

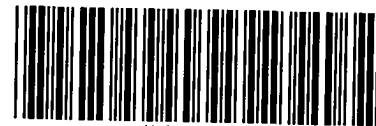
ALL3MEDIA Group Limited

Directors' report and financial statements

For the year ended 31 August 2013

Registered number 04823611

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Directors' report for the year ended 31 August 2013

The directors present their report and the audited financial statements of the company for the year ended 31 August 2013.

Principal activities and review of the business

The principal activity of the company is a holding company of television production companies and artist management companies. The directors do not anticipate any changes in these activities over the coming year.

Results and dividends

The profit for the financial year, after taxation, amounted to £406 (2012: £nil).

The directors do not recommend the payment of a dividend for the year (2012: £nil).

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued support of the ultimate parent company, ALL3MEDIA Holdings Limited. The directors have received confirmation that ALL3MEDIA Holdings Limited intends to support the company for at least one year after these financial statements are signed.

Future outlook

The commercial environment in which the company operates remains competitive, but the directors believe that its relationship with the ALL3MEDIA Holdings Limited group (the "group") will enable it to maintain its current position in the future.

Principal risks and uncertainties

The key business risks and uncertainties affecting the company relate to the general economic environment, competition from other television producers and talent agencies and success of the company's programming. Further discussion of these risks and uncertainties, in the context of the group as a whole, is provided on page 6 of the group's financial statements which do not form part of this report.

Key performance indicators ("KPIs")

The directors of ALL3MEDIA Holdings Limited manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of ALL3MEDIA Group Limited. The development, performance and position of the ALL3MEDIA Holdings Limited group, which includes the company, is discussed on page 5 of the group's annual report which does not form part of this report.

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Directors' report for the year ended 31 August 2013 (continued)

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

S Morrison
J Burns
A Jones (resigned 31st August 2013)
N Bright (appointed 31st August 2013)
F Ramzan Golant (appointed 7th November 2013)
V Turton (appointed 14th March 2013)

Directors' indemnities

The company maintains liability insurance for its directors and officers. Following shareholder approval, ALL3MEDIA Holdings Limited, the company's ultimate parent undertaking, has also provided an indemnity for the company's directors and officers, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. The indemnity was in force during the previous financial year and is currently in force.

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 year. In preparing these financial statements, the directors are required to:

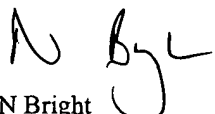
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and are deemed reappointed in accordance with s487(2) of the Companies Act 2006..

By order of the Board


N Bright
Company secretary

Berkshire House
168-173 High Holborn
London

Date: 12 December 2013

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALL3MEDIA GROUP LIMITED

We have audited the financial statements of ALL3MEDIA Group Limited for the year ended 31 August 2013 which comprise the profit and loss account, the reconciliation of movements in shareholder's funds, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors responsibilities set out on page 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2013 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.

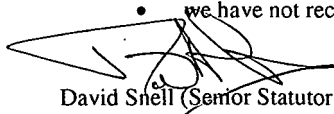
Opinion on other matter prescribed by the Companies Act 2006

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



David Snell (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
12 December 2013

Profit and loss account for the year ended 31 August 2013

| | Note | 2013 £ | 2012 £ |
|---|------|--------------|--------------|
| Operating result | 2 | - | - |
| Interest receivable and similar income | 5 | 11,654,333 | 12,581,598 |
| Interest payable and similar charges | 6 | (11,653,802) | (12,581,598) |
| | | <hr/> | <hr/> |
| Profit/result on ordinary activities before taxation | | 531 | - |
| Tax on profit on ordinary activities | 7 | (125) | - |
| | | <hr/> | <hr/> |
| Profit/result for the financial year | | 406 | - |
| | | <hr/> | <hr/> |

The operating result in the current financial year and previous financial year derive from the company's continuing activities.

The company has no recognised gains or losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the profit/result on ordinary activities before taxation and the profit/result for the financial year stated above and their historical cost equivalents.

The notes on pages 8 to 15 form part of these financial statements.

Reconciliation of movements in shareholder's funds for the year ended 31 August 2013

| | Note | 2013 £ | 2012 £ |
|--------------------------------------|------|-------------|-------------|
| Profit/result for the financial year | 12 | 406 | - |
| | | <hr/> | <hr/> |
| Net change to shareholder's funds | | 406 | - |
| Opening shareholder's funds | 12 | 1,718,932 | 1,718,932 |
| | | <hr/> | <hr/> |
| Closing shareholder's funds | 12 | 1,719,338 | 1,718,932 |
| | | <hr/> <hr/> | <hr/> <hr/> |

Balance sheet at 31 August 2013

Registered number: 04823611

| | Note | £ | 2013 £ | 2012 £ |
|---|------|---------------------|-------------------------|-------------------------|
| Fixed assets | | | | |
| Investments | 8 | | 1,821,933 | 1,821,933 |
| Current assets | | | | |
| Debtors | 9 | 86,336,764 | 93,290,203 | |
| Cash at bank and in hand | | 129,557 | 7,214 | |
| | | <u>86,466,321</u> | <u>93,297,417</u> | |
| Creditors: amounts falling due within one year | 10 | <u>(86,568,916)</u> | <u>(93,400,418)</u> | |
| Net current liabilities | | | (102,595) | (103,001) |
| Total assets less current liabilities | | | <u>1,719,338</u> | <u>1,718,932</u> |
| Capital and reserves | | | | |
| Called up share capital | 11 | | 198,575 | 198,575 |
| Share premium account | 12 | | 1,549,663 | 1,549,663 |
| Profit and loss account | 12 | | (28,900) | (29,306) |
| Total shareholder's funds | 12 | | <u>1,719,338</u> | <u>1,718,932</u> |

These financial statements on pages 5 to 15 were approved by the Board of directors on 12 December 2013 and signed on its behalf by:



N Bright
Director

The notes on pages 8 to 15 form part of these financial statements.

Notes to the financial statements for the year ended 31 August 2013

1. Accounting policies

The following accounting policies have been applied in dealing with items which are considered material in relation to the company's financial statements:

Basis of preparation and consolidation

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year are set out below.

The financial statements contain information about ALL3MEDIA Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent undertaking, ALL3MEDIA Holdings Limited.

Going concern

The financial statements are prepared on the going concern basis due to the continued support of the ultimate parent company, ALL3MEDIA Holdings Limited. The company has received confirmation that ALL3MEDIA Holdings Limited intends to support the company for at least one year after these financial statements are signed.

Cash flow statement

The company is a wholly owned subsidiary of ALL3MEDIA Holdings Limited and is included in the consolidated financial statements of ALL3MEDIA Holdings Limited which are publicly available. The ALL3MEDIA Holdings Limited financial statements for the year ended 31 August 2013 contain a consolidated statement of cash flows. Consequently, the company has taken advantage of the exemption available under Financial Reporting Standard 1 (revised 1996). 'cash flow statements' from preparing its own statement of cash flows.

Fixed asset investments

Fixed asset investments are initially stated at cost less any provision for impairment. The carrying values of fixed asset investments are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Notes to the financial statements for the year ended 31 August 2013 (continued)

1. Accounting policies (continued)

Taxation

Corporation tax is payable on taxable profits at amounts expected to be paid, or recovered, under the tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the average tax rates that are expected to apply in the years in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Translation of foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Notes to the financial statements for the year ended 31 August 2013 (continued)

2. Operating result

The audit fee for the year was borne by the subsidiary company, ALL3MEDIA Limited (2012: £nil).

3. Directors' emoluments

Directors' remuneration in 2013 was £nil (2012: £nil).

S Morrison, J Burns, A Jones, N Bright, V Turton and F Ramzan Golant are remunerated by ALL3MEDIA Limited, and details of their emoluments and pension payments are available in the financial statements of that company.

4. Employee information

The company had no employees (2012: nil) and incurred no staff costs during the year (2012: £nil).

5. Interest receivable and similar income

| | 2013 £ | 2012 £ |
|---|-------------------|-------------------|
| Interest receivable from group undertakings | 11,654,333 | 12,581,598 |
| | <u>11,654,333</u> | <u>12,581,598</u> |

6. Interest payable and similar charges

| | 2013 £ | 2012 £ |
|--|-------------------|-------------------|
| Interest payable to group undertakings | 11,653,802 | 12,581,598 |
| | <u>11,653,802</u> | <u>12,581,598</u> |

Notes to the financial statements for the year ended 31 August 2013 *(continued)*

7. Tax on profit/result on ordinary activities

(i) Taxation on profit/result on ordinary activities for the financial year

The tax charge is made up as follows:

| | 2013 | 2012 |
|--------------------|------------|----------|
| | | £ |
| <i>Current tax</i> | | |
| UK corporation tax | 125 | - |
| | <u>125</u> | <u>-</u> |

(ii) Factors affecting the tax charge for the current year and future years

The tax charge for the year is the same as (2012: lower than) the standard rate of corporation tax in the UK at 23.58% (2012: 25.16%). The differences are explained below.

| | 2013 | 2012 |
|---|------------|----------|
| | £ | £ |
| Profit on ordinary activities before taxation | 531 | - |
| | <u>531</u> | <u>-</u> |
| Current tax at 23.58% (2012: 25.16%) | 125 | - |
| | <u>125</u> | <u>-</u> |
| Total current tax charge for the year | <u>125</u> | <u>-</u> |

(iii) Factors affecting current and future tax charges:

The Finance Act 2012 was enacted in July 2012 and included legislation to reduce the main rate of corporation tax from 24% to 23% and was effective from 1 April 2013. The current tax rate for the period is therefore 23.58%

Further reductions to the main rate of corporation tax were included within Finance Act 2013 which was enacted in July 2013, which further reduced the main rate of corporation tax from 23% to 21% effective from 1 April 2014, and reduce the rate further from 21% to 20% effective from 1 April 2015. These reductions supersede the reduction to 23% which had been included as part of Finance Act 2012.

The changes to the main rate of corporation tax disclosed above had been substantively enacted at the balance sheet date, and deferred taxes have been measured using the enacted rates within these financial statements.

8. Fixed asset investments

| | 2013 | 2012 |
|---|------------------|------------------|
| | £ | £ |
| Shares in subsidiary companies | | |
| Cost at the beginning and end of the year | 1,821,933 | 1,821,933 |
| | <u>1,821,933</u> | <u>1,821,933</u> |

Fixed asset investments in the company comprise a £1,821,933 (2012: £1,821,933) investment in ALL3MEDIA Limited.

Notes to the financial statements for the year ended 31 August 2013 *(continued)*

8. Fixed asset investments *(continued)*

The details of the principal subsidiary companies in which the company holds 20% or more of the nominal value of any class of share capital are as follows. Shares held by an intermediate holding company are indicated with an asterisk (*). All investments are unlisted, except for MME Moviemment AG.

| Name of company | Country of incorporation | Equity holding | Nature of business |
|--|--------------------------|----------------|--|
| All3Media Limited | England & Wales | 100% | Holding company |
| North One Television Limited | England & Wales | *100% | Television production and distribution |
| ALL3MEDIA International Limited | England & Wales | *100% | Distribution |
| Bentley Productions Limited | England & Wales | *100% | Television production and distribution |
| Lion Television Limited | England & Wales | *100% | Television production and distribution |
| Ravenscourt Services Limited | England & Wales | *100% | Production services company |
| Company Television Limited | England & Wales | *100% | Television production and distribution |
| Company Television Productions Limited | England & Wales | *100% | Television production and distribution |
| Company Productions Limited | England & Wales | *100% | Television production and distribution |
| Company Productions (North) Limited | England & Wales | *100% | Television production and distribution |
| MCB Productions Limited | England & Wales | *100% | Television production and distribution |
| Mersey Acquisitions Limited | England & Wales | *100% | Sub-holding company |
| Lime Pictures Group Limited | England & Wales | *100% | Television production and distribution |
| Lime Pictures Holding Company Limited | England & Wales | *100% | Television production and distribution |
| Conker Media Limited | England & Wales | *100% | Television production and distribution |
| Lime Pictures Limited | England & Wales | *100% | Television production and distribution |
| Illumina Digital Limited | England & Wales | *50.2% | Multiplatform content provider |
| Digital Life Sciences Limited | England & Wales | *50.2% | Multiplatform content provider |
| Tulip Holdings BV | Netherlands | *100% | Sub-holding company |
| IDTV Media Group BV | Netherlands | *100% | Television production and distribution |
| South Pacific Pictures Limited | New Zealand | *100% | Television production and distribution |
| Studio Lambert Limited | England & Wales | *100% | Television production |
| All3Media America, LLC (formerly Studio Lambert USA, Inc.) | USA | *100% | Television production and distribution |
| Lion Television, LLC (formerly Lion Television Inc.) | USA | *100% | Television production and distribution |
| Maverick Television Limited | England & Wales | 100% | Television production and distribution |
| Objective Productions Limited | England & Wales | 100% | Television production and distribution |
| ALL3MEDIA Deutschland GmbH | Germany | 100% | Sub-holding company |
| MME Moviemment AG | Germany | *93.5% | Sub-holding company |
| Filmpool Film-und Fernsehproduktion GmbH | Germany | *93.5% | Television production |
| MME Me, Myself & Eye Entertainment GmbH | Germany | *93.5% | Television production |

Notes to the financial statements for the year ended 31 August 2013 *(continued)*

8. Fixed asset investments *(continued)*

| Name of company | Country of incorporation | Equity holding | Nature of business |
|--|--------------------------|----------------|--|
| All3Media USA, Inc. | USA | *100% | Holding company |
| All3Media USA Ltd | England & Wales | *100% | Sub-holding company |
| Noah Holdings, LLC (formerly All3Media America Inc.) | USA | *100% | Sub-holding company |
| Noah Acquisitions Inc. | USA | *100% | Sub-holding company |
| Zoo Production Inc. | USA | *100% | Television production and distribution |
| Tidy Television Limited | England & Wales | *100% | Sub-holding company |
| Optomen Television Limited | England & Wales | *100% | Television production and distribution |
| One Potato Two Potato Limited | England & Wales | *100% | Television production |
| Maverick Television, Inc. | USA | *100% | Television production and distribution |
| Objective Productions US, Inc. | USA | *100% | Television production and distribution |
| Optomen Productions, LLC (formerly Optomen Productions Inc.) | USA | *100% | Television production and distribution |
| One Potato Two Potato, LLC (formerly One Potato Two Potato Inc.) | USA | *100% | Television production and distribution |
| Rumple Inc. | USA | *100% | Television production and distribution |

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The investment in MME Moviemment AG is listed on the German Stock Exchange. It has a book value (excluding related acquisition costs) of £62,370,066 (2012: £58,061,350) and a market value at 31 August 2013 of £80,783,160 (2012: £77,553,375).

Notes to the financial statements for the year ended 31 August 2013 *(continued)*

9. Debtors

| | 2013 £ | 2012 £ |
|------------------------------------|-------------------|-------------------|
| Amounts owed by group undertakings | 86,336,764 | 93,290,203 |
| | <u>86,336,764</u> | <u>93,290,203</u> |

Amounts owed by group undertakings represent an unsecured non-trading loan. This is repayable on demand. Interest is payable on this loan at rates between 10% and 20% per annum.

10. Creditors: amounts falling due within one year

| | 2013 £ | 2012 £ |
|--|-------------------|-------------------|
| Amounts owed to group undertakings | 86,446,189 | 93,399,628 |
| Amounts payable to group undertakings for group relief | 790 | 790 |
| Other creditors | 121,812 | - |
| | <u>86,568,791</u> | <u>93,400,418</u> |

Amounts owed to group undertakings represent an unsecured non-trading loan. This is repayable on demand. Interest is payable on this loan at rates between 10% and 20% per annum.

11. Called up share capital

Allotted, called up and fully paid

| | 2013 £ | 2012 £ |
|---|----------------|----------------|
| 1,985,759 (2012: 1,985,759) Ordinary shares of 10p each | 198,575 | 198,575 |
| | <u>198,575</u> | <u>198,575</u> |

12. Reserves

| | Called up Share Capital £ | Share premium account £ | Profit and loss account £ | Total Share- holders' funds £ |
|-------------------------------|------------------------------------|----------------------------------|------------------------------------|---|
| At 1 September 2012 | 198,575 | 1,549,663 | (29,306) | 1,718,932 |
| Profit for the financial year | - | - | 406 | 406 |
| | <u>198,575</u> | <u>1,549,663</u> | <u>(28,900)</u> | <u>1,719,338</u> |
| At 31 August 2013 | 198,575 | 1,549,663 | (28,900) | 1,719,338 |

Notes to the financial statements for the year ended 31 August 2013 *(continued)*

13. Contingent liabilities

The company is a participant in a group banking arrangement under which all surplus cash balances are held as collateral for bank facilities advanced to group members. In addition, the company has issued an unlimited guarantee to the bank to support these bank facilities. Details of these facilities are disclosed in note 32 of the All3Media Intermediate Limited financial statements which are publicly available.

14. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 from the requirement to disclose transactions with wholly owned group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company, which are publicly available. There were no other related party transactions in the current or prior year.

15. Ultimate and immediate parent undertaking and controlling party

The company's immediate parent undertaking is ALL3MEDIA Finance Limited. In the directors' opinion, the company's ultimate parent undertaking is ALL3MEDIA Holdings Limited. ALL3MEDIA Holdings Limited is the parent undertaking of the smallest and the largest group to consolidate these financial statements at 31 August 2013. Copies of its group financial statements, which include the company, are available from Berkshire House, 168-173 High Holborn, London WC1V 7AA.

The ultimate controlling party at the balance sheet date was Permira Holdings Limited, a company which owns Permira Europe III G.P. Limited, the general partner of Permira Europe III.