ZAMANO

ANNUAL REPORT & ACCOUNTS 2014

for the Year Ended 31 December 2014

zamano is a leading provider of targeted, interactive and measurable web and mobile marketing campaigns to end users.

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2014 Highlights

Revenue	€19.86M	Revenue of €19.863M (up 23.9% on revenue of €16.034M, 2013)
Operating Profit	€2.23M	Operating profit of €2.232M (up 0.4% on operating profit of €2.224M, 2013)
Net Cash	€4.60M	Significant improvement in net cash during 2014 (net cash of €4.603M at 31 December 2014 versus net cash of €2.139M at 31 December 2013).
EBITDA	€2.74M	EBITDA of €2.735M (up 4.9% on EBITDA of €2.608M, 2013)
Pre-tax Profit	€2.18M	Pre-tax profit €2.177M (up 13.5% on pre-tax profit of €1.918M, 2013)
Post-tax Profit	€1.89M	Post-tax profit €1.892M (up 10.6% on post-tax profit of €1.711M, 2013)

Chairman's Statement

John Rockett

After another highly satisfactory outcome in 2014, the Group intends to remain focussed on maintaining its core business, while at the same time, looking for acquisition opportunities to enable it to strategically re-align the Group.

I am pleased to report a highly satisfactory performance for zamano at both an operational and financial level for the year ended 31 December 2014.

zamano has achieved a significant increase in revenues during 2014, with sales of €19.863 million being 23.9% ahead of last year (2013: €16.034 million). The increase in sales recorded in 2014 was primarily attributable to a concentrated effort to develop our business-to-business (B2B) activity in the UK together with strong growth in our Australian business.

Gross profit recorded for the year at €4.778 million was down 4% on the previous year's figure of €4.976 million as gross profit margins decreased from 31% in 2013 to 24% in 2014. This margin decline was largely attributable to a significant increase in lower margin third party activity in the UK B2B market during the second half of 2014.

The Group recorded very pleasing increases in EBITDA, Pre-Tax and Post-Tax profits during the year under review with EBITDA at €2.735 million 4.9% ahead of the 2013 EBITDA outturn of €2.608 million. Pre-Tax profit for the year at €2.177 million was 13.5% ahead of 2013 (€1.918 million), while the Post-Tax outturn at €1.892 million was 10.5% ahead of the corresponding figure for 2013 of €1.711 million.

As in the previous year, the strong operating performance of the Group during 2014 translated into a consistent improvement in zamano's net cash position. Net cash at 31 December 2014 was €4.603 million, an increase of €2.464 million over the equivalent figure (€2.139 million) at 31 December 2013. The strengthening of the Group's balance sheet position during 2014 is underpinned by the capacity of the business to generate healthy positive cash flow from its operations, and, demonstrates the Group's ability to adapt quickly to changing market circumstances and leverage its relatively low cost base.

In my statement with last year's results, I informed shareholders that zamano wished to expand its geographic footprint and broaden its product market base. In that regard, I informed shareholders of our entry into new territories in Eastern Europe. During the course of 2014 we continued to test new markets. However, the economic returns that were generated in territories like Czech Republic and Slovakia were not significantly attractive. Consequently, we have, for the time being, discontinued customer acquisition in those markets and refocused our marketing spend on English-speaking territories, like the UK and Australia, where we enjoyed considerable success.

In the new product area, Messagehero, a messaging product for the SME and Enterprise market in Ireland was launched in late 2013. During the year, zamano carried out a number of refinements to the product to meet the ever-changing needs of its target customers. In addition, during 2014 the Group explored a number of acquisitions, primarily in the UK and Ireland, to complement the Messagehero offering and accelerate its entry to the market.

zamano has also opened discussions with mobile network operators and an anchor client to develop a single-click micro-payment solution for mobile devices. We hope to report further progress with these initiatives during 2015.

The Board and management remain committed to diversifying both the product range and geographical spread of its existing business and will continue to pursue opportunities as they present themselves or as they are targeted. Undoubtedly, there is a buoyant market environment for web and mobile commerce products and services at present. zamano has considerable capability in data analytics, mobile billing/payments and mobile marketing where it can add value to a joint venture, licensing or acquisition situation and we hope to capitalise on these core strengths in the coming year.

During the period under review, zamano and its advisors put considerable resources into identifying acquisitions, investments and joint venture opportunities, primarily in the UK and Ireland. In this regard, strict acquisition criteria have been formulated and agreed by the Board. The Group and its advisors identified and examined a number of opportunities in mobile media, billing and messaging, but unfortunately to date none of these potential investments adequately met the criteria set. We do, however, continue to actively pursue a number of targets with a view to diversifying our business operations. Regulation, particularly in our principal geographic territories of the UK and Ireland, remains an ongoing feature of our business. zamano is committed to maintaining and delivering the highest levels of customer experience and service in a compliant manner. During the year, the Group worked diligently with a number of the key stakeholders in the industry to help ensure a high level of compliance with the relevant codes of practice in both markets.

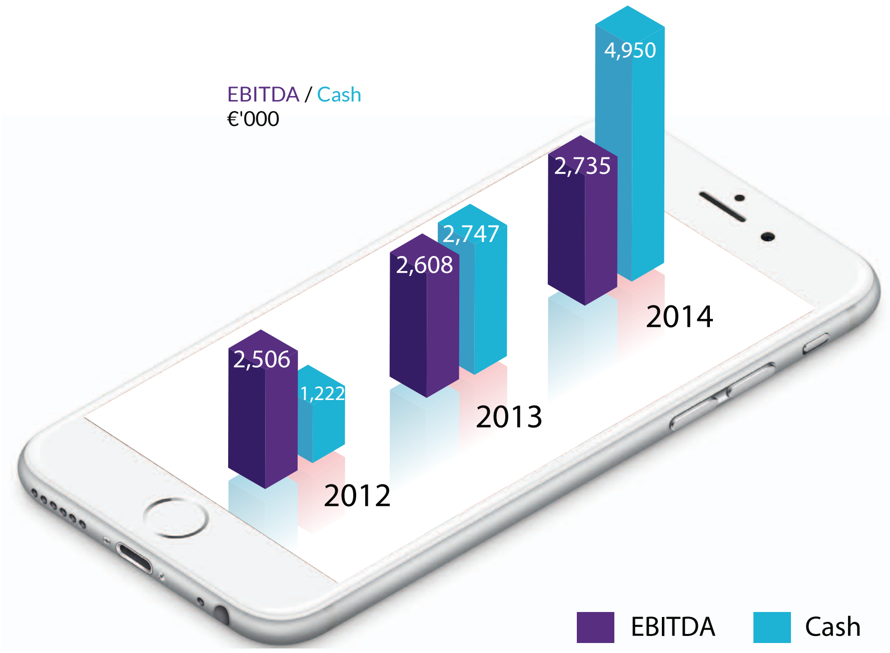
After another highly satisfactory outcome in 2014, the Group intends to remain focused on maintaining its core business, notwithstanding the many challenges it faces, while at the same time, looking for acquisition opportunities to enable it to strategically re-align the Group.

Finally, I would like to thank all of the Group's employees for their considerable commitment and dedication to the business during the year just ended. The extremely positive financial results for 2014 which are contained in the Annual Report and Accounts are attributable to you all.

John Rockett
Chairman

	2012 €'000	2013 €'000	**2014 €'000**
Turnover	19,207	16,034	**19,863**
EBITDA	2,506	2,608	**2,735**
Gross Profit	5,424	4,976	**4,778**
Gross Debt at 31 December	1,084	608	**347**
Cash at 31 December	1,222	2,747	**4,950**
Net Cash/(Debt) at 31 December	138	2,139	**4,603**

*EBITDA is calculated as earnings before interest, tax, depreciation, amortisation and share-based payment amounts.



Chief Executive Officer's Statement

Ross Conlon

In the year ended 31 December 2014, zamano maintained its upward curve across virtually all of its financial performance metrics. The Group achieved considerable increases in sales, EBITDA, pre-tax and post-tax profits. It also significantly improved its balance sheet position.

Introduction

In the year ended 31 December 2014, zamano maintained its upward curve across virtually all of its financial performance metrics. The Group achieved considerable increases in sales, EBITDA, pre-tax and post-tax profits. It also significantly improved its balance sheet position during the year increasing its net cash balances by €2.464 million. Gross contribution margin was the only financial metric that fell, as some new business wins in the UK carried a lower margin than our conventional mobile marketing products. Nevertheless, the overall performance of the Group in 2014 was highly satisfactory, which demonstrates the resilience and efficiency of our operations.

Activity in UK and Ireland continued to dominate our sales, with business in the UK increasing significantly during the second half of the year. During the year, we discontinued customer acquisition in Eastern Europe, but we can still reactivate our interest there when market conditions improve. This fall-off in activity was compensated for by a successful strategic marketing campaign in Australia which drove sales well ahead of 2013.

The market for mobile products continues to expand, with smartphones driving this growth. Global smartphone penetration is forecast to reach 5.4 billion units in 2015, a penetration level of approximately 60%. Global revenue from mobile content is expected to reach US$13 billion in 2017. The number of global mobile payment users is expected to top the one billion mark by the end of the current year which equates to US$1 trillion worth of global mobile payments.

The growth in mobile users and the changing face of mobile payments driven by the depth of smartphone penetration is underpinning the mobile entertainment and mobile commerce markets in which zamano operates. In conjunction with its mobile network operator and global aggregator partners, the Group intends to actively pursue mobile content and payment opportunities in its key territories during the course of 2015.

Market Review

The UK business, which is comprised of web and mobile entertainment products and business-to-business services, performed exceptionally well during the year ended 31 December 2014. Revenues for the year were €15.175 million representing an increase of 56.5% over 2013 (€9.698 million). The principal driver of this surge in revenue was the opening up of a number of new business relationships and by leveraging our direct binds to the mobile network operators, a key asset for the Company.

The Irish business unit, which is also comprised of web and mobile products and business-to-business services, performed in accordance with budget during the year under review. Sales at €3.586 million fell short of the 2013 outturn of €4.133 million by 13.2%. Given that the sales decline amounted to 42.6% in the previous year the extent of the sales decline was arrested somewhat in 2014. However, the contribution margin percentage increased to 30.2% from 28.5% in the previous year as a result of changes in our product mix. Messagehero, our new messaging product for SME's launched in late 2013, continues to be refined to meet the ever changing requirements of the market. Modest sales levels were achieved in trial market environments during H2 2014.

As announced with our first half results, zamano discontinued customer acquisition in the Czech Republic and Slovakia due to a changing regulatory environment which impacted on the economics of the business in those territories. As a result, sales in the "other territories" category fell from €1.4 million in 2013 to €1.1 million during 2014. Of these sales, €0.982 million was recorded in Australia with the balance coming from other European markets. Other territories contributed €0.143 million in gross profit, which represented a gross margin contribution of 13%, during the financial year ended 31 December 2014.

Financial Review

The Chairman commented in his statement on the significant overall improvement in Group financial performance in 2014 when compared to the previous year. In particular, growth in sales, EBITDA, operating profit, pre and post-tax profit was achieved relative to 2013. A significant uplift in sales, albeit with lower gross margins than 2013, supported by tight operational controls were the main drivers of the uplift in earnings achieved during the year just ended.

The UK and Irish businesses effectively underwrote the improved financial performance of the Group during 2014. Group revenues were ahead of 2013 by a significant 23.9% (€19.863 million 2014; €16.034 million 2013), with UK revenues of €15.175 million 56.5% ahead of the equivalent figure for 2013 of €9.698 million. Irish revenues at €3.568 million were not unexpectedly down by 13.2% on the 2013 outturn of €4.133 million; however, the rate of sales decline in the Irish business was significantly reduced in 2014.

Group gross profit for 2014 at €4.778 million was just short of the €4.976 million achieved in 2013, but the gross margin percentage at 24% was down significantly on the 31% achieved in 2013. This was largely due to the changing mix of our business in the UK. EBITDA for 2014 at €2.735 million was 4.9% ahead of the 2013 figure of €2.608 million.

The Group recorded an operating profit for 2014 of €2.232 million, marginally ahead of the €2.224 million achieved in the previous year. Profit before tax at €2.177 million was 13.5% ahead of the corresponding figure for 2013 of €1.918 million, while profit after tax at €1.891 million was 10.5% ahead of the 2013 outturn of €1.771 million. Basic earnings per share for 2014 at €0.019 were 11.8% ahead of the equivalent figure for 2013 of €0.017.

The strong earnings performance of the Group referred to above was reflected in a significant strengthening of the Group's balance sheet position. In particular, cash net of loan balances outstanding at 31 December 2014 was €4.603 million, more than double the net cash position of €2.139 million at the end of the previous year. The availability of such significant cash balances provides the Group with a degree of flexibility in funding its product development and acquisition initiatives.

Outlook

zamano continued to improve its operating performance during 2014, despite a challenging market and regulatory environment in its core product areas. The growth recorded in sales, EBITDA, pre and post-tax profits and the effective translation of this into cash is a testament to the operating efficiency and flexible nature of the business.

During 2014, the Group has sought to capitalise on the buoyant market which currently exists for web and mobile commerce products and services. zamano continues to invest in product development in the messaging and micro payments/billing areas, in particular. This programme is complemented by the Group's focus on identifying acquisition, investment and joint venture opportunities in its principal geographic markets of the UK and Ireland. zamano continues to examine a number of opportunities in mobile media, payments/billing and messaging with a view to both growing the business and diversifying its product base by providing attractive offerings to web, mobile and smartphones users.

In 2015, the Group will continue to strive to address the wide array of opportunities available in the web and mobile marketing space. zamano's significant expertise in data analytics, mobile media and mobile billing/payments makes it an attractive partner for a growth orientated technology driven business operating in those areas.

The Board and management intend to continue to operate its core web and mobile marketing and business-to-business services activities in an effective and efficient manner for the benefit of shareholders during the rest of 2015 and beyond. In conjunction with this focus on our core activities and markets, we will actively pursue our strategy of diversifying the business via the development of new products and the continuation of our acquisition programme.

Ross Conlon

Ross Conlon
Chief Executive Officer

Board of Directors

John Rockett

Non-Executive Chairman

John is a Chartered Accountant with extensive business experience obtained throughout his career. Prior to his current role as an independent financial consultant he was Head of AIB Private Banking between 1995 and 2008.

Ross Conlon

Chief Executive Officer

Ross held a number of senior roles in zamano since joining the Group in 2007. He has a Bachelor of Science degree in Finance, Enterprise and Computing from DCU and brings a wealth of technical, regulatory, operational and industry experience to the Group.

Pat Landy

Non-Executive Director

A well known Irish Corporate Finance adviser, Pat joined the Board of zamano in March 2011. He was previously Corporate Finance Director with Merrion Capital and NCB Group and currently acts as a consultant to a number of corporate and investment management entities.

Colin Tucker

Non-Executive Director

Colin was Deputy Chairman of Hutchison 3G Europe between 2003 and 2007. He was a founding main Board Director of Orange plc and Managing Director of Hutchison 3G UK (trading as 3) between 2000 and 2003. He is a Non-Executive Director of FTSE-listed technology company Monitise plc.

Peter Furlong

Non-Executive Director

Peter is an investor and is currently a Director of Pageant Holdings, zamano's largest shareholder, prior to which he was a Debt/Equity proprietary trader at RBS and Morgan Stanley between 2002 and 2007.

Directors' Report

for the Year Ended 31 December 2014

The Directors present the annual report and consolidated financial statements of zamano plc ("the Company" or "zamano") for the year ended 31 December 2014.

Principal Activities and Review of the Development of the Business

zamano plc and its subsidiaries ("the Group") are involved in the provision of mobile data services and technology in the United Kingdom, Ireland, Australia, Eastern Europe and Norway. The Company itself is an investment holding company. Its shares are publicly traded on the Alternative Investment Market ("AIM") in the United Kingdom and the Enterprise Securities Market ("ESM") in Ireland.

The financial information presents the results and position of the Group for the year ended 31 December 2014. The financial information for each of the periods presented has been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

The strengthening of the Group's balance sheet position during 2014 is underpinned by the capacity of the business to generate healthy positive cash flow from its operations and demonstrates the Group's ability to quickly adapt to changing market circumstances and leverage its relatively low cost base.

Principal Risks and Uncertainties

Details of the Group's financial risk management objectives and policies are set out at Note 24 of the consolidated financial statements. The principal non-financial risks and uncertainties that the business faces include:

- **Impact of new and evolving technology** – the Group makes assumptions over the adoption of new and evolving mobile technology and the Group's ability to deliver solutions to meet the changing demands of mobile technology. There is a risk that the Group will not succeed in adapting to new technology with a resulting negative impact on the business or that the market evolves differently to expectations. This risk is partly mitigated by the planning process undertaken by key management and Directors and their assumptions are based on their years of experience of the mobile industry.
- **Recruitment and retention** – technological and marketing competence and innovation is critical to the Group's business and depends on the expertise of the Directors and key employees. The Group has incentive plans, contractual arrangements, and competitive reward packages in place to secure the services of these Directors and employees, however, the retention of their services is not guaranteed. The market for these skills is competitive and the Group may not be able to attract and retain these employees.
- **Development of regulations** – the regulation of mobile services varies by country and evolves over time. Increased regulations in key markets may inhibit growth or affect existing business. From time to time new regulations are introduced without a notice period and can have a negative impact on the business. The Directors partly mitigate this risk by having employees focused on the external regulatory environment, close co-operation with the regulators as appropriate, a strong code of conduct and a regulatory update at each Board meeting.
- **Economic climate** – the Group is subject to the general risks to which all companies operating in the same market are subject, including the general macro economic climate. The risk is partly mitigated by the range of territories in which the Group operates.

Key Performance Indicators

The key performance indicators focused on by management are revenue, gross margin and EBITDA all of which are noted elsewhere herein.

Financial Risk Management Policies

The Group's activities expose it to a variety of financial risks including interest rate, foreign currency and credit risks. These financial risks, including any hedging activity, are managed by the Group under policies approved by the Board, as described in Note 24 to the consolidated financial statements.

Results for the Year, Dividends and State of Affairs

Group turnover increased to €19.9 million (2013: €16.0 million) and the Group's operating profit was €2.2 million (2013: operating profit of €2.2 million). Further details of the financial performance have been set out in the Chief Executive Officer's statement. The Directors do not propose the payment of a dividend (2013: Nil).

Future Developments

The continued growth of mobile data services worldwide presents opportunities for the Group. It is likely that the Group will further expand the product and service offering and will also assess expansion to new territories. The Directors will continue to review the appropriateness of the Group's structures and finances as it develops.

Directors' Report

(continued)

Going Concern

Having regard to the Group's projected earnings over the next 12 months from the date of approval of these financial statements, the Directors consider that it continues to be appropriate to prepare the financial statements on a going concern basis.

Subsidiaries

Information on the Group's principal subsidiaries is set out in Note 2 to the Company's balance sheet.

Political Donations

The Group and Company did not make any donations during the year disclosable in accordance with the Electoral Act 1997.

Research and Development

Research expenditure is charged to the income statement in the period in which it is incurred. Development costs on specific projects are capitalised when they meet certain criteria as described in Note 3 to the financial statements, when recoverability can be assessed with reasonable certainty and are amortised in line with the expected contribution arising from the projects. All other development costs are written off as incurred. Investment in research and development in the year was €990,734 (2013: €1,069,205) of which an amount of €447,000 (2013: €300,000) was capitalised. This was primarily focused on the continued development of zamano's platform for mobile applications and content.

CORPORATE GOVERNANCE STATEMENT

Introduction

The Board of zamano plc is committed to achieving good standards of corporate governance, integrity and business ethics for all activities with the key aspects set out below.

Board of Directors

The Board currently comprises of one Executive and four Non-Executive Directors. The Board are satisfied that, between them, there is sufficient knowledge and experience necessary to lead the Company.

The Board meets during the year in line with a set schedule for regular meetings. It also meets on other occasions as necessary. Meetings are held at the Company's registered office. The Board has a set standard list of items which require its review and approval including acquisitions, treasury management, appointment and removal of Directors and the Company Secretary, half year and preliminary announcements, the annual report and annual budgets.

There are clear divisions of responsibilities between the roles of Chairman and Chief Executive Officer.

The Board has established two separate committees, as noted below, to help it to discharge its responsibilities.

Audit Committee

The audit committee consists of the Non-Executive Directors with Colin Tucker as Chairman. The committee meets at least twice a year, linked to the timing of the publication of the Group's results. The external auditors attend these meetings. The committee also meets on an ad hoc basis when necessary. The committee operates within specific terms of reference which include:

- considering the appointment of external auditors;
- reviewing the relationship with external auditors;
- reviewing the financial reporting and internal control procedures;
- reviewing the management of financial matters and focusing upon the independence and objectivity of the external auditors; and
- reviewing the consistency of accounting policies both on a year to year basis and across the Group.

Remuneration Committee

The remuneration committee consists of the Non-Executive Directors with John Rockett as Chairman. The remuneration committee reviews and determines on behalf of the Board and shareholders of the Company the pay, benefits and other terms of service of the Executive Director and the broad pay strategy with respect to senior company employees.

Directors and Secretary

The current serving Directors and Secretary are set out on page 41. On 21 January 2014 Pat Landy resigned as Chief Executive Officer but remained on the Board and was replaced by Ross Conlon who was also appointed as a Director of the Company on that date. In accordance with the Company's articles of association at its annual general meeting on 6 August 2014 John Rockett and Peter Furlong retired by rotation and were re-elected to the Board.

Directors' and Secretary's Interests in Shares

The interests of the Directors and Secretary who held office at 31 December 2014, in the issued share capital of the Company at the beginning and end of the year were as follows:

	31 December 2014			1 January 2014		
	Ordinary shares	**Share options**	**Exercise price**	Ordinary shares	Share options	Exercise price
Director						
Ross Conlon	**7,980**	**1,400,000**	**€0.0595**	7,980	1,400,000	€0.0595
John Rockett	**300,000**	**-**	**-**	300,000	-	-
Pat Landy	**-**	**1,000,000**	**€0.0595**	-	1,000,000	€0.0595
Colin Tucker	**83,333**	**-**	**-**	83,333	-	-
Company Secretary						
Michael Connolly	**-**	**1,400,000**	**€0.0595**	-	1,400,000	€0.0595

All interests are as at 1 January 2014 with the exception of Ross Conlon who was appointed on 21 January 2014.

Directors' Remuneration

Directors' remuneration for the current and preceding financial years was as follows:

	2014					2013			
	Salary €	**Fees €**	**Pension €**	**Share based payment compensation €**	**Total €**	Consultancy €	Fees €	Share based payment compensation €	Total €
Director									
Ross Conlon	**163,000**	**-**	**6,900**	**18,013**	**187,913**	-	-	-	-
Colin Tucker	**-**	**24,000**	**-**	**-**	**24,000**	-	19,500	-	19,500
Pat Landy	**21,575**	**24,000**	**-**	**10,867**	**56,442**	75,500	87,000	10,186	172,686
Peter Furlong	**-**	**24,000**	**-**	**-**	**24,000**	-	19,500	-	19,500
John Rockett	**-**	**30,000**	**-**	**-**	**30,000**	-	26,250	-	26,250
Total	**184,575**	**102,000**	**6,900**	**28,880**	**322,355**	75,500	152,250	10,186	237,936

Books of Account

The Directors are responsible for ensuring that proper books and accounting records, as outlined in Section 202 of the Companies Act 1990, are kept by the Company. The measures taken by the Directors to ensure compliance with these obligations are the use of appropriate systems and the employment of competent personnel. The Company changed its registered address on 13 October 2014. The books and accounting records are maintained at the Company's premises at 3rd Floor, Hospitality House, 16-20 South Cumberland Street, Dublin 2.

Auditor

In accordance with Section 160(2) of the Companies Act 1963, KPMG, Chartered Accountants, will continue in office.

On behalf of the Board

Ross Conlon
Director
18 March 2015

Pat Landy
Director

Statement of Directors' Responsibilities in Respect of the Annual Report and Financial Statements

The Directors are responsible for preparing the annual report and the Group and Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. In accordance with the AIM (Alternative Investment Market) and ESM (Enterprise Securities Market) rules and as permitted by law, the Directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union ("EU") and applicable law and have elected to prepare the Company financial statements in accordance with Generally Accepted Accounting Practice in Ireland ("Irish GAAP"), comprising applicable law and the accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

The Group financial statements are required by law and IFRSs as adopted by the EU to present fairly the financial position and performance of the Group. The Companies Acts 1963 to 2013 provide in relation to such financial statements that references in the relevant part of those Acts to financial statements giving a true and fair view are references to their achieving a fair presentation. The Company financial statements are required by law to give a true and fair view of the state of affairs of the Company.

In preparing the financial statements of the Group and Company, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable IFRSs as adopted by the EU, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

Under applicable law and the requirements of the AIM rules issued by the London Stock Exchange and ESM rules issued by the Irish Stock Exchange, the Directors are also responsible for preparing a Directors' Report including details of directors' remuneration that comply with the law and the rules of the London and Irish Stock Exchange.

The Directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that its financial statements comply with the Companies Acts 1963 to 2013. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and Company to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Ross Conlon
Director
18 March 2015

Pat Landy
Director

Independent Auditor's Report to the Members of zamano plc

We have audited the Group and Company financial statements ("financial statements") of zamano plc for the year ended 31 December 2014 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the Group and Company balance sheets, the consolidated statement of changes in equity, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in the preparation of the consolidated financial statements is Irish law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The Company financial statements have been prepared in accordance with accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland, as applied in accordance with the provisions of the Companies Acts 1963 to 2013.

This report is made solely to the Company's members, as a body, in accordance with Section 193 of the Companies Act 1990. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

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 Group and Company 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is materially incorrect based on, materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the Group's affairs as at 31 December 2014 and of its profit for the year then ended;
- the Company balance sheet gives a true and fair view, in accordance with Irish GAAP as applied in accordance with the provisions of the Companies Acts 1963 to 2013, of the state of the Company's affairs as at 31 December 2014 and
- the financial statements have been properly prepared in accordance with the Companies Acts 1963 to 2013.

Matters on Which We are Required to Report by the Companies Acts 1963 to 2013

We have obtained all the information and explanations which we considered necessary for the purposes of our audit.

The Company Balance Sheet is in agreement with the books of account and, in our opinion, proper books of account have been kept by the Company.

The Balance Sheet of the Company shows an excess of liabilities over assets and, in our opinion, on that basis there did exist at 31 December 2014 a financial situation which under Section 40(1) of the Companies (Amendment) Act, 1983 may require the convening of an extraordinary general meeting of the Company.

Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following:

Under the Companies Acts 1963 to 2013 we are required to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.

Eamonn Russell
for and on behalf of

KPMG

Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St Stephen's Green
Dublin 2

20 March 2015

Consolidated Income Statement

for the Year Ended 31 December 2014

	Notes	2014 €'000	2013 €'000
Revenue – from continuing operations	*6*	**19,863**	16,034
Cost of sales		**(15,085)**	(11,058)
Gross profit		**4,778**	4,976
Other administrative expenses		**(2,120)**	(2,432)
Amortisation of intangible assets		**(366)**	(276)
Depreciation		**(60)**	(44)
Total administrative expenses		**(2,546)**	(2,752)
Operating profit	*7*	**2,232**	2,224
Finance income	*9*	**6**	1
Finance expense	*9*	**(61)**	(307)
Profit before income tax		**2,177**	1,918
Income tax expense	*10*	**(285)**	(207)
Profit for the year attributable to equity holders of the parent		**1,892**	1,711
Earnings per share			
– basic	*12*	**€0.019**	€0.017
– diluted	*12*	**€0.019**	€0.017

Consolidated Statement of Comprehensive Income

for the Year Ended 31 December 2014

	2014 €'000	2013 €'000
Profit for the year	**1,892**	1,711
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustment	**2**	(2)
Total comprehensive income, all attributable to equity holders of the parent	**1,894**	1,709

On behalf of the board

Ross Conlon
Director

Pat Landy
Director

Consolidated Balance Sheet
at 31 December 2014

	Notes	2014 €'000	2013 €'000
Assets			
Non-current assets			
Property, plant and equipment	*14*	**125**	100
Intangible assets	*15, 16*	**6,491**	6,409
Deferred tax asset	*10*	**107**	117
Total non-current assets		**6,723**	6,626
Current assets			
Trade and other receivables	*17*	**3,064**	2,224
Cash and cash equivalents	*18*	**4,950**	2,747
Total current assets		**8,014**	4,971
Total assets		**14,737**	11,597
Equity			
Equity share capital	*19*	**99**	98
Share premium		**13,538**	13,494
Capital conversion reserve		**1**	1
Foreign currency translation reserve		**(64)**	(66)
Share-based payment and warrant reserve		**362**	300
Retained loss		**(4,551)**	(6,458)
Total equity		**9,385**	7,369
Liabilities			
Non-current liabilities			
Loans and borrowings	*21*	**76**	352
Total non-current liabilities		**76**	352
Current liabilities			
Trade and other payables	*20*	**4,761**	3,429
Loans and borrowings	*21*	**271**	256
Current tax liabilities		**244**	191
Total current liabilities		**5,276**	3,876
Total liabilities		**5,352**	4,228
Total equity and liabilities		**14,737**	11,597

On behalf of the board

Ross Conlon
Director

Pat Landy
Director

Consolidated Statement of Changes in Equity

for the Year Ended 31 December 2014

	Equity share capital €'000	Share premium €'000	Capital conversion reserve €'000	Retained earnings €'000	Foreign currency translation reserve €'000	Share–based payment and warrant reserve €'000	Total equity €'000
At 1 January 2014	98	13,494	1	(6,458)	(66)	300	7,369
Total comprehensive profit for the year							
Profit for the year	-	-	-	1,892	-	-	1,892
Other comprehensive income							
Currency translation adjustment	-	-	-	-	2	-	2
Total comprehensive income for the year	-	-	-	1,892	2	-	1,894
Other transactions							
Issue of equity share capital	1	44	-	-	-	-	45
Transfer of share option reserve	-	-	-	15	-	(15)	-
Share based payment expense	-	-	-	-	-	77	77
At 31 December 2014	**99**	**13,538**	**1**	**(4,551)**	**(64)**	**362**	**9,385**
At 1 January 2013	98	13,494	1	(8,169)	(64)	236	5,596
Total comprehensive profit for the year							
Profit for the year	-	-	-	1,711	-	-	1,711
Other comprehensive income							
Currency translation adjustment	-	-	-	-	(2)	-	(2)
Total comprehensive income for the year	-	-	-	1,711	(2)	-	1,709
Other transactions							
Share based payment expense	-	-	-	-	-	64	64
At 31 December 2013	**98**	**13,494**	**1**	**(6,458)**	**(66)**	**300**	**7,369**

On behalf of the Board

Ross Conlon
Director

Pat Landy
Director

Consolidated Cash Flow Statement

for the Year Ended 31 December 2014

	2014 €'000	2013 €'000
Cash flows from operating activities		
Profit after tax	**1,892**	1,711
Adjustments to reconcile profit for the year to net cash inflow from operating activities		
Income tax expense	**286**	207
Depreciation	**60**	44
Amortisation of intangible assets	**366**	276
Share-based payments expense	**77**	64
(Increase)/Decrease in trade and other receivables	**(840)**	903
Increase/(Decrease) in trade and other payables	**1,332**	(751)
Finance income	**(6)**	(1)
Finance expense	**61**	307
Cash generated from operations	**3,228**	2,760
Interest paid	**(61)**	(41)
Income tax paid	**(223)**	(7)
Net cash inflow from operating activities	**2,944**	2,712
Cash flows from investing activities		
Purchase of property, plant and equipment	**(85)**	(94)
Purchase of intangible assets	**-**	(51)
Capitalisation of internally generated intangible assets	**(447)**	(300)
Interest received	**6**	1
Net cash outflow from investing activities	**(526)**	(444)
Cash flows from financing activities		
Proceeds from issue of share capital	**46**	-
Repayment of debt	**(261)**	(1,543)
Cash inflow from loan financing	**-**	800
Net cash outflow from financing activities	**(215)**	(743)
Net increase in cash and cash equivalents	**2,203**	1,525
Cash and cash equivalents at 1 January	**2,747**	1,222
Cash and cash equivalents at 31 December	**4,950**	2,747

On behalf of the Board

Ross Conlon
Director

Pat Landy
Director

Notes to the Consolidated Financial Statements

for the Year Ended 31 December 2014

1 Reporting Entity

zamano plc ('the Company") is a company domiciled in the Republic of Ireland. The address of the Company's registered office is 3rd Floor, Hospitality House, 16-20 South Cumberland Street, Dublin 2.

The consolidated financial statements of the Company as at and for the year ended 31 December 2014 comprise the Company and its subsidiaries ("the Group").

The Company's shares are publicly traded on the London Alternative Investment Market ("AIM") and the Enterprise Securities Market ("ESM") in Dublin.

The principal activities of the Group are the provision of mobile data services and technology.

2 Basis of Preparation

(a) Statement of Compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the EU. A summary of pronouncements that came into effect after that date and the likely impact of these on the Group are set out in Note 5. The consolidated financial statements were authorised for issue by the Board of Directors on 18 March 2015.

(b) Going Concern

Having regard to the Group's projected earnings over the next 12 months from the date on which these financial statements were approved, the Directors consider that it continues to be appropriate to prepare the financial statements on a going concern basis.

(c) Basis of Measurement

The consolidated financial statements for the year ended 31 December 2014 have been prepared on an historical cost basis, with the exception of share-based payments, which are stated at grant date fair value.

(d) Functional and Presentation Currency

These consolidated financial statements are presented in Euro ("€") which is the functional currency of the Company and the majority of the Group's entities. All financial information presented in Euro has been rounded to the nearest thousand.

(e) Basis of Consolidation

The consolidated financial statements consolidate the financial statements of zamano plc and all its subsidiaries up to 31 December 2014. The Group controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through the power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

All subsidiaries have a financial year end of 31 December.

Business combinations are accounted for using the acquisition method as at the acquisition date, i.e. when control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

3 Summary of Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and have been applied consistently by Group entities.

Intangible Assets Other Than Goodwill

Intangible assets other than goodwill are carried at cost less accumulated amortisation and accumulated impairment losses. The Group's intangible assets are amortised over the useful life of the related asset on a straight line basis as follows:

Databases	2 years
Content management system	3 years
Web portal	3 years
Software	3 years

Impairment

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

For intangible assets, excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of the recoverable amount.

3 Summary of Significant Accounting Policies (continued)

Goodwill
Goodwill that arises on the acquisition of subsidiaries is presented with intangible assets. Goodwill is measured at cost less accumulated impairment losses.

Impairment of Goodwill
The Group assesses whether there are any indicators that goodwill is impaired at each reporting date. Goodwill is tested for impairment annually, and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units to which the goodwill relates. Where the recoverable amount of the cash-generating units is less than their carrying value an impairment loss is recognised. Impairment losses arising in respect of goodwill are not reversed once recognised. The Group performs its annual impairment test of goodwill as at 31 December.

Revenue Recognition
Revenue represents the amount (excluding Value Added Tax) derived from the provision of services to customers. Revenue from the provision of mobile data services is recognised on the basis of receipted transactions with the ultimate end user. Where the Group acts as a principal supplier of mobile phone content, entertainment and other services, revenue is recorded before the deduction of revenue share payments to network operators. Where the Group acts as a service provider to third parties, turnover is recorded net of revenue share payments to third parties and network operators.

Fee-based income from the provision of other services is recognised on delivery of the service to the customer.

Finance income is recognised as interest accrues using the effective interest rate method.

Government Grants
Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Grants in respect of capital expenditure are netted against the cost of the related asset. Grants of a revenue nature, including certain qualifying tax credits, are credited to income so as to match with the expenditure to which they relate.

Research and Development Expenditure
Expenditure on research (or the research phase of an internal project) is recognised in the income statement as incurred. An intangible asset arising from development expenditure on an individual project is recognised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefit, the availability of resources to complete and the ability to measure reliably the expenditure during the development. Any expenditure carried forward is amortised over the asset's useful life.

Development costs not meeting the criteria for capitalisation are expensed as incurred.

Pension Costs
The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from the Group in independently administered funds. Contributions are charged to the income statement as they become payable in accordance with the rules of the scheme.

Current Income Tax
Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise, income tax is recognised in the income statement.

Deferred Tax
Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

3 Summary of Significant Accounting Policies (continued)

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

Depreciation

Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life as follows:

Computer hardware and equipment	3 years
Leased equipment	3 years
Fixtures and fittings	3 years

The carrying values of property, plant and equipment are tested for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

The residual values and useful lives of property, plant and equipment are reviewed and adjusted, if appropriate, at each balance sheet date.

Leasing

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the Group, and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The asset is recorded at an amount equal to the lower of its fair value and the present value of the minimum lease payments at the inception of the finance lease. The capital elements of future obligations under leases are included in liabilities in the balance sheet and analysed between current and non-current amounts. The interest element of the rental obligations are charged to the income statement over the periods of the leases and represent a constant proportion of the balance of capital repayments outstanding. Rentals payable under operating leases are charged in the income statement on a straight line basis over the lease term.

Foreign Currencies

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Exchange differences are recognised in the income statement.

The functional currency of the Group's principal foreign operation, Zamano Limited, is Sterling. As at the reporting date, the assets and liabilities of this subsidiary are translated into the presentation currency of zamano plc (the Euro) at the rate of exchange ruling at the balance sheet date and the income statement is translated at exchange rates representative of actual rates for the year. The exchange differences arising on the translation are recognised directly in a separate component of equity.

Share-based Payments – Equity-settled Transactions

The cost of equity-settled transactions with employees and directors is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined by the Directors using a binomial model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the Company ("market conditions"). No expense is recognised for awards that do not ultimately vest.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in other reserves.

Where the terms of an equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative.

When an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation and any cost not yet recognised in the income statement for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense in the income statement.

Trade and Other Receivables
Trade receivables, which generally have 30-day terms, are recognised and carried at the lower of their original invoiced value, which approximates fair value, and recoverable amount. An impairment is made when there is objective evidence that the Group may not be able to recover balances in full. The amount of the impairment is recognised in the income statement. Balances are written off the gross receivable and the related provision is eliminated when the probability of recovery is assessed as being unlikely.

Cash and Cash Equivalents
Cash and cash equivalents comprise cash at banks and in hand and short-term deposits with an original maturity of less than three months.

Provisions
Provisions are 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 will be required to settle the obligation and a reliable estimate can be made of the amount. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflect a current market assessment of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance expense.

Segmental Reporting
An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Financial Liabilities – Loans and Borrowings
All loans and borrowings are initially recorded at fair value less directly attributable transaction costs. After initial recognition, loans and borrowings are subsequently measured at amortised cost using the effective interest method to consider forward contracts.

Nature and Purpose of Reserves
(i) *Foreign currency translation reserve*
The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.
(ii) *Share-based payment and warrant reserve*
The share-based payment and warrant reserve comprises the cumulative expense of equity settled transactions with employees and Directors of the Group.

4 New Standards and Interpretations

Below is a list of standards and interpretations that were required to be applied for the period ended 31 December 2014 or which the Company has elected to early adopt. There was no material impact to the financial statements in the period from these standards.

- IFRS 10: Consolidated Financial Statements
- IFRS 11: Joint Arrangements
- IFRS 12: Disclosure of Interests in Other Entities
- Offsetting financial assets and financial liabilities (amendment to IAS 32)
- Recoverable amount disclosures for non-financial assets (amendment to IAS 36)
- Novation of derivatives and continuation of hedge accounting (amendment to IAS 39)
- IFRIC 21: Levies

There are a number of standards that are not yet required to be applied but can be early adopted as follows. None of these standards have been applied in the period. There would not have been a material impact to the financial statements if these statements had been applied in the current accounting period:

- Defined Benefit Plans: Employee Contributions (amendment to IAS 19)
- Accounting for acquisitions of interests in Joint Operations (amendment to IFRS 11)
- Clarification of acceptable methods of depreciation and amortisation (amendment to IAS 16 and IAS 38)
- IFRS 15 Revenue from Contracts with Customers
- IFRS 19 Financial Instruments

Notes to the Consolidated Financial Statements

(continued)

5 Significant Account Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with IFRS as adopted by the EU requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are renewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Impairment of Goodwill

The Group tests goodwill for impairment at least on an annual basis. This requires an estimation of the 'value-in-use' of the cash-generating units to which the goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying value of goodwill at 31 December 2014 was €6,065,000 (2013 - €6,065,000). Further details are provided in Notes 15 and 16.

Share-based Payments

The Group measures the cost of equity-settled transactions with employees and Directors by reference to the fair value of the equity instruments at the grant date. Estimating fair values requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model, including the expected life of the options, volatility and dividend yield, and making relevant assumptions thereon.

6 Operating Segments

The Group is managed based on three reportable segments which are defined based on geographical markets as follows: Republic of Ireland (ROI) and United Kingdom (UK). The Group previously reported the United States of America (USA) as a reporting segment, however activity in this market has decreased and is therefore no longer considered a significant reporting segment in the current financial year. It also has sales in other jurisdictions but these are not deemed to be standalone reportable segments under the requirements of IFRS 8 and are classified as "other locations" in the table below. The Group has restated prior year comparable information in order to conform with those segments reported in the current year.

The Group's sales consist of the development, promotion and distribution of mobile content and interactive services directly to consumer and also facilitating the communication and interaction between businesses and consumers on mobile phone through a range of value-added mobile applications.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment results as included in the reports that are reviewed by the Group's Chief Operating Decision Maker ("CODM") which is determined to be the Board of Directors.

The following tables present revenue and profit and certain assets and liability information regarding the Group's reportable segments:

Year ended 31 December 2014

	ROI €'000	UK €'000	Other locations €'000	**Total €'000**
External revenue	3,586	15,175	1,102	**19,863**
Gross profit	1,084	3,551	143	**4,778**
Unallocated expenses *				**(2,546)**
Operating profit				**2,232**
Net finance expense				**(55)**
Profit before income tax				**2,177**
Income tax expense				**(285)**
Profit for year				**1,892**

**Unallocated expenses comprise payroll costs, amortisation of intangibles and central overheads such as rent, administration, overhead costs which are not allocated to individual reportable segments.*

6 Operating Segments (continued)

As at 31 December 2014

	ROI €'000	UK €'000	Other locations €'000	**Total €'000**
Segment assets	2,371	6,573	185	**9,129**
Unallocated assets*				**5,608**
Total assets				**14,737**
Segment liabilities	857	3,618	286	**4,761**
Unallocated liabilities*				**591**
Total liabilities				**5,352**

Other Segment Information	Unallocated €'000	**Total €'000**
Capital expenditure		
Property, plant and equipment	85	**85**
Intangible assets	447	**447**
Other		
Depreciation	60	**60**
Amortisation	366	**366**
Share-based payment expense	77	**77**

** The unallocated assets principally comprise of software, group cash and deferred tax. The unallocated liabilities principally relate to loan liabilities.*

(As restated)

Year ended 31 December 2013

	ROI €'000	UK €'000	Other locations €'000	**Total €'000**
External revenue	4,133	9,698	2203	**16,034**
Gross profit	1,179	3,394	403	**4,976**
Unallocated expenses*				**(2,752)**
Operating profit				**2,224**
Net finance expense				**(306)**
Profit before income tax				**1,918**
Income tax expense				**(207)**
Profit for year				**1,711**

** Unallocated expenses comprise payroll costs, amortisation of intangibles and central overheads such as rent, administration, overhead costs which are not allocated to individual reportable segments.*

6 Operating Segments (continued)

(As restated)

As at 31 December 2013

	ROI €'000	UK €'000	Other locations €'000	**Total €'000**
Segment assets	2,392	5,591	306	**8,289**
Unallocated assets*				**3,308**
Total assets				**11,597**
Segment liabilities	884	2,074	470	**3,428**
Unallocated liabilities*				**800**
Total liabilities				**4,228**

Other Segment Information	Unallocated €'000	**Total €'000**
Capital expenditure		
Property, plant and equipment	94	**94**
Intangible assets	351	**351**
Other		
Depreciation	44	**44**
Amortisation	276	**276**
Share-based payment credit	64	**64**

** The unallocated assets principally comprise intangibles and Group cash and deferred tax. The unallocated liabilities principally relate to loan liabilities.*

7 Operating Profit

	2014 €'000	2013 €'000
This is arrived at after charging		
Directors' remuneration:		
- emoluments	**185**	76
- fees	**102**	128
- compensation for loss of office	**-**	24
- pension contributions	**7**	-
- social insurance	**10**	7
- share option charge	**29**	10
Depreciation	**60**	44
Amortisation	**366**	276
Auditor's remuneration:		
- Audit fees [1]	**49**	49
- Other assurance fees [2]	**10**	15
- Tax compliance services	**15**	15
Research and development expenditure	**991**	1,069
Operating lease rentals – premises	**95**	86

[1] Audit services include financial statement audit work performed in respect of the consolidated financial statements. €7,000 (2013: €7,000) relates to audit services provided to the Company.

[2] Other assurance services includes review of the Group's half year results (2014: €9,900, 2013: €9,900) and other accounting services (2014: €Nil, 2013: €5,000).

7 Operating Profit (continued)

Employees and Remuneration

The average number of monthly employees employed by the Group throughout the year was as follows:

	2014	2013
Sales and marketing	**9**	12
Research and development	**9**	10
Management and administration	**4**	4
	22	26

Staff costs comprise:

	2014 €'000	2013 €'000
Wages and salaries	**1,397**	1,423
Social welfare	**159**	169
Pension costs	**43**	32
Healthcare	**40**	35
Other staff costs	**66**	83
Share-based payments expense	**77**	64
Research and development tax credit	**(186)**	(62)
Payroll costs capitalised (Note 15)	**(447)**	(338)
	1,149	1,406

8 Share-based Payments

i) With Employees

The board may offer to grant share options to any Director or employee of the Group and these are usually granted at the market price of the Group's shares at the date of grant. The following rules apply:

- Options cannot be exercised within a year of or more than 7 years after the grant date;
- Options granted to Executive Directors or employees prior to October 2006 vest over a period of 3 years;
- Options granted to Executive Directors and employees since October 2006 vested 3 years after the grant date; and
- Options granted to Non-Executive Directors on admission to AIM vest 3 years after the date of admission.

The share based payment expense for the year was €77,000 (2013: €64,000) and this has been recorded as part of payroll costs.

No new options were granted during the period (31 December 2013: 6,278,458). The fair value of the options granted in 2013 was calculated at the date of grant using an option pricing model (the Black Scholes option pricing model), taking into account the terms and conditions upon which the options were granted. Set out below are the principal amounts to the model for these options:

Vesting period (years)	3
Dividend yield	0%
Expected share price volatility	60%
Risk free interest rate	5.50%
Expected life of options (years)	7

The resulting fair value of share options granted in 2013 was €0.04 per share.

Notes to the Consolidated Financial Statements
(continued)

8 Share-based Payments (continued)

The following table sets out the number of, and movements in, share options during the year and the price per share at which options are exercisable.

	2014		2013	
	Shares	**Weighted average exercise price**	Shares	Weighted average exercise price
Outstanding at 1 January	**6,643,458**	**€0.071**	759,800	€0.298
Expired during the year	**(85,000)**	**€0.360**	(394,800)	€0.330
Granted during the year	**-**	**-**	6,278,458	€0.059
Lapsed on resignation	**(439,486)**	**€0.125**	-	-
Outstanding at 31 December	**6,118,972**	**€0.063**	6,643,458	€0.071

The following table sets out the grant date, number of and exercise price of share options exercisable at 31 December:

	2014		2013	
Date(s) of grant	**Shares**	**Weighted average exercise price**	Shares	Weighted average exercise price
March 2007	**-**	**-**	80,000	€0.420
December 2007	**-**	**-**	85,000	€0.360
March 2009	**200,000**	**€0.160**	200,000	€0.160
March 2013	**5,918,972**	**€0.059**	6,278,458	€0.059
	6,118,972		6,643,458	
Exercisable at 31 December	**200,000**		365,000	
Weighted average remaining life	**5.07 years**		5.94 years	

ii) With Non-employees

Refer to Note 23 for details of warrants exercised during the period.

9 Finance Income and Finance Expense

	2014 €'000	2013 €'000
Finance income		
Bank interest receivable	**6**	1
Total finance income	**6**	1
Finance expense		
Bank interest and charges	**31**	56
Interest on long-term borrowings	**30**	251
Total finance expenses	**61**	307

10 Income Tax Expense

(a) Analysis of Charge for the Year:

	2014 €'000	2013 €'000
Current tax:		
Irish corporation tax	**257**	187
Adjustment for prior year	**19**	-
	275	187
Deferred tax:		
Movement in deferred tax amounts for the year (Note 10(c))	**10**	20
Income tax expense (Note 10(b))	**285**	207

(b) Factors Affecting Tax Charge for the Year

The tax assessed for the year is higher than the standard rate of corporation tax in the Republic of Ireland of 12.5%. The differences are explained below:

	2014 €'000	2013 €'000
Profit for the year before taxation	**2,177**	1,918
Profit for the year multiplied by the standard rate of corporation tax in the Republic of Ireland of 12.5% (2013: 12.5%)	**272**	240
Effects of:		
Items not deductible for tax purposes	**12**	14
Income not taxable	**(23)**	(58)
Change in estimates related to prior year	**19**	-
Other	**5**	11
Income tax expense (Note 10(a))	**285**	207

(c) Deferred Tax

Deferred tax at 31 December relates to the following:

	Consolidated balance sheet		Consolidated income statement	
	2014 €'000	2013 €'000	**2014 €'000**	2013 €'000
Deferred tax asset				
Arising on property, plant and equipment and intangible assets	**107**	117	**10**	20
	107	117	**10**	20

At 31 December 2014, there was unrecognised deferred tax assets of €Nil (2013: €23,000) arising on intangible assets. There were no recognised or unrecognised deferred tax liabilities (2013: €Nil).

Notes to the Consolidated Financial Statements
(continued)

11 Profit for the Financial Year in the Parent Entity Holding Company

	2014 €'000	2013 €'000
Profit after tax in the parent entity holding company amounted to	-	16

The Company is availing of the exemption set out in Section 148 (8) of the Companies Act 1963 from presenting its individual profit and loss account.

12 Earnings per Share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted loss per share computations:

	2014 €	2013 €
Basic EPS	**€0.019**	€0.017
Diluted EPS	**€0.019**	€0.017

	2014 €'000	2013 €'000
Net profit attributable to equity holders of the parent	**1,892**	1,711

	2014 Numbers in thousands	2013 Numbers in thousands
Basic weighted average number of shares	**98,712**	97,918
Dilutive potential ordinary shares:		
Employee share options	**874**	1,701
Diluted weighted average number of shares	**99,586**	99,619

13 Adjusted Earnings per Ordinary Share

The following reflects adjusted earnings per share based on adjusted net income:

	2014 €'000	2013 €'000
Adjusted basic EPS	**€0.024**	€0.021
Adjusted diluted EPS	**€0.023**	€0.020

Adjusted net income is calculated as:

	2014 €'000	2013 €'000
Profit after tax	**1,892**	1,711
Share-based payments expense	**67**	64
Amortisation, net of tax	**320**	241
	2,279	2,016

13 Adjusted Earnings per Ordinary Share (continued)

Reconciliation of reported operating profit across segments to earnings before interest, tax, depreciation and amortisation ("EBITDA").

	2014 €'000	2013 €'000
Reported operating profit	**2,232**	2,224
Depreciation	**60**	44
Share-based payment expense	**77**	64
Amortisation of intangible assets	**366**	276
EBITDA	**2,735**	2,608

14 Property, Plant & Equipment

	Computer hardware & equipment €'000	Leased equipment €'000	Fixtures & fittings €'000	**Total €'000**
Cost:				
At 1 January 2013	912	80	83	**1,075**
Additions	94	-	-	**94**
At 1 January 2014	1006	80	83	**1,169**
Additions	85	-	-	**85**
At 31 December 2014	**1,091**	**80**	**83**	**1,254**
Depreciation:				
At 1 January 2013	863	80	82	**1,025**
Charge	43	-	1	**44**
At 1 January 2014	906	80	83	**1,069**
Charge	60	-	-	**60**
At 31 December 2014	**966**	**80**	**83**	**1,129**
Net book value:				
At 31 December 2014	**125**	**-**	**-**	**125**
At 31 December 2013	100	-		**100**

Notes to the Consolidated Financial Statements
(continued)

15 Intangible Assets

	Goodwill €'000	Software €'000	Other* €'000	**Total €'000**
Cost:				
At 1 January 2013	18,735	1,587	5,814	**26,136**
Additions	-	351	-	**351**
At 1 January 2014	18,735	1,938	5,814	**26,487**
Additions	-	447	-	**447**
At 31 December 2014	**18,735**	**2,385**	**5,814**	**26,934**
Amortisation:				
At 1 January 2013	12,670	1,318	5,814	**19,802**
Charge	-	276	-	**276**
At 1 January 2014	12,670	1,594	5,814	**20,078**
Charge	-	366	-	**366**
At 31 December 2014	**12,670**	**1,960**	**5,814**	**20,444**
Carrying value:				
At 31 December 2014	**6,065**	**426**	**-**	**6,491**
At 31 December 2013	6,065	344	-	**6,409**

The additions to software of €447,000 relates to internally capitalised research and development costs of €516,000, net of a research and development tax credit of €69,000 (Note 7).

*Included in other intangible assets are assets such as databases, content management systems and web portals which were acquired through historical acquisitions.

16 Impairment of Goodwill

Goodwill arising from business combinations in prior years was tested for impairment at 31 December 2014. Based on this test, the Directors have determined that no impairment charge is required (2013: €Nil) in the year.

For the purposes of the impairment testing, goodwill has been allocated to Cash Generating Units ("CGUs") which correspond to significant operating segments of the Group as follows:

	2014 €'000	2013 €'000
Ireland	**1,820**	1,820
UK	**4,245**	4,245
	6,065	6,065

The recoverable amount of the goodwill for each CGU has been determined based on a value-in-use calculation using cash flow projections based on EBITDA less capitalised research and development costs from financial budgets approved by senior management covering a one year period which have been rolled on for a further 4 year period.

Key Assumptions Used In Value-in-Use Calculations

The calculation of value-in-use for each CGU is most sensitive to the following assumptions:

- the discount rate; and
- budgeted EBITDA growth rate

16 Impairment of Goodwill (continued)

The discount rate reflects managements estimate of the risks specific to the CGU. In determining the appropriate discount rate, management has considered factors such as the average cost of capital and expected rate of return and has applied a pre-tax discount rate of 12.6% for both CGU's.

Another key assumption used within the cash flow projections is that EBITDA will grow at 3% per annum for both CGU's from FY2015 to forecast levels.

No reasonable change in the assumptions would result in an impairment to the carrying value of goodwill.

17 Trade and Other Receivables

	2014 €'000	2013 €'000
Trade receivables (a)	**2,804**	1,959
Prepayments	**118**	103
Research and development tax credits receivable (b)	**142**	162
	3,064	2,224

In the Directors' opinion the carrying value of the trade and other receivables balances are approximate to their fair value at both 31 December 2014 and 31 December 2013.

(a) Trade Receivables

Trade receivables are non-interest bearing and are generally on 30 days terms. The amounts above represent the maximum credit exposure of the Group to customers.

As at 31 December 2014, there was an impairment provision of €114,000 (2013: €114,000) in respect of the trade receivable balance. Movements in the provision for impairment of receivables were as follows:

	2014 €'000	2013 €'000
At 1 January	**114**	77
Written off	**-**	-
Provided for during year	**-**	37
At 31 December	**114**	114

As at 31 December, the ageing analysis of trade receivables, net of impairment provisions, is as follows:

			Past due but not impaired			
	Total €'000	**Neither past due nor impaired €'000**	**< 30 days €'000**	**30-60 days €'000**	**60-90 days €'000**	**> 90 days €'000**
2014	**2,804**	**2,477**	**-**	**192**	**95**	**40**
2013	1,959	1,808	-	94	38	19

(b) Research and Development Tax Credits Receivable

The research and development tax credits can be carried forward and are available for offset against future corporation tax and employer tax liabilities.

Notes to the Consolidated Financial Statements
(continued)

18 Cash and Cash Equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents are comprised of the following:

	2014 €'000	2013 €'000
Cash at bank and deposits of less than 3 months maturity	**4,950**	2,747

The above cash balances are held with Irish financial institutions, which had a Standard & Poor's credit rating of BB+ as at 31 December 2014.

19 Equity Share

	2014 €'000	2013 €'000
Authorised		
3,600,000,000 Ordinary shares of €0.001 each	**3,600**	3,600

	Numbers in thousands	€'000
Issued and fully paid		
At 1 January 2014	97,918	98
Issued for cash:		
On 21 December 2014	1,533	1
At 31 December 2014	**99,451**	**99**

On 26 June 2014, Pageant Holdings Limited "Pageant" acquired 1,533,333 ordinary shares in the Company at a price of €0.03 cent per ordinary share pursuant to warrants issued to Pageant on 21 December 2012 for a total cash consideration of €46,000 (Note 23).

20 Trade and Other Payables

	2014 €'000	2013 €'000
Trade payables and accruals	**4,397**	3,149
PAYE/PRSI	**162**	186
VAT payable	**202**	94
	4,761	3,429

In the opinion of the Directors the carrying value of the trade and other payables balances are approximate to their fair value at both 31 December 2014 and 31 December 2013.

21 Loans and Borrowings

	2014			2013		
	Effective interest rate %	**Maturity**	**Loan balance €'000**	Effective interest rate %	Maturity	Loan balance €'000
Current	**5.77%**	**2015**	**271**	5.77%	2014	256
Non-current	**5.77%**	**2016**	**76**	5.77%	2016	352

The loan outstanding at 31 December 2014 is due to Bank of Ireland and is secured by a first debenture over the assets of zamano plc and each material subsidiary.

22 Commitments and Contingencies

The Group leases its premises under a non cancellable lease agreement which expires in September 2018.

The future minimum rental commitments for operating leases with non-cancellable terms are as follows:

	2014 €'000	2013 €'000
Less than one year	**86**	43
Between one and five years	**323**	-
	409	43

23 Related Party Disclosures

Compensation of key management

	2014 €'000	2013 €'000
Short-term employee benefits	**493**	673
Share-based payments	**54**	64
Pension benefits	**18**	10
	565	747

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, and includes the Executive and Non-Executive Directors and certain members of senior management.

Related Party Transactions

On 26 June 2014, Pageant Holdings Limited ("Pageant") acquired 1,533,333 ordinary shares in the Company at a price of €0.03 per ordinary share pursuant to warrants issued to Pageant on 21 December 2012. Pageant now holds 26,938,510 ordinary shares in the Company representing approximately 27.09% of the entire enlarged issued ordinary share capital of the Company. Peter Furlong, a Director of the Company, is also a Director of Pageant.

In addition during the year the Company paid an arrangement fee of €46,000 to Pageant which arose on a loan liability settled in the prior year.

24 Financial Risk Management Objectives and Policies

The Group's principal financial liabilities comprise bank loans and trade payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group has various financial assets, such as trade receivables and cash, which arise directly from its operations. The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The policies for managing each of these risks are summarised below.

Interest Rate Risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations. The Group's policy is to manage its interest expense where interest rate risk could have a significant impact on its financial statements. Details of debt balances held are set out in Note 21.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax. There is no impact on the Group's equity.

Notes to the Consolidated Financial Statements
(continued)

24 Financial Risk Management Objectives and Policies (continued)

	Increase/decrease	Effect on Profit before tax and equity €'000
	+ 100 basis points	**(3)**
2014	**-100 basis points**	**3**
	+100 basis points	(3)
2013	-100 basis points	3

Foreign Currency Risk
As a result of its activities, the Group's balance sheet can be affected by movements in the UK£/Euro, US$/Euro and AUD/Euro exchange rates. The Group also has transactional currency exposures arising from sales or purchases in currencies other than the Group's presentation currency. To minimise this exposure, costs and the related revenue are incurred in the same currency, where this is practical.

As at 31 December 2014 and 31 December 2013, those exposures were as follows:

	31 December 2014				31 December 2013			
	Trade Receivables €'000	Cash €'000	Trade Payables €'000	Total €'000	Trade Receivables €'000	Cash €'000	Trade Payables €'000	Total €'000
GBP	**1,462**	**2,269**	**(1,787)**	**1,944**	1,010	328	(966)	372
USD	**39**	**453**	**(119)**	**373**	39	631	(127)	543
AUD	**195**	**1**	**(51)**	**145**	-	-	-	-
	1,696	**2,725**	**(1,957)**	**2,462**	1,049	959	(1,093)	915

The following table demonstrates the sensitivity to a reasonably possible change in the Sterling and US dollar exchange rates, with all other variables held constant, of the Group's profit before tax and equity:

	Increase decrease in US$ rate	Effect on profit before tax €'000	Effect equity €'000	Increase decrease in UK £ rate	Effect on profit before tax	Effect equity
	10%	**37**	**37**	**10%**	**(213)**	**(213)**
2014	**-10%**	**(37)**	**(37)**	**-10%**	**260**	**260**
	10%	54	54	10%	(34)	(34)
2013	-10%	(54)	(54)	-10%	41	41

Credit Risk
Credit exposures for the Group's financial assets are explained in Note 17 and 18.

Liquidity Risk
The Group monitors its risk to a shortage of funds by monitoring of the maturity of its financial assets, principally trade receivables and projected cashflows from operations. The Group's objective is to maintain a balance between continuity of funding and flexibility.

24 Financial Risk Management Objectives and Policies (continued)

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments and inclusive of interest:

At 31 December 2014

	On Demand €'000	Less than 12 months €'000	1 to 2 years €'000	**Total €'000**
Interest bearing loans and borrowings	-	271	76	**347**
Trade and other payables	4,761	-	-	**4,761**
	4,761	271	76	**4,761**

At 31 December 2013

	On Demand €'000	Less than 12 months €'000	1 to 2 years €'000	**Total €'000**
Interest-bearing loans and borrowings	-	291	364	655
Trade and other payables	3,429	-	-	3,429
	3,429	291	364	4,084

Fair Value

The Group's trade receivables, cash and trade payables amounts, because of their short term nature, are considered to approximate fair value. The fair value of the Group's loan approximates its carrying value as at 31 December 2014.

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions. The Group monitors capital on the basis of the net debt ratio i.e. the ratio of net debt to net debt plus equity. Net debt is calculated as long-term borrowings less cash and cash equivalents. All components of equity are included in the denominator of the calculation.

At 31 December 2014, the net cash ratio was 49% (2013: 29%).

	2014 €'000	2013 €'000
Cash and cash equivalents	**4,950**	2,747
Loans and borrowings	**(347)**	(608)
Net cash	**4,603**	2,139
Equity	**9,385**	7,369
Net cash ratio (net cash/total equity)	**49%**	29%

25 Litigation

In the normal course of business, the Group is involved in various legal proceedings with third parties, the outcome of which is uncertain. Where appropriate, provision is made in the financial statements based on the Directors' best estimate of the potential outcome of such proceedings. It is the policy of the Group to rigorously defend all legal actions taken against the Group.

26 Subsequent Events

There have been no significant post balance sheet events.

27 Approval of Consolidated Financial Statements

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 18 March 2015.

Company Balance Sheet

at 31 December 2014

	Note	**2014 €'000**	2013 €'000
Fixed assets			
Financial assets	*2*	**12,178**	12,101
Current assets			
Debtors			
– within one year	*3*	**22**	19
– after more than one year	*3*	**5,989**	5,976
		6,011	5,995
Creditors (amounts falling due within one year)	*4*	**(354)**	(375)
Net current assets		**5,657**	5,620
Total assets less current liabilities		**17,835**	17,721
Creditors (amounts falling due after more than one year)	*5*	**(19,365)**	(19,373)
Net liabilities		**(1,530)**	(1,652)
Capital and reserves			
Called up share capital	*7*	**99**	98
Share premium	*7*	**13,538**	13,494
Capital conversion reserve	*7*	**1**	1
Profit and loss account	*7*	**(15,545)**	(15,545)
Share-based payment reserve	*7*	**377**	300
Shareholders' deficit	*7*	**(1,530)**	(1,652)

On behalf of the board

Ross Conlon
Director

Pat Landy
Director

Notes to the Company Balance Sheet

1 Accounting Policies

Basis of Preparation
The Company financial statements are prepared under the historical cost convention in accordance with the Companies Acts 1963 to 2013 and Generally Accepted Accounting Practice in the Republic of Ireland ("Irish GAAP"), comprising applicable law and the accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland. The Company has availed of the exemption not to publish a company only profit and loss account as the Company financial statements are presented with consolidated financial statements which include the Group income statement. Details of the Company only profit for the year are disclosed in Note 11 to the consolidated financial statements. The Company did not recognise any other gains or losses in the year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company financial statements.

Investments in Subsidiaries
Fixed asset investments, including investments in subsidiaries, are stated at cost less impairment. They are reviewed for impairment if there are indications that the carrying value may not be recoverable.

Foreign Currencies
The functional and presentation currency of the Company is Euro. Transactions in foreign currencies are translated at the rates of exchange ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the balance sheet date with a corresponding charge or credit to the profit and loss account.

Cash Flow Statement
Under FRS1 "Cash Flow Statements", the Company is exempt from preparing a cash flow statement as its cash flows are included in the Group cash flow statement, as presented in the consolidated financial statements.

Taxation
The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Current taxation is provided on the Company's taxable profits at amounts expected to be paid using the tax rates and laws that have been enacted or substantively 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. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses of taxable profits in periods different from those in which they are recognised in the financial statements.

Share-based Payments
The accounting policy for share-based payments stated in the consolidated financial statements is applicable to the Company also, except that share options granted to employees of subsidiary entities are treated as an increase in the Company's investment in that entity.

2 Financial Fixed Asset

	2014 €'000	2013 €'000
Investments in Group companies		
As at 1 January	**12,101**	12,037
Share option charge in relation to employees of subsidiaries	**77**	64
As at 31 December	**12,178**	12,101

Notes to the Company Balance Sheet
(continued)

2 Financial Fixed Assets (continued)

The subsidiary undertakings of the Company, together with the percentage beneficial holding of the ordinary shares, are set out below:

Company name	Shares directly held	Principal activity	Registered office
Zamano Solutions Limited	100%	Provision of mobile data value added services and technology	1
Zamano Limited	100%	Provision of mobile messaging and consultancy services	2
Red Circle Technologies Limited	100%	Provision of digital environment to mobile devices	1

1. 3rd Floor, Hospitality House, 16-20 Cumberland Street South, Dublin 2.
2. Eversheds House, 70 Great Bridgewater Street, Manchester, M15ES.

3 Debtors

	2014 €'000	2013 €'000
Amounts falling due within one year		
Trade debtors and prepayments	**16**	13
Corporation tax	**6**	6
	22	19
Amounts falling due after more than one year		
Amounts owed by subsidiary undertakings	**5,989**	5,976
	6,011	5,995

Amounts owed by subsidiary undertakings are interest free and repayable after more than one year.

4 Creditors – Amounts Due Within One Year

	2014 €'000	2013 €'000
Trade creditors and accruals	**63**	119
Borrowings (Note 6)	**271**	256
Corporation tax payable	**20**	-
	354	375

5 Creditors - Amounts Falling Due After More Than One Year

	2014 €'000	2013 €'000
Amounts owed to subsidiary undertakings	**19,289**	19,021
Long-term borrowings (Note 6)	**76**	352
	19,365	19,373

Amounts owed to subsidiary undertakings are interest free and repayable after more than one year.

6 Long-term Borrowings

The long-term borrowings are secured by a first debenture over the assets and undertakings of zamano plc and each material subsidiary. All other relevant details on the loan are set out in Notes 21 and 24 to the consolidated financial statements.

7 Reconciliation of Movements in Shareholders' Deficit

	Share capital €'000	Share premium €'000	Capital conversion reserve €'000	Profit and loss account €'000	Share-based payment and warranty reserve €'000	Total shareholders' deficit €'000
At 1 January 2014	98	13,494	1	(15,545)	300	(1,652)
Share capital issued	1	44	-	-	-	45
Profit for the year	-	-	-	-	-	-
Transfer of share option reserve	-	-	-	15	(15)	-
Share-based payment	-	-	-	-	77	77
At 31 December 2014	**99**	**13,538**	**1**	**(15,530)**	**362**	**(1,530)**

8 Commitments, Contingencies and Related Parties

Details of Company related commitments and contingencies are set out in Note 22 to the consolidated financial statements. Related party transactions are set out in Notes 3 and 5 to the Company balance sheet, the Directors' report and Note 23 to the Group financial statements.

9 Approval of Financial Statements

The Company financial statements were approved and authorised for issue by the Board of Directors on 18 March 2015.

Business at the Annual General Meeting to be held on 6 August 2015

Ordinary Business

Resolution 1 – Financial Statements
The Directors' report and financial statements for the year ended 31 December 2014 accompany this notice of meeting.

Resolution 2, 3 and 4 – Directors
The Board recommends the re-election of Pat Landy, Colin Tucker and Ross Conlon, retiring by rotation.

Resolutions 5 and 6 – Auditors' Reappointment and Remuneration
The resolutions relating to auditors' reappointment and remuneration are usual business for the Annual General Meeting.

Special Business

Resolution 7 – Allotment Authority
This is an Ordinary Resolution authorising the Directors to allot relevant securities up to the nominal value of the authorised but unissued share capital. This authority will expire at the conclusion of the next Annual General Meeting following this meeting or on 6 November 2016, whichever is the earlier.

Resolution 8 – Pre-emption
This is a Special Resolution authorising the Directors to issue equity securities in connection with the exercise of any options or warrants to subscribe for shares granted by the Company up to a maximum nominal value equal to 5% of the issued share capital of the Company at the date of the meeting. This authority will expire at the conclusion of the next Annual General Meeting following this meeting or on 6 November 2016, whichever is the earlier.

Resolution 9 - Articles of Association
On 1 June 2015, the Companies Act, 2014 came into effect. Instead of making provisions for a model set of articles with "opt-in" provisions, as was the case under the Companies Act, 1963 to 2013, the Companies Act 2014 now contains specific sections which automatically apply to all companies unless the articles of the Company specifically exclude them. This is a Special Resolution to amend the articles of the Company to disapply all of the optional provisions in the same way that Table A of the Companies Act 1963 has been disapplied under the existing articles of the Company.

Annual General Meeting

A Form of Proxy for use at the meeting is enclosed. Please complete and sign the Form of Proxy and return it to the Registrar so as to arrive no later than 48 hours before the time fixed for the meeting. The return of the Form of Proxy will not, however, prevent you from attending the meeting and voting in person should you wish to do so.

Recommendation

The Board consider that each of the Resolutions is in the best interests of the Company and they unanimously recommend to shareholders that they should vote in favour of each of them, as the Directors intend to do in respect of their beneficial shareholdings and in respect of those shares that can be voted by them (save where they are restricted from voting in respect of their own reappointment), which together amount to 29,163,295 ordinary shares comprising 29.32% of the issued ordinary share capital of the Company.

Notice of Annual General Meeting zamano plc

Notice is hereby given that the Annual General Meeting of zamano plc will be held at 11.00am on 6 August 2015 at the Conrad Hotel, Earlsfort Terrace, Dublin 2 to consider and, if thought fit, pass the following Resolutions, of which Resolutions 1 to 7 will be proposed as Ordinary Resolutions and Resolutions 8 and 9 will be proposed as Special Resolutions.

1. To receive and adopt the financial statements for the year ended 31 December 2014 and the reports of the Directors and auditors thereon.
2. To re-elect as a Director, Pat Landy, who retires by rotation in accordance with article 84 of the Articles of Association.
3. To re-elect as a Director, Colin Tucker, who retires in accordance with article 84 of the Articles of Association.
4. To re-elect as a Director, Ross Conlon, who retires in accordance with article 87 (b) of the Articles of Association.
5. To reappoint KPMG as auditors of the Company.
6. To authorise the Directors to fix the remuneration of the auditors.
7. That the Directors be and are hereby authorised to allot relevant securities (within the meaning of Section 1021 of the Companies Act, 2014) up to a maximum aggregate nominal value equal to the authorised but unissued ordinary share capital of the Company on the date of the passing of this resolution, such authority to expire at the conclusion of the Annual General Meeting of the Company next following the passing of this Resolution or on 6 November 2016, whichever is the earlier, save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry date and the Directors may allot relevant securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.
8. That subject to the passing of Resolution 7, the Directors be and are hereby empowered to allot equity securities, as defined by Section 1022 of the Companies Act 2014 (including, without limitation, any shares purchased by the Company and held as Treasury Shares) in connection with the exercise of any options or warrants to subscribe for shares granted by the Company from time to time up to a maximum nominal value equal to 5% of the nominal value of the Company's issued ordinary share capital at the date of passing of this Resolution. The authority conferred by this Resolution shall expire at the conclusion of the Annual General Meeting of the Company next following the passing of this Resolution or on 6 November 2016, whichever is the earlier, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry date and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.
9. That the following words, immediately preceding Regulation 1 of the Articles of Association of the Company namely "The regulations contained in part 1 of Table A (as amended) as set out in the First Schedule of the Companies Act 1963 as amended shall not apply to the Company" be and are hereby deleted and replaced with the words "All of the Optional Provisions, as defined in section 1007 (2) of the Companies Act 2014, shall not apply to the Company"

By order of the Board

Michael Connolly
Company Secretary

3rd Floor, Hospitality House
16 - 20 Cumberland Street South
Dublin 2

June 2015

Notice of Annual General Meeting zamano plc

(continued)

Notes

1. A member entitled to attend, speak and vote is entitled to appoint a proxy to attend, speak and vote on his/her behalf. A proxy need not be a member of the Company.
2. Forms of Proxy, together with any Power of Attorney or other authority under which they are executed or a notarially certified copy thereof, must be completed and, to be valid, must reach the Registrar of the Company at the address given on the Form of Proxy not less than 48 hours before the time appointed for the holding of the meeting.
3. The appointment of a proxy does not preclude a member from attending and voting at the meeting.
4. If the appointor is a corporation, this Form of Proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
5. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote of the other registered holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members of the Company.
6. If you wish to appoint as proxy someone other than the Chairman of the Meeting, please delete the words 'the Chairman of the Meeting' from the Form of Proxy and insert the name and address of the person you wish to appoint in the space provided. A proxy need not be a member.
7. Pursuant to Section 1095 of the Companies Act, 2014, only those shareholders on the Register of Members at 6.00pm on 4 August 2015 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. If the meeting is adjourned by more than 48 hours, then to be so entitled, shareholders must be entered on the Company's Register of Members at the time which is 48 hours before the time appointed for holding the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in that notice.
8. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST Sponsored Members, and those CREST Members who have appointed a voting service provider(s), should refer to their CREST Sponsor or voting service provider(s), who will be able to take appropriate action on their behalf.
9. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK and Ireland (EUI)'s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by Capita Asset Services, Shareholder Solutions (Ireland), as issuer's agent (ID 7RA08) by the latest time(s) for receipt of proxy appointments specified in this notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
10. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member or Sponsored Member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Directors and Other Information

Directors

John Rockett (Chairman)
Ross Conlon (Chief Executive Officer)
Colin Tucker (UK) (Non-Executive)
Pat Landy (Non-Executive)
Peter Furlong (Non-Executive)

Secretary

Michael Connolly

Bankers

Bank of Ireland

Solicitors

Eversheds
1 Earlsfort Centre
Earlsfort Terrace
Dublin 2

Auditor

KPMG
1 Stokes Place
St. Stephen's Green
Dublin 2

Registered Office

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16-20 South Cumberland Street
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