deferred taxation

A deferred tax asset is not recognised to the extent that the transfer of economic benefit in the future is uncertain.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken to the profit and loss account.

AMG Advertising Topco Limited**Notes to the financial statements****Year ended 31 December 2017**

2. Operating profit/ (loss)

Operating profit/ (loss) is stated after charging:

	2017 £	2016 £
Other income	14,340,143	43,052,458
Impairment of investment in subsidiary undertaking	(8,157,163)	(24,311,629)
Administrative expenses	(1,845,560)	(6,116,718)
Operating lease rentals – land and buildings	-	-
Operating profit/ (loss)	<u>4,337,421</u>	<u>12,624,112</u>

3. Interest receivable and similar charges

	2017 £	2016 £
Interest receivables	890,618	24,837
Interest payable from group undertakings	-	-
	<u>5,228,038</u>	<u>12,647,948</u>

4. Tax on profit/ (loss) on ordinary activities

Tax assessed for the year is different to the standard rate of corporate tax in the UK 20%, the differences are explained below:

	2017 £	2016 £
Profit/ (loss) on ordinary activities before tax	<u>5,228,038</u>	<u>12,647,948</u>
Tax at the current rate of 20%	-	-
Expenses not deductible	-	-
Tax (gains)/ losses not recognised	-	-
Tax on profit/ (loss) on ordinary activities	<u>(5,296)</u>	<u>(1,000)</u>

AMG Advertising Topco Limited

Notes to the financial statements

Year ended 31 December 2017

5. Investments

	Subsidiary's undertakings £
Cost	
At 1 January 2017	<u>6,224,083</u>
Additions	
Disposals	(6,019,853)
At 31 December 2017	<u>204,230</u>
Net book value	
At 31 December 2017	<u>204,230</u>
At 31 December 2016	<u>6,224,083</u>

In June 2017, AMG Advertising Topco Limited sold the business of smartclip Latam and its subsidiaries in Mexico, Brazil and Argentina.

The direct investments in subsidiaries comprises of the following:

	Country of Incorporation	Holding	Principal Activity	Proportion of ownership interest
AMG UK Intermediate Holdings Limited	United Kingdom	Ordinary	Holding Company	100%
AMG UK Advertising Limited	United Kingdom	Ordinary	in Liquidation	100%
smartclip France	France	Ordinary	Non trading	100%
Brosten Holdings	Cyprus	Ordinary	Non trading	100%
FLC Smartclip Ltd	Cyprus	Ordinary	Non trading	100%

6. Debtors

	2017 £	2016 £
Trade debtors	50,111	1,061,740
Amounts owed by group undertakings	113,473	1,284,362
Other debtors	9,178,952	10,619,958
Prepayments and accrued income	38,440	38,440
	<u>9,380,975</u>	<u>13,004,500</u>

Amounts owed by group undertakings are repayable on demand and bear interest of 2%.

AMG Advertising Topco Limited

Notes to the financial statements

Year ended 31 December 2017

7. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	311,668	325,371
Amounts owed to group undertakings	229,223	229,223
Taxation and social security	3,810	3,347
Other creditors	127,786	104,556
Accruals and deferred income	202,433	175,575
	<u>874,920</u>	<u>838,187</u>

Amounts owed to group undertakings are repayable on demand and bear interest of 2%.

8. Called up share capital

Authorised share capital:

	2017 £	2016 £
48,451,100 Ordinary shares of £0.01 each	<u>484,511</u>	<u>484,515</u>

Allotted, called up and fully paid:

	2017		2016	
	No	£	No	£
Ordinary shares of £0.01 each	30,536,819	305,368	30,536,819	305,368
A Ordinary shares of £0.01 each	2,467,170	24,672	2,467,170	24,672
B Ordinary shares of £0.01 each	1,400,000	14,000	1,400,000	14,000
C Ordinary shares of £0.01 each	11,453,361	114,534	11,453,748	114,537
D Ordinary shares of £0.01 each				
Preference shares of £0.01 each	2,593,750	25,938	2,593,750	25,938
	<u>48,451,100</u>	<u>484,511</u>	<u>48,451,487</u>	<u>484,515</u>

10. Profit and loss account

	2017 £	2016 £
Balance brought forward	(58,295,763)	(70,943,711)
Profit/(Loss) for the financial year	5,222,743	12,647,948
Balance carried forward	<u>(53,073,020)</u>	<u>(58,295,763)</u>

11. Reconciliation of movements in shareholders' equity

	2017	2016
	£	£
Opening shareholders' equity	18,389,249	64,819,080
Reduction of reserves	(1,917)	(59,077,594)
Profit/(Loss) for the financial year	5,222,743	12,647,763
Closing shareholders' equity	<u>23,610,074</u>	<u>18,389,249</u>

12. Parent Company

The directors consider AMG Advertising Topco Limited as the ultimate parent undertaking and controlling party, a company incorporated in England and Wales.

Copies of the financial statements of AMG Advertising Topco Limited, which is the parent undertaking of the smallest and largest group in which the results of the company are consolidated, are available to the public and may be obtained from:

AMG Advertising Topco Limited
5 Giffard Court Millbrook Close
Northampton NN5 5JF

13. Related Party transactions

All inter group transactions, loans and trading balances, which are related parties have been eliminated on consolidation and excluded for disclosure.

Shareholder loans were not issued in 2017.

All transactions are carried out at arm's length.