







Enable
your Employees





We Empower the Mobile Enterprise





Engage
your Customers

2014
ANNUAL REPORT AND ACCOUNTS

GLOBO™









Protect
your Corporate Data







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About **GLOBO**

Globo is an international leader and technology innovator with global footprint in the continuously expanding Enterprise Mobility industry, providing a complete offering that serves the mobility needs of businesses of any size. Globo **empowers the mobile enterprise** by enabling employees to work and collaborate from anywhere, easily and securely and at the same time by enabling enterprises to extend their business and their engagement with customers and partners.

By uniquely merging **Enterprise Mobility Management** and **Mobile Application Development**, Globo provides data security, app and device management, app development solutions and expert consulting. Globo Group operates internationally and serves a number of customers that are established brands. Globo has achieved worldwide industry recognition from top industry analysts firms like Gartner, IDC and OVUM.

04 Key performance indicators

In 2014, the Group delivered robust growth both in terms of business and financial performance. The Board monitors the overall performance of the Group by reference to Key Performance Indicators (KPIs).

KPIs for the year, together with historical data, are presented in the table below:

Total Revenue

€106.4m

Up 49%

Ebitda

€50.9m

Up 41%

Profit before taxation

€35.7m

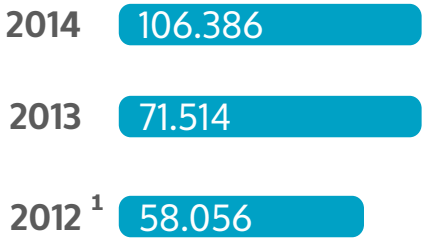
Up 30%

Earnings per share

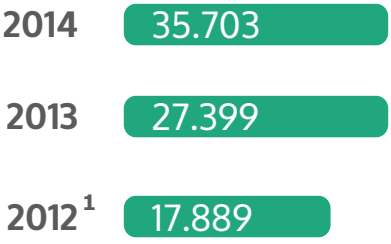
€0.094

Up 27%

Revenue (in €m)



Profit before tax (in €m)



[1] The 2012 figures refer to both continued and discontinued operations of the Group.

05 Worldwide Presence

The Group has grown both organically and through acquisitions, and today operates internationally through subsidiaries and offices in US, Europe, Middle East and South East Asia.

Our worldwide presence allows us to serve our customers and partners no matter where they are, while our extended partner network further expands our reach to additional markets with our products and solutions.



San Francisco ¦ Palo Alto ¦ New York ¦ Canfield ¦ London ¦ Athens ¦ Limassol ¦ Dubai ¦ Bangalore ¦ Singapore

2014 at a glance

For another consecutive year, we have delivered strong financial results with substantial growth in revenue, profitability, and positive free cash flow, demonstrating a robust performance coupled with increasing market share in the Enterprise Mobility market.

The year 2014 was the inception of Globo's expansion into the rapidly growing mobile app development market with a three-fold strategy:

1. the enhancement of our GO!AppZone mobile app development platform

2. the inauguration of the Mobility Business Solutions division to provide 360º consulting and professional services on app development

3. the acquisition of Sourcebits, a company with exceptional capabilities in app design and development and a widely recognized brand name in North America.

Financial Highlights

- Revenue from operations grew by 49 per cent to €106.4 million (2013: €71.5 million)
- GO!Enterprise revenue up 94 per cent to €57.9 million (2013: €29.9 million)
- CitronGO! and GO!Social revenue up 11 per cent to €38.5 million (2013: €34.8 million)
- The Group generated positive free cash flow for the third consecutive year
- Globo's year-end net cash position was €40.4 million (2013: €42.0 million)
- EBITDA[2] up 41 per cent to €50.9 million (2013: €36.0 million)
- Profit Before Tax up 30 per cent to €35.7 million (2013: €27.4 million)
- Earnings per share €0.094 (2013: €0.074)
- Free cash flow before the impact of acquisitions[3] of €7.3 million (2013: €5.2million)

Commercial Highlights

- We expanded our partnerships in the indirect channel by signing new significant agreements including extension of the Ingram Micro Mobility (NA) distribution contract for the complete product portfolio of GO!Enterprise, Bechtle (UK), Portland Europe (BeNeLux) and Qast Software Group (APAC).
- Our customer base grew significantly with major wins within the year, and our clientele was further enhanced after the acquisition of Sourcebits that brought in customers like Intel, SAP, P&G, Coca-Cola, Hershey's and Bank of America.

[2] EBITDA represents net income before interest, taxes, depreciation and amortization.

[3] Free Cash Flow (FCF). Free Cash Flow is calculated by taking the net cash flow from operating and investing activities, adding back the cost of acquisitions.

- Targeting the lucrative and growing market of business apps, we created a dedicated division (Mobility Business Solutions) to provide end to end consulting and professional services for mobile app design and delivery, staffed with experts covering all areas and needed skillsets. The expansion of both our MBS team and also our R&D Center, led to moving to a new building in order to seamlessly support business operations.
- Sourcebits Inc., one of the "cool vendors" in mobile apps development services according to Gartner, was acquired on June 30th to further enhance our competitive position in the specific market segment.
- We moved our US HQ to new offices in Silicon Valley.
- Gartner recognized Globo in its first Magic Quadrant report for Enterprise Mobility Management Suites.
- We were included in Ovum's 2014-15 Decision Matrix report for EMM Solutions, and in IDC's report on Mobile Application Development Platforms (MADP).
- Industry recognition of our technology and products continued with significant awards and short listings, including European Business Awards 2013/14 and Business IT Excellence Awards 2014.
- We were included in Ovum's 2015-16 MADP Decision Matrix Report for MADP solutions (2015).
- Our technology and product innovation, were recognized by "2015 Info Security Global Excellence Awards" for the categories Wireless, Mobile or Portable Device Security (MDM solution) and Best Case Study category (CenClear case study) (2015).
- We were also recognized by Tourism Awards 2015 in the category 'Applications for smartphones and tablets' for TUI App (2015).

Product Highlights

- Official launch of GO!AppZone and GO!Enterprise WorkSpace at MWC 2014.
- The integration with Samsung KNOX™ for expanded security and management of Android devices was announced.
- We received FIPS 140-2 certification for our GO!Enterprise product portfolio.
- The integration with Cisco Identity Services Engine (ISE) for enriched functionality of GO!Enterprise product portfolio with enhanced layer of security (2015) was announced.
- We added industry-first security features for complete mobile app lifecycle management for regulated industries; GO!AppZone platform achieved end-to-end FIPS 140-2 certification (2015).

08 Corporate Social Responsibility (CSR) Initiatives

Our Corporate Social Responsibility initiatives aim to meet social, economic and ethical priorities.

In a social environment that is undergoing significant structural and economical changes, we create new jobs and strive for growth. To this end, we encourage and support talented, promising and creative young people to join the company, by being an equal opportunity employer and through regularly creating new job opportunities.

The company is playing a significant role in enabling social ethics by contributing to various non-profit organizations through financial support and provision of products and solutions. Some of these are Happy Children - Happy Youth, summer camps and Make-A-Wish, aimed at improving the quality of life of young children in need.

Additionally, we actively support educational institutions, enabling students of every age to experience a truly innovative learning experience. We offer products and solutions that enable schools to use mobile technology and consequently elevate the learning process securely. We also support student initiatives, such as an F1 in-school racing team; the International Competition F1 in schools is the largest technology competition in the world and one of the most comprehensive training programs to enhance the interest of students for Science, New Technology, Engineering and Mathematics.

In the field of social responsibility, we also support the sports ideals and the efforts of athletes in the international arena. Towards this direction, we are by the side of the young, promising and determined sailor of RS:X class, Byron Kokkalanis in his attempt to qualify for the 2016 Olympic Games. After his stunning performances, the athlete stands among the top sailors of RS:X in the world rankings. We have been Byron's proud sponsor for the last 2 years.

Last, but not least, in its daily operations, the company has developed practices consistent with the concept of a "Paperless Environment", via the digitization methodology that Globo addresses. Moreover, Globo also recycles equipment and batteries, while it uses environmentally friendly devices and supplies.







We Empower the Mobile Enterprise



Globo is at the forefront of the mobility trends, covering the full spectrum of the market as defined by leading analyst firms such as Gartner, Forrester, IDC and Ovum. Our ability to tap in both Enterprise Mobility Management and Application Development solutions markets is enhanced through technological innovations, organic growth and strategic acquisitions.

Our solutions cater for a wide range of industries including highly regulated markets, with Globo being the only major mobility vendor that has received the US NIST FIPS 140-2 validation for all its offerings and major operating systems.

Enterprise mobility is all about gaining real business advantage and businesses need a solution that delivers measurable improvements and efficiencies as well as a technology partner that gets them into the enterprise mobility era, in a fast and secure manner.

Globo, with its enterprise mobility products and solutions, can help enterprise customers in the six following ways:

- **Define the right enterprise mobility strategy**, so they can increase revenue and productivity, lower costs and enhance their customers' experience.
- Embrace Bring Your Own Device (BYOD) and **expand their business**, offering a secure workspace approach that encrypts all the corporate data, and cleanly separates the corporate and personal apps and content.
- Achieve freedom, flexibility, privacy, and peace of mind to the IT teams and keep users productive even far from the office, **protecting the corporate data.**
- Use a design-first approach that can get companies **closer to their customers** with cutting- edge mobile apps.
- **Optimize business processes**, gaining productivity efficiencies throughout their organization.
- **Empower employees with** mobile technology on the go, with measurable Return on Investment (ROI) for business operations — drives engagement, improves retention, increases revenue.

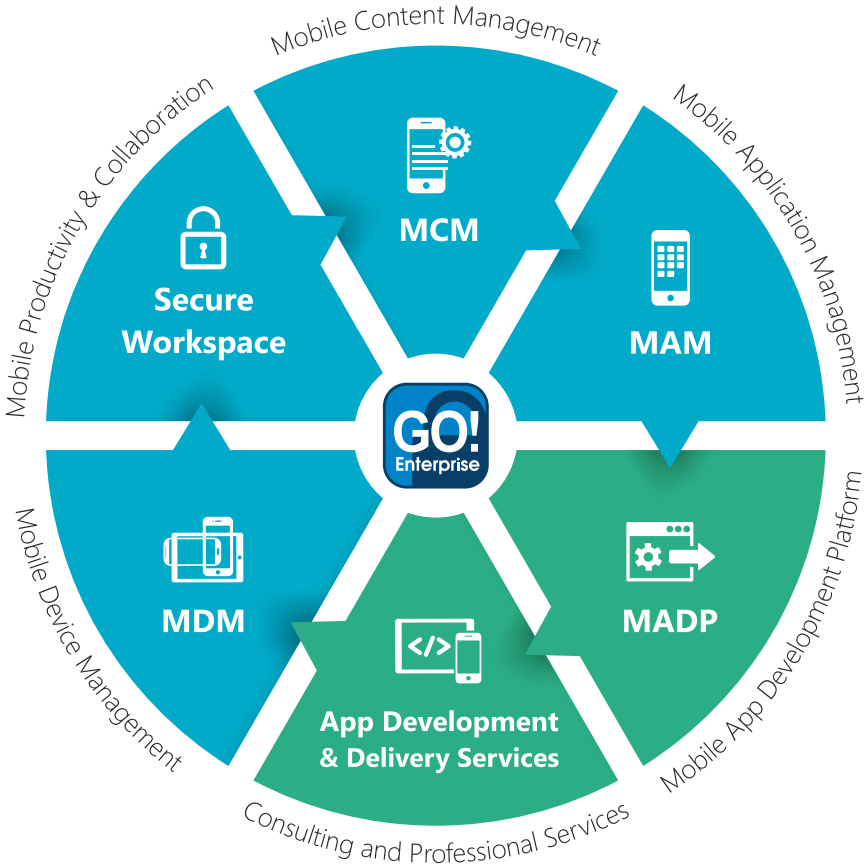
A unique approach: Complete Enterprise Mobility

Our unique, holistic approach for Complete Enterprise Mobility is a true end-to-end solution that offers the flexibility that is required by a business at any given time. No matter what stage of maturity a business is in terms of its mobility strategy, we can encompass everything that is needed in order to plan and implement a solid and future-proof mobility strategy.

Our well-rounded offering makes us one of very few vendors tapping into both Enterprise Mobility Management and Mobile App Development spaces.

Adding our professional services on top, we are an ideal choice for enterprises looking for a single solution delivering each of these Enterprise Mobility components, which is becoming the norm for a complete mobility strategy.

The uniqueness of our approach has been enhanced by two major acquisitions (Notify October 2013 and Sourcebits July 2014), crafting our product and commercial edge in the market.



Complete Enterprise Mobility: 3-Pillar approach

01 | GO!Enterprise: Enables, Empowers, Secures

GO! Enterprise™ Secure Workspace

Globo's Secure Workspace is ideal for the implementation of BYOD strategies, since it allows employee-owned devices to access corporate office data in a secure and centrally controlled manner, without imposing limitations on personal applications and device configurations or on the use of personal data. This is made possible because the Secure Workspace is a native container of the GO!Enterprise platform which provides controlled access to secure apps and separates enterprise and personal data.

Moreover, within the Secure Workspace environment and through **GO!Enterprise Office,** employees can gain secure and controlled access to enterprise information like email, files, contacts, calendar, tasks and notes from any mobile device, as well as the corporate intranet and any other internal web application through the secure mobile browser of GO!Enterprise. Collaboration while on the go is a standard feature through the embedded enterprise instant messaging functionality for one-to-one chatting and group discussions.

GO! Enterprise247™

GO!Enterprise247 is a complete, plug-and-play, scalable enterprise mobility solution that is tailor-made to the needs of a small and medium sized business.

Further to the aforementioned features of the GO!Enterprise, includes free storage and access to cloud-hosted Microsoft Exchange email & PIM services, so that SMBs do not have to settle for a scaled down enterprise solution.

GO! Enterprise™ Mobile Device Management

As the line between personal and work computing is breaking down, mobile devices continue to penetrate the workplace. Employee work styles and preferences are changing thus organizations face new challenges in maintaining proper levels of visibility and control over their users and the data they are accessing through their personally owned tablets and smartphones. It is here that GO!Enterprise MDM provides its value – relieving the pain points associated with the inherent risks of consumer-driven technology in the enterprise.

GO!Enterprise MDM is designed to provide IT administrators with a single console to manage and

secure corporate and individual-liable devices (BYOD) regardless of operating system, carrier, or email platform. Whether on-premise or in the cloud, GO!Enterprise MDM offers a simple, effective, and affordable approach to Data Loss Prevention (DLP) and Mobility Governance initiatives. It is ideal for highly regulated environments offering control of fleets of corporate-liable as well as personal-liable devices.

Key features include:

- Defining and enforcing usage policies.
- Provisioning users for secure access.
- Determining what apps can be used.
- Disabling features in regulated environments.
- Protecting against lost or stolen devices.

02 | Mobile Application Development & Delivery Services: We create business solutions, not just apps

Applications can truly a mobilize business by optimizing workflows, leveraging existing infrastructure, connecting to back-end systems, utilizing device capabilities to deliver exceptional user experiences across all mobile devices.

Mobile apps are where company's employees, partners and customers are. Building powerful and scalable apps that run throughout all different platforms is crucial for any business no matter what size or industry.

Mobile Application Development & Delivery Services are delivered by a dedicated division, offering a full range of professional services that takes that burden out of companies that would otherwise need to think of a multitude of interrelated factors when creating their mobile app and do not necessarily have the relevant resources, time or expertise. It not only helps them develop a mobile strategy but enables them to implement it effectively with a future-proof, secure, cross-platform or native technology.

Our approach to application development addresses the full app lifecycle, from defining business goals and objectives for your app, to choosing the right technology that will be used for development and testing, as well as deploying and supporting your app post launch.

Accommodating respective needs and objectives, we can create design-led apps with all the necessary security and integration with back-end systems required by IT teams.

The recent acquisition of **Sourcebits** strengthens our mobile application development capabilities even more, and enhances our competitiveness in enterprise and consumer apps. Sourcebits' extensive developer resources and skills and app design expertise add to our unique product proposition that merges enterprise mobility management with mobile application development.

Having cost and development time in mind, we have built a **mobile app ecosystem** of ready-made

apps focusing on both operation (e.g. m-field services, m-sales) and industry (e.g. m-health, m-banking) connected with the most popular business systems, such as SAP and Microsoft. It speeds up the time to market of a new app and companies can leverage on Globo's expertise and best practices in their industry.

Our ecosystem is being constantly enriched with new ready-made apps and business systems by our experienced team and specialized partners.



360° app development lifecycle services

03 | GO!AppZone Mobile Application Development Platform: Mastering App Creation

GO!AppZone is Globo's Mobile Application Development Platform that can help rapidly develop and deploy mobile apps for any audience – from employees and partners to customers.

The GO!AppZone platform is the perfect environment for developing, testing, building and deploying cross-platform mobile apps. It includes:

GO! AppZone Studio™

a visual IDE for rapid mobile app development

GO! AppZone Test™

a cloud service with a companion app for easy testing on different mobile devices

GO! AppZone Build™

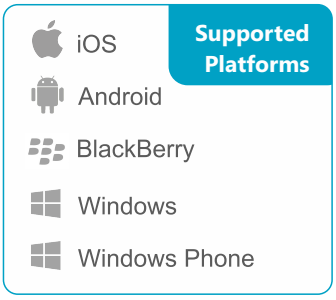
a cloud-based compiler for producing app-store ready or enterprise-ready mobile apps

GO! AppZone Deploy™

a mobile back-end as a service (MBaaS) for secure integration with third-party systems, data synchronization, over-the-air app updates, and push notifications

GO!AppZone automates common development and deployment tasks. With its drag-and-drop, configuration-based approach to development, the need to write code is minimized and implementation is simplified, increasing developers' productivity.

Through GO!AppZone, developers can easily build apps that integrate and synchronize with back-end systems, work offline, or access underlying device hardware. It's also quick and easy to test their app on a device or produce native apps for multiple target platforms. GO!AppZone supports HTML5, CSS and JavaScript along with a truly cross-platform API. Furthermore, the GO!AppZone platform can be easily extended with native code plugins and custom integration connectors.



Enterprise Mobility Management

Market Overview

The worldwide market for EMM software will grow to $2.5 billion in 2018 at a CAGR of 17.7%.

(Source: IDC 2014)

Key trends

- Organizations of all shapes and sizes around the world have been faced with an influx of mobile devices over recent years. The increasing processing power and affordability of smartphones and tablets means that business users want to and are easily able to use them as part of their everyday working lives; Ovum's latest employee research shows that almost 70% of all full-time employees use their own devices for work;

- This BYOD trend coupled with large-scale deployments of corporate-provisioned devices leaves enterprise IT departments with a headache around how to manage and secure corporate data on all these devices – or at least on those which they are prepared to support. But security is not the only issue here; mobility also presents organizations with a chance to transform their business practices to make employees more productive and efficient, by giving them access to the right applications and content to suit their particular role and needs;

- A large range of vendors are approaching these various needs with enterprise mobility management (EMM) solutions, and the market for these solutions is growing very quickly. The key to success in the space for both the enterprise and for vendors is flexibility; because every organization and indeed every team and individual is different, enterprises need to deploy a range of policies and tools that meet the needs of all its different employees; while vendors must develop solutions flexible enough to deal with the full range of demand coming from their enterprise customers;

- A complete EMM solution would include deep cross-platform capabilities around multiple features. Not all of them need to be applied to all users – for example, some users may not react well to MDM software being used on their personally owned smartphone or tablet, but would find some of the app-level security features offered via MAM or a secure container acceptable – but enterprise IT departments will generally need a mix of these features to apply throughout the organization.

(Source: Ovum 2014)

Mobile Application Development Platforms

Market Overview

Driven by major technology trends in both consumer and enterprise markets, the mobile enterprise application development platform market (enterprise MADP) is in a period of rapid growth. IDC believes the total market will experience a 24.6% CAGR to reach $3.7 billion by 2018.

(Source: IDC 2014)

Key trends

- Enterprises are prioritizing mobile apps over all other app development requirements, for both external (business and consumer-facing) and internal requirements.
- The uncertainty about choosing between HTML5, hybrid, or native app development refuses to be resolved in a simple outright choice; it depends on the requirements.
- The last two years have seen huge efforts by the large IT vendors to carve a space in the mobile software market. Mobile app development and management are necessary components of a comprehensive enterprise application strategy.
- The advantage of a wide-scope MADP solution in one box is that developers have a one-stop solution, reducing tool overheads and integration issues, facilitating traceability of work assets, and so on.
- A wide-scope MADP solution may not be the right choice for all developers; an organization that already has tools that cover a number of the features in a MADP will want to look for a purely development-focused or specialty solution.
- When comparing MADP products, consider what functionality is available out of the box in a single license, compared to having to add-on modules with separate licenses.
- The advantages of an MDAP solution focused on a power user or business domain expert are often ignored by businesses. Typically it is the IT department making the purchasing decision, and it naturally favors developer-oriented tools. The line-of-business manager needs to be aware of the dramatic reduction in budget and increase in speed to market that alternative business-oriented solutions can offer.

(Source: Ovum 2014)

Reports that Globo has been included

January 2014, "A Guidance Framework for Mobilizing Business Applications" (Gartner)

January 2014, "Western Europe Enterprise Mobile Application Development Platform 2013–2017 Forecast and Analysis" (IDC)

January 2014, "Mobile Development Tools for SMBs" (Gartner)

January 2014, "A Guidance Framework for Mobilizing Business Applications" (Gartner)

June 2014, "Magic Quadrant for Enterprise Mobility Management Suites" (Gartner)

July 2014, "Magic Quadrant for Enterprise File Synchronization and Sharing" (Gartner)

July 2014, "Hype Cycle for Enterprise Mobile Security, 2014" (Gartner)

July 2014, "Hype Cycle for IT Operations Management, 2014" (Gartner)

July 2014, "Globo Acquires Sourcebits to Boost Mobile Application Offerings" (IDC)

July 2014, "Top Mobile Application Developers" (Clutch)

September 2014, "Magic Quadrant for Mobile Application Development Platforms" (Gartner)

September 2014, "Ovum Decision Matrix: Selecting an Enterprise Mobility Management Solution, 2014–15" (Ovum)

October 2014, "Worldwide Mobile Enterprise Applications 2014–2018 Forecast and Analysis" (IDC)

November 2014, "Market Guide for Rapid Mobile App Development Tools" (Gartner)

December 2014, "Critical Capabilities for Mobile Application Development Platforms" (Gartner)

January 2015, "Western Europe Enterprise Mobile Application Development Platform 2014–2018 Forecast and Analysis" (IDC)

March 2015, "U.S. and Worldwide SMB Enterprise Mobility Management Software 2015–2019 Forecast" (IDC)

March 2015, "Mobile World Congress 2015: The Search for Growth Focuses on Enterprises, IoT, and Future Networks" (IDC)

March 2015, "Ovum Decision Matrix: Selecting a Mobile App Development Platform Solution, 2015–16" (Ovum)





Barry Ariko

Non-Executive Chairman

> Following an excellent financial performance last year, in 2015 Globo is well positioned to continue its growth and development in all areas of the international mobile business.

Introduction

During 2014, Globo achieved excellent growth, resulting in record revenues, profits and free cash flow.

Globo's mobility products and services continued to deliver strong growth and drove Group's expansion. More specifically, revenue from the enterprise mobility's products and project services grew by 94 per cent, reaching €57.9 million (2013: 29.9 million) and the revenue from consumer products and services increased by 11 per cent to €38.5 million (2013: 34.8 million).

Total revenues from North America, where the Group has strategically focused since 2013, increased by 333 per cent to €15.6 million (2013: €3.6 million), representing 15 per cent of the total Group revenues. Furthermore, at the end of 2014, 113 employees were located in the Group's US operations and we continue to increasing our US presence.

Our July 15th 2014 acquisition of the services division of Sourcebits Inc. has been successful in all aspects. Sourcebits is now fully integrated as part of the Group's Mobility Business Solutions division and successfully deliver solutions to our customers.

During 2014, Globo has received market recognition from global analysts following the technology sector and is now well positioned with the top players in a multi-billion dollar industry which is set to grow over the coming years.

Throughout 2014 and so far in the current year, Globo has continued to develop its portfolio of products and services, focusing on its mobile business and expansion.

Results and Finance

For the year to 31 December 2014 revenues increased by 49 per cent to €106.4 million (2013: €71.5 million), ahead of market expectations.

EBITDA increased by 41 per cent to €50.9 million (2013: €36.0 million).

Profit before tax rose by 30 per cent to €35.7 million (2013: €27.4 million) with basic earnings per share of 9.4 cents (2013: 7.4 cents), an increase of 27 per cent.

Cash generated from operations increased by 60 per cent to €36.4 million (2013: €22.7 million). Free cash flow generated reached €7.3 million before the impact of the acquisition of Sourcebits Inc. (2013: €5.2 million).

The year-end cash position was €82.8 million

Outlook

Following an excellent financial performance last year, in 2015 Globo is well positioned to continue its growth and development in all areas of the international mobile business.

Our Enterprise Mobility solutions have stimulated substantial interest in the market and our order pipeline is growing rapidly, strengthening our commercial platform for future development.

Current trading remains strong and we are confident that 2015 will be a year of significant strategic progress and continued profitable growth for the Group.



Barry Ariko
Non-Executive Chairman

The Directors present their Strategic Report on the Group for the year ended 31 December 2014.

The Strategic Report is a statutory requirement under section 414A of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and is intended to provide fair and balanced information that enables the Directors to be satisfied they have complied with s172 of the Companies Act 2006, which sets out the Directors' duty to promote the success of the Group and Company.

Organisation Overview

The Board is responsible for providing strategic direction for the Group, setting objectives and management policies and agreement on performance criteria. The Board monitors compliance with objectives and policies of the Group through monthly performance reporting, budget updates and monthly operation reviews. The composition of the Board together with their biographies is presented from page 40.

Review of the Business, Strategy and Business Plan

The principal activities of the Group are the provision of telecom and mobile software products and related services, as well as developing and operating broadband wired and wireless networks. A business and financial review of the operations for the financial year 2014 as well as the future developments of the Group are included in the Chairman's Statement, together with the Chief Executive Officer's Report and the Financial Review, which form part of this Strategic Report.





Konstantinos ("Costis") Papadimitrakopoulos

Chief Executive Officer

In response to the rapidly changing demands of our target market Globo has developed a unique position in the Mobile Enterprise space.

Overview

During the past three years, Globo has transformed itself from a European software company into a leader in one of the most promising technology markets, combining mobile enterprise solutions, enterprise mobility management and applications development.

This past year has yielded a 49% growth in revenue to €106.4 million and a third consecutive year of an increase in free cash generation, amounting to €7.3 million, an increase of 40% on 2013.

In response to the rapidly changing demands of our target market Globo has developed a unique position in the Mobile Enterprise space.

Our offering continues to evolve, in line with the rapid change in both customer needs and technology trends. Building upon the needs of BYOD, enablement of mobile workforce, security, and engagement with consumer audiences and citizens using apps that matter, Globo today offers a comprehensive set of products and services to meet any customer's mobile ambition. We empower the Mobile Enterprise by offering products and services that can meet any customer need to transform, optimise and make an enterprise more profitable.

For our own part, investment in product development and the accumulation of sales and marketing skills have created the basis for continued growth and profitability. This is underpinned by the cost efficiencies built into our development facilities, a combination that gives us the resources for further innovation and investment.

We are also open to acquisition opportunities - such as Sourcebits in 2014 - which can add technical resource and further market access.

The Group has established US headquarters in Palo Alto. Enterprise Mobile services represents the dominant component of our business and we see a tremendous future in further building our presence in advanced markets such as the US and Western Europe. Our execution capabilities and underlying

cost efficiencies will help the Group to maintain its track record of profitable growth.

We remain confident about our future growth prospects and believe that 2015 will be another successful year for the Group, building on the achievements of 2014.

Financial Performance

Group revenues grew 49% to €106.4 million (2013: €71.5 million). This was principally the result of strong organic growth in the mobile products and services segment of the Group, accounting for 90.6% of total revenue (2013: 90.5%), totalling €96.4 million (2013: €64.7 million).

Key elements of our 2014 financial performance include:

- **Profit before tax of €35.7 million**, an increase of 30% (2013: €27.4 million) and ahead of market expectations. This reflects the combination of strong top-line demand and the allocation of resources to increased marketing and direct sales processes combined with the cost efficiencies that the Group has achieved.

- **Group revenues from GO!Enterprise products and project services** increased by 94% to €57.9 million (2013: €29.9 million), driven by demand for **GO!Enterprise** solutions and service projects, and contributions from Notify and Sourcebits.

- **Increased Free Cash Flow generation to €7.3 million** (2013: €5.2 million), excluding the impact of the Sourcebits acquisition. This is the third consecutive year in which Globo has generated positive Free Cash Flow whilst maintaining strong revenue growth. Cash conversion[4] of profits remained healthy at 72%, supporting organic investment and working capital needs.

GO!Enterprise Products and Services

GO!Enterprise generates revenues in three areas: from Enterprise Mobility Management (EMM) licenses; Mobile Application Development Platforms (MADP) licenses; and the provision of Mobile Software Consulting and Development services. As highlighted in industry surveys in 2014 such as the Gartner Enterprise Mobility Management Magic Quadrant report and Ovum's 2014-15 Decision Matrix for EMM Solutions, Globo's enterprise mobility offering is distinguished by its' ability to provide combined device management (EMM) and app development tools (MADP).

GO!Enterprise products and project services revenue increased by 94% to €57.9 million (2013 €29.9 million), reflecting demand for both EMM and MADP licenses and services. As originally projected, GO!Enterprise revenues represent the major revenue contributor for Globo (54.4% of total revenue) and this pace of growth provides us with confidence in growth over the next few years.

The Group saw a shift in emphasis in 2014 from channel and partner sales towards increased direct sales, notably in the US, and with this the potential for stronger links with our customers, supported by the consulting and development services provided by the Mobility Business Solutions (MBS) division.

[4] Cash conversion represents the percentage of cash generated from operations relative to EBITDA.

The table provides a breakdown of revenue drivers in respective business divisions:

	2014 Installed Licenses	2014 Revenue	2013 Installed Licenses	2013 Revenue
Enterprise Mobility Management (EMM) licenses [3]	834,600	€12.6 million	340,600	€5.8 million
Mobile Application Development Platform (MADP) licenses [4]	31.8m	€20.0 million	13.1m	€9.1 million
Mobility Business Solutions (MBS) [5]	N/A	€25.3 million	N/A	€15.0 million
Total		**€57.9 million**		**€29.9 million**

[3] Enterprise Mobility Management (EMM) licenses include GO!Enterprise Office, Mobilizer, BOX, MDM, Sync, LinkBusiness to Employee licenses, sold on a per named device model.

[4] Mobile Application Development Platform licenses include GO!Enterprise Reach (Business to Consumer licenses) sold in blocks of 50,000 or 100,000 devices.

[5] Mobility Business Solutions (MBS) related to GO!Enterprise Project Services

GO!Enterprise Enterprise Mobility Management (EMM) licenses

Revenue is comprised of licenses sold to organisations for secure workforce provision of apps - email, contacts, calendars, file access and handling, messaging, secure browsing, etc. – across multiple mobile devices. Products in this category are GO!Enterprise Office, GO!Enterprise MDM, GO!Enterprise Mobilizer, GO!Notify Link/Sync. These services are mainly hosted by our clients' own infrastructure; Globo also offers hosting and support services. Our EMM solution is based on a modular approach, which includes Mobile Device Management (MDM) for securing mobile devices and enforcing policies or, alternatively, an extendable secure "container" (GO!Enterprise WorkSpace) which establishes an separate, secure, enterprise workspace in the mobile device alongside personal data and applications. 2014 EMM revenue totalled €12.6 million (2013: €5.8 million).

GO!Enterprise Mobile Application Development Platform (MADP) licenses

Revenue is derived from licenses for the development and operation of cross-platform mobile applications for use by employees, associates or retail customers, branded as GO!Enterprise Reach. Services are deployed on-premise hosted on customers' infrastructure; Globo

also offers hosting services and support services. Globo's GO!AppZone MADP solution enables cloud-based mobile app development based on a single source code for one-stop deployment on all operating systems - Android, iOS, WindowsPhone, Windows8, BlackBerry, HTML5. This enables significant savings in manpower, development time and overall cost. 2014 MADP revenue totalled €20.0 million (2013: €9.1 million).

Mobility Business Solutions

MBS is a division within Globo, which provides "App development lifecycle services". This division offers the customer a holistic solution, whilst collaboration forms the basis of longer-term relationships with clients and a source of recurring revenues as new requirements arise.

MBS provides a comprehensive offering that helps companies that do not necessarily have the relevant resources, time or expertise, find their way through the fragmented and diverse mobility environment. It not only helps them develop a mobile strategy but enables them to implement it effectively with a future-proof secure cross-platform (GO!AppZone) or native technology.

This offering is designed to meet the requirements of enterprises, of all sizes and across a range of industries, for a complete professional service which will mobilise business apps and provide necessary support throughout the full Apps Development Lifecycle. To meet these demands requires a strong combination of consulting tools and skills.

Our MBS operation focuses on the differing requirements of specific sectors and clients, thus extending the traditional app development business model into that of an enabler and provider of professional services for both end-users and intermediary software vendors, VARs and System Integrators.

2014 MBS revenue totalled €25.3 million (2013: €15.0 million).

CitronGO! and GO!Social services

Based on feature phone technology, CitronGO! and GO!Social services are offered on a white label basis with an emerging markets emphasis. For these services Globo receives a fixed service fee per active user on a monthly basis. In 2014 revenue for these services increased by 11% to €38.5 million (2013: €34.8 million). This growth was driven by a 17% increase in customer base to approximately 3.50 million active monthly users (2013: approximately 2.98 million active monthly users). At year-end we had 6.7 million unique users registered (2013: 6.3 million). We distribute services via Mobile Value Added Service Providers (MVASPs) and in turn Mobile Network Operators (MNOs) positioned as part of their own content offerings. At year-end, CitronGO! and GO!Social were being offered in 32 countries in Europe, Africa, Latin America, Asia and the Middle East. Smartphone diffusion in emerging markets continues to grow. We see continued demand for CitronGO! and GO!Social services in emerging markets which remain at early stages of mobile network development and anticipate that our consumer mobility products will continue to grow at a single digit rate during 2015. At the same time we are leveraging our market presence and reseller network in these emerging markets to introduce our GO!Enterprise product set as well as alternative CitronGO! offerings, based on freemium model.

Telecom Services - S.a.a.S

This division recorded 2014 revenue of €6.6m (2013: €5.0 million), up 32.0%, the result of investments made over the prior two years aimed at improving our product portfolio. We continue to offer our WiPLUS fully-managed WiFi service for

hotels, airports and marinas, which generates income through monthly fees. Via our Further Communications unit we provide MVAS offerings to other MNOs and to other value-added service providers. Globo Mobile Inc., provides other telecom services to international telecom operators. Investment in this division has been EBITDA-enhancing and has contributed positively to overall Group performance.

Distribution Partnerships

In 2014, Globo expanded its distribution and reseller partnerships, providing access to more than 50 countries. Our distributors and resellers act as agents to facilitate sales of our products and services to end customers.

- We have expanded our relationship with Ingram Micro Mobility Inc., for distribution of GO!Enterprise products to large scale enterprises and small- and medium-sized businesses (SMB in the United States and Canada). In addition we have signed a new agreement with Ingram Micro South Africa, for the distribution of our products in the African market
- We have entered into a strategic partnership with Bechtle Direct Ltd., via Computerlinks as distributor, for Enterprise Mobility Management solutions (GO!Enterprise Office and MDM) in the UK
- We have signed a distribution agreement with Qast Software Group for the GO!Enterprise portfolio in China, Taiwan, Hong Kong and Singapore
- We have signed a distribution agreement with SOFTTEK for the GO!Enterprise portfolio for China and are currently expanding in the US and Latin America
- We have signed a distribution agreement with DSP and LXPN for the GO!Enterprise portfolio for Germany
- Numerous new distribution agreements have also been signed, such as Portland Europe (Benelux), Plus Dynamics (Singapore), Ecfos (Switzerland, France), IREO (Spain) and GN4ME (Middle East & Africa)

Industry Recognition

During 2014, Globo has received market recognition from global analysts following the mobile technology sector and is now well-positioned within the top players in a multi-billion dollar industry which is set to grow over the coming years.

IDC estimates that the total EMM market should grow at a 17.7% CAGR (2013-2018) to reach US$2.5 billion, whilst the market for MADP solutions should grow at a 24.6% CAGR to reach US$3.7 billion over the same period; a combined market opportunity of US$6.2 billion.

- In June 2014 Globo was the only new vendor added, amongst the fourteen included in Gartner's new Magic Quadrant for EMM report. Globo was positioned furthest on the "completeness of vision" axis within the "Niche Players" quadrant, and recognised for the ability to augment device management (EMM solutions) with provision for mobile application development (MADP)
- In September 2014 Globo was included in Ovum's 2014-15 Decision Matrix for EMM Solutions. Ovum noted that; "Globo offers a well-rounded, end-to-end EMM solution, and is one of very few vendors to offer five out of six of our defined components."
- In December 2014 Globo was featured as the first, amongst 16 companies, in terms of

revenue growth in the IDC's December 2014 report on Mobile Application Development Platforms (MADP) - "Worldwide Mobile Enterprise Application Development Platform 2014-2018 Forecast and 2013 Vendor Shares" - for its integrated offerings

Acquisition of Sourcebits

In July 15th, 2014, Globo acquired, for a total cash consideration of US$12.2 million in a cash free/ debt free transaction (€9.1 million), the services division of Sourcebits, a highly-regarded San Francisco-based developer of mobile applications and a specialist in graphic user interface (GUI) technology. The acquisition brought 167 personnel to the Group, based in San Francisco and Bangalore, where Sourcebits has a development and technical support centre. It also brought access to a significant client base including Intel, SAP, P&G, The Coca-Cola Co., Bank of America, Columbia University and Hershey's. In 2014, Sourcebits contributed revenue of €2.1 million, and is now fully-integrated as part of Globo's Mobility Business Solutions (MBS) division. This acquisition complements the Group's strategy in providing fully end to end solutions to the Group's customers worldwide.

Organic Expansion

We remain committed to organic expansion, notably our US presence where we continue to recruit skilled personnel in product development, project delivery and sales and marketing. In 2014 we expanded facilities in Athens for the MBS division, and established and grew our US headquarters in Palo Alto. We also announced plans to establish a new development centre in Pittsburg, Ohio, to take advantage of the pool of university talent available.

Technology Investments, Product Development and Innovation ("R&D")

In 2014 Globo invested €23.6 million in development (2013: €14.6 million), principally on expansion of the GO!Enterprise product suite and establishment of the Mobility Business Solutions division. Amortisation of capitalised R&D amounted to €12.8 million (2013: €8.3 million). In addition to development costs capitalised during the year, research costs of €0.2 million (2013: €0.1 million) were recognised as an expense. Our R&D investment, equivalent in 2014 to 22.4% of revenue (2013: 20.6%), remains at a level sufficient to seed new enterprise mobility product development whilst allowing for the retention of cash generated by operations which will allow the Group to take advantage of acquisition opportunities should they arise. We enjoy the benefits of cost-effective development facilities in Canfield Ohio, Athens and Bangalore. At the Barcelona Mobile World Congress in February 2014 we announced a number of key developments, the direct result of our investment in R&D combined with the accumulated knowledge base, systems and IPR within the Group.

- Launch of GO!AppZone, a family of cloud services which supports simplified build, test and deployment of mobile apps. This included: GO!AppZone Studio, for rapid visual development of cross-platform mobile apps; GO!AppZone ShowTime for testing apps on a device before deployment; GO!AppZone Build, a cloud compiler which produces standalone or managed mobile apps, ready for deployment on all major mobile device platforms; GO!AppZone Deploy, a mobile backend service which simplifies connectivity with third-party systems, and enables management of deployed mobile apps. Globo believes that GO!AppZone has powerful and timely market potential based on its simplicity (e.g. speed of drag-

and-drop compilation); granularity of device-specific Application Programming Interfaces (APIs); use of well-disseminated developer languages, HTML5, CCS and JavaScript; built in instant app test; and native mobile app functionality (e.g. ready for AppStore publishing), removing the need for additional platform-specific SDKs (Software Developer Kits)

- Launch of GO!Enterprise WorkSpace, aimed at an improved, intuitive, end-user experience. This included Secure Office Editor as a free pre-embedded utility, enabling users to securely create, view, edit, annotate and print documents in MS Word, Excel, PowerPoint, PDF or Text, as well as images on smartphones and tablets running Android, iOS and Windows operating systems. We added Microsoft SharePoint support to enable secure access to document repositories, with browsing, search and check-in/check-out functionalities

During the year we have announced significant new features to our product line such as:

- Addition of FIPS 140-2 validated encryption, which has been added to the entire Globo solution suite. Globo achieved the validation of its cryptographic modules from National Institute of Standards and Technology (NIST) Cryptographic Module Validation Program (CMVP) as per Federal Information Processing Standards (FIPS) 140-2 Security Standard for Cryptographic Modules. This addition is an important milestone for Globo's strategy for expansion in United States as it can compete more effectively for customers in highly-regulated markets such as government, finance and healthcare, which demand the highest level of validated encryption

- Integration of GO!Enterprise with Samsung KNOX™ including both the core security platform and secure app container. This integration enables organisations to secure and manage both bring your own device (BYOD) and corporate-issued Android smartphones and tablets from Samsung

- Integration of GO!Enterprise EMM (Enterprise Mobility Management) with Cisco ISE™ (Identity Services Engine), a system which monitors the status of mobile devices to enforce appropriate network access policies. Overall, this enables Globo to offer an added layer of security, control and compliance to enterprise IT

- Development of more than 30 business applications that focus on specific verticals or business operations and leverage the power of our GO!Enterprise Platforms. These applications are ready-made and are offered out of the box (with or without additional customization), and focus on areas where we have identified substantial demand; m-Health, m-Banking, m-Commerce, m-Shipping, m-Investment, m-Travel, m-Government, m-Field Services, m-Customer Care and m-Loyalty

- Participation in numerous co-funded R&D projects such as the PD Manager program consortium of European Universities and companies which has been awarded a European Union Framework Programme grant of €4.3 million for research into Parkinson's Disease (PD) management using mobile-health (m-Health) technology.

We regard R&D and product development as a continuous innovative process. Our roadmap for 2015 remains exciting with further enhancements of our product line and research and development in new areas which offer significant growth opportunities such as Internet of Things (IoT), Wearable devices and Mobile Analytics.

Funded for Growth

The Group ended 2014 with a cash balance of €82.8

million and a net cash position of €40.4 million (2013: €64.2 million and €42.8 million).

Our relationship with Barclays Bank PLC and East West United Bank Luxembourg remains strong, providing us access to additional capital should it be needed.

Underpinned by our ability to generate free cash flow, this combination of existing resources on the statement of financial position and available credit lines means that the Group has the platform from which to continue to develop aggressively and flexibly in the rapidly-evolving "mobile first" market of enterprise mobility management.

2015 Outlook

We are confident that 2015 will be a year of significant progress for Globo. Our focus will be on improving our market profile, increasing our share of the market for provision of EMM and MADP solutions and services, growing recurring revenues and continuing to generate positive cash flow. Having delivered another year of strong top line growth in 2014 combined with our third year of positive cash generation, we feel confident in having developed a strong formula for both innovation-based growth and sound business management.

Current year trading has started strongly. Our product positioning and growing presence in the US, the key market for Enterprise Mobility, leads us to believe that in 2015 we can benefit from the momentum around the "Mobile Enterprise" transformation and increased awareness of secure BYOD solutions. Our ability to offer combined device management solutions and application development tools (EMM plus MADP) is our key competitive advantage in this field, which has been recognised by several analysts recently. We continue to strive to become a global leader in this exciting market which will deliver strong shareholder value.



Konstantinos ("Costis") Papadimitrakopoulos
Chief Executive Officer



Dimitrios Gryparis

Chief Financial Officer

In 2014, Globo delivered a strong financial performance with substantial growth in revenue, strong profitability and positive free cash flow.

Financial Review

In 2014, Globo delivered a strong financial performance with substantial growth in revenue, profitability and positive Free Cash Flow.

Revenue

Group revenue increased by 49% to €106.4 million (2013: €71.5 million). This was the result of strong organic growth in the mobile segment, accounting for 90.6% of total revenue (2013: 90.5%), totalling €96.4 million (2013: €64.7 million).

- Revenue from GO!Enterprise products and project services increased by 93.6% to €57.9 million (2013: €29.9 million)
- Revenue from consumer mobility products and services increased by 10.6% to €38.5 million (2013: €34.8 million)
- Revenue of the Telecoms – S.a.a.S segment of the Group increased by 32.0% to €6.6 million (2013: €5.0 million)
- Revenue from the mobile third party goods reselling unit contributed €3.4 million (2013: €1.9 million).
- Of the €34.9 million of revenue growth, the contribution from organic growth was €29.8million (85% of total revenue growth). The combined acquired revenue from Notify and Sourcebits was €5.1 million (15% of total revenue growth)

Gross Profit

Gross profit increased by 56.2% to €62.8 million (2013: €40.2 million). Gross margin for the year was 59.0% (2013: 56.2%). This resulted from the introduction of direct sales in the Enterprise Mobility segments, representing a shift in emphasis away from distribution solely via channels and partnership agreements. It was also the result of reduced amortisation charges within the year due to the maturity of the consumer mobility products, and the development of new enterprise mobility products which did not incur amortisation charges for the full year.

Depreciation and Amortisation

Depreciation of tangibles and amortisation of intangibles amounted to €13.5 million (2013: €8.6 million) reflecting the significant product development undertaken in both 2014 and 2013.

Operating Profit

Operating profit increased by 36.6% to €37.3 million (2013: €27.3 million), with an operating margin of 35.1% (2013: 38.2%). As expected, distribution and administration expenses increased and amounted to €23.5 million (2013: €14.1 million) due to the accelerated global expansion of the Group in terms of both personnel and higher marketing costs.

EBITDA

EBITDA increased by 41% to €50.9 million (2013: €36.0 million), with an EBITDA margin of 48% (2013: 50%).

Profit before Tax

Profit before tax for the period totalled €35.7 million, an increase of 30.3% (2013: €27.4 million).The taxation charge for the year was €0.7 million (2013: €2.1 million).

EPS

Basic earnings per share increased by 27.0% to €0.094 (2013: €0.074).

Statement of Financial Position

Total assets were €239.4 million at 31 December 2014 (2013: €174.7 million) comprising:

- €75.6 million of non-current assets
- €81 million of inventories, trade receivables, other receivables and current assets
- €82.8 million in cash at bank
- Net cash position (cash minus debt) at €40.4 million (2013: €42.8 million).

Equity increased by 28% to €176.0 million.

Total liabilities reached €63.4 million.

Cashflow

Cash generated from operations grew 60.4% to €36.4 million (2013: €22.7 million). Key features were:

- Net cash flow from operations, after interest and tax payments, of €31.0 million (2013: €20.6 million)
- Investments in property plant and equipment (tangible assets) of €0.9 million (2013: €1.4 million)
- Investments in intangible assets of €23.5 million (2103: €14.6 million), amounting to 22.1% of Group revenue (2013: 20.4%). This resulted from the balance between an ongoing commitment to product development and innovation and the significant economies arising from R&D centres located in Ohio US, Greece and Bangalore
- Investments in the acquisition of Sourcebits of €9.1 million

Free Cash Flow

The Group, for a third consecutive year, reported increased positive Free Cash Flow of €7.3 million, before the impact of the acquisition of the services operations of Sourcebits and associated costs.

Acquisition of Sourcebits

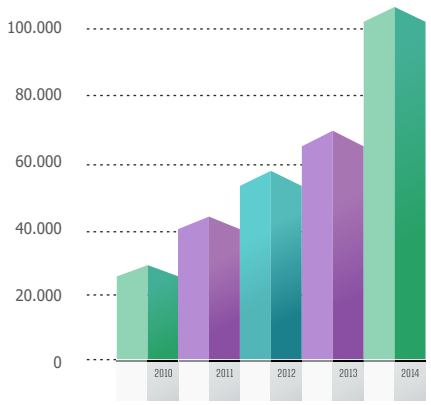
The Group acquired the services division of Sourcebits, a specialist in design led mobile application development on 30 June 2014 for a cash consideration of US$12.2m (€9.1 million) paid in full on 24 July 2014.

Income from Associate Globo Technologies S.A.

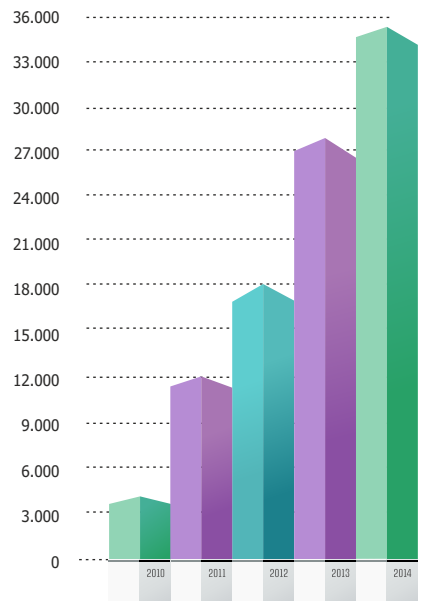
The Group has reported income from its associate, Globo Technologies S.A. – Greece, which continues to perform well, with total revenues having increased by 28% to €32.2 million (2013: €25.2 million) and profits before tax of €4.34 million (2013: €2.92 million). The recorded income from associate is €1.7 million (2013: €1.2 million).

The ongoing repayment schedule for the acquisition of the 51% of Globo Technologies shares, undertaken from the management team of Globo Technologies S.A., is on track with all instalments having been collected as per the schedule. For 2015 we expect to receive €3.0 million plus interest as part of the payment schedule.

Total Revenue (€,000)



Profit Before Tax (€,000)





Dimitrios Gryparis
Chief Financial Officer

Key Performance Indicators

In 2014, the Group delivered robust growth both in terms of business and financial performance. The Board monitors the overall performance of the Group by reference to Key Performance Indicators (KPIs). KPIs for the year, together with historical data, are presented in the table below:

		2014	2013
1	Growth in Revenue	49%	55%
2	EBITDA	€ 51.0m	€ 36.0m
3	Profit before tax	€ 35.7m	€ 27.4m
4	Earnings per share - basic	€ 0.094	€ 0.074
5	Free cash flow	€ 7.3m	€ 5.2m
6	Enterprise Mobility Management (EMM) licenses installed	834,600	340,600
7	Mobile Application (MADP) Development Platform licenses installed	31.8m	13.1m

1. Year-on-year growth in revenue, expressed as a percentage. The increase in revenue was mainly resulted from the growth in the mobile product and services segment of the Group.

2. EBITDA represents net income before interest, taxes, depreciation and amortization. Management believes that EBITDA is useful in measuring operating performance and performance relative to the Group's financial obligations. This year's increase is mainly due to higher gross profit, along with a higher amortization and depreciation charges than last year

3. This measure combines all of the Group's profit before tax.

4. EPS is calculated by dividing the Group's profit by the weighted average number of shares outstanding.

5. FCF is calculated by taking the net cash flow from operating and investing activities, adding back the cost of acquisitions

6. EMM installed licenses grow over 144% during 2014

7. MADP installed licenses grow over 142% during 2014

Principal Risks and Uncertainties

The financial risk factors applicable to the Group, together with the risk management procedures adopted in order to mitigate exposure, are included in note 3 to the Financial Statements.

Focus on the International Mobile Applications Market

Since 2010 the management of the Group has decided to focus on the international mobile applications market.

This market is characterized by rapid technological change, evolving industry standards, frequent new product introductions and short product life cycles. To keep pace with technological developments, the Group will need to continue to enhance its current mobile solutions and services and to continue to develop new and innovative mobile products and services.

Furthermore, the Group does not have multi-year agreements with mobile customers and may be unable to retain key customers, attract new customers or replace departing customers with customers that can provide comparable revenue. The Group's success requires it to maintain and expand its current, and develop new, customer relationships. Most contracts with customers do not obligate them to long-term purchasing of our services. The management cannot assure shareholders that the Group's customers will continue to use its products and services or that the Group will be able to replace, in a timely or effective manner, departing customers with new customers that generate comparable revenue. Moreover, it is difficult to obtain a contract from a mobile network operator due to the complexity of these types of organizations which have numerous levels of approval. The Group is constantly expanding its indirect network of distributors and resellers, along with its direct sales team expansion in order tp eliminate any potential revenue losses.

Protection of Proprietary Software and Intellectual Property

The management regards the protection of the Group's developed technologies and intellectual property rights as an important element of its business operations and as crucial to its success. The Group relies primarily on a combination of trademark laws, copyright laws, trade secrets, confidentiality procedures and contractual provisions to protect its proprietary technology. The Group generally requires its employees, consultants and advisors to enter into confidentiality agreements. These agreements provide that all confidential information developed or made known to the individual during the course of the individual's relationship with the Group is to be kept confidential and not disclosed to third parties except under specific circumstances. In the case of the Group's employees, the agreements provide that all of the technology which is conceived by the individual during the course of employment is the Group's exclusive property. The development of our technology and many of the Group's processes are dependent upon the knowledge, experience and skills of key scientific and technical personnel.

Country and currency risk

Continuing issues in the Eurozone have resulted in a business risk from high currency volatility and/or the potential of an exit of one or more countries

from the euro as well as banking systems being frozen.

The Group and our partners also have business relationships in non-Eurozone areas where there are higher risks of currency volatility and/or limits and/or restrictions on the ability to exchange the local currency for a currency of choice.

In response to these current and evolving conditions, we have reviewed our existing business policies and where necessary evolved them with the aim of both minimising, where possible, the Group's economic exposure and to preserve our ability to operate under a range of different possible conditions.

Should a country exit from the Eurozone, this may require changes in one or more of our entities' functional currency and potentially higher volatility of those entities' trading results when translated into Euro.

A summary of our foreign exchange risk management policies is set out within "Financial risk management – Market risk – Foreign exchange management" within note 3 to the consolidated financial statements.

Risk of change in carrying amount of assets and liabilities

The main potential short-term financial statement impact of the current economic uncertainties is the potential impairment of non-financial and financial assets.

Although the Group has significant amounts of intangible assets, plant, property and equipment held by companies operating in the Eurozone at least €54.9 million of the Group's continuing revenue is from countries either outside the Eurozone or unaffected by its issues . We believe that future growth in revenue will come from countries not impacted by the Eurozone issues. We have performed impairment testing for each of our cash generating units and an impairment charge of €0.6 million was deemed necessary. Further detail on this impairment testing together with the sensitivity of the results to reasonably possible adverse assumptions is set out in note 3 to the consolidated financial statements.

Counter party risk

The Group has billed and unbilled trade receivables together with customer specific work in progress totaling €45.7 million (€20.3 million at the end of 2014 and €8.7 million at the end of 2013 over 90 days), €20.2million and €4.7million respectively – together "Counter party risk". IFRS contains specific requirements for impairment assessments of such Counterparty exposures. The Group has a range of Counterparty exposures and consistently applies methodologies for impairment provisions for doubtful items which are overlaid with judgements determined on a case-by- case basis reflecting the specific facts and circumstances of the Counterparty. Detailed disclosures in relation to such Counterparty exposures provisions as well as disclosures about any receivables that are past due at the end of the period, concentrations of risk and credit risk more generally as set out in "Financial risk management – Credit risk" within note 3 to the consolidated financial statements.

At the end of the period the Group had cash resources held by counterparties ("Banks") of €82.8 million. Our counterparty risk management is focused on the protection and availability of cash deposits for the benefit of the Group. Actions have been taken to reduce counterparty limits with certain financial institutions and to hold a significant

proportion of our euro denominated holdings in highly rated banks outside of the Eurozone. Further information is provided within "Financial risk management – Liquidity risk" within note 3 to the consolidated financial statements.

The Group has trade receivables over 90 days amounted €20.3million (2013: €8.7million)

The Group has relationships with both the end user of its products and services as well as trading with a small number of partners who have special relationships in various territories with the Mobile Network Operator ("MNO"). These partners are head quartered in a number of jurisdictions which are often different from that of the end consumer of our products and services. Having considered recent and continuing financial developments in several parts of the world we believe that a risk exists of not collecting in time or at all, part or the whole of the outstanding counterparty exposure, due to a possible financial turmoil worldwide, including government restrictions on currency transfers, freezing of the banking system, currency devaluation to such an extent that our counterparty would be unable to fulfil in whole or part their obligation to the Group. The Group constantly monitors the collection of the outstanding receivables which historically has been satisfactory and has no reason to believe that any of these amounts are not recoverable.

Dependence on Key Personnel

The Group is dependent upon its executive management team and other key personnel. Whilst it has entered into contractual agreements with the aim of securing the services of these personnel, the ability to retain their services cannot be guaranteed. The development and success of the Group is partly dependent on the ability to retain and recruit high quality staff. The loss of the services of key personnel or the inability to attract further qualified personnel as the Group grows could have an adverse effect on the Group's business and financial results. In order for the Group to remain attractive and enhance commitment to personnel, the Group offers contractual arrangements along with competitive remuneration packages.

Technology Risk

The Group is engaged in a highly competitive and rapidly evolving industry and therefore is subject to intense competition from a number of companies. The Group competes with many large global companies as well as many new market entrants, who may implement technologies before the Group does. The impact of competition could result in reduced sales, loss of market share, reduced operating margins etc. Despite continuous investments in research and development of new products and services, there can be no assurance that the Group will be able to compete successfully in the future.

The information on pages 24 to 38 represents the Group's Strategic Report and has been approved by the Board.

Konstantinos ("Costis") Papadimitrakopoulos
Chief Executive Officer





Konstantinos ("Costis") Papadimitrakopoulos

Chief Executive Officer

Costis holds a degree in Electrical Engineering from National Technical University of Athens. From 1989 to 1995 he was operations and exports manager for his family's fruit processing business, Sparti Hellas S.A., where he gained experience of the markets in Greece, the Balkans and Eastern Europe. Upon leaving the family business he founded Globo in 1997. Since 2008 he has served as Chairman to Hellenic Capital plc, an ISDX quoted Investment Company. He is also Chairman to the Hellenic Association of Mobile Application Companies, founded in 2010. Konstantinos was awarded by "KOUROS 2011" in the category of Innovation and Entrepreneurship, presented by the Vice President of Greek Government, in November 2011.



Gerasimos ("Makis") Bonanos

Chief Operations Officer

Makis studied Mechanical Engineering at the University of Leeds, after which he transferred to the American College of Greece and graduated with a BSc degree in Marketing. Gerasimos worked for KODAK Near East Inc. between 1982 and 1989 with the exception of 1984 where he worked as a senior manager for General Motors ODC before rejoining KODAK in 1985. Gerasimos then joined BIS S.A., an exclusive distributor of KODAK microfilm and digital products where he worked between 1989 and 2004. Having acquired expertise in the field of document management solutions, he joined Globo in 2005 and has been successful in the development of both Globo sales and positioning in large-scale projects. He has experience in international business as well as the Greek market.



Dimitrios Gryparis

Chief Financial Officer

Dimitris graduated from Essex University with a Bachelor's degree in Accounting and Financial Management. He also has a Master's degree in Banking and Finance from Adelphi University (NY, USA) and is a former banker, having worked as an account officer in the Corporate Banking division of EFG Eurobank in Athens for five years between 2001 and 2006. He joined Globo in June 2006.



Barry Michael Ariko

Non-Executive Chairman

Barry has enjoyed a long and distinguished career in the software sector, initially with Oracle, Tandem Computers, Unisys and AOL (as well as Incyte, Mirapoint, Instranet and Extricity). He has enjoyed a career in enterprise companies and the software industry with directorships and other management roles including acting as an independent advisor to the Board of Autonomy Corporation plc, where he also served as a non-executive director between 2000 and 2010, and is also presently a Non-Executive Director of Incyte, a small molecule drug discovery company from 2001. Barry's previous management roles have included the following: Non-Executive Director of Autonomy Limited (2000 to 2010); Non-Executive Director of Modius Inc.(2008 to 2009); Non-Executive Director of Aspect Communications (2003 to 2007); CEO and President of Mirapoint Inc (2003 to 2007); Non-Executive Chairman of Instranet Inc., (2002 to 2008); Chairman and CEO Extricity Inc (2000 to 2001); Senior Vice President of AOL Inc., which had acquired Netscape Communications Corp. where he was Executive Vice President and Chief Operating Officer with primary responsibility for the enterprise software business (1998 – 2001) and Executive Vice President in charge of the Americas operations for Oracle Corp (1994 to 1998). Between 1968 and 1994, Barry held management positions in Tandem Computers Inc., Sperry Univac (now Unisys) and Hazeltine Corp. In 1981, Barry completed a BS Management (Summa Cum Laude) at Golden Gate University in San Francisco and in 1992, completed the Advanced Executive Program at Northwestern University's J. L. Kellogg Graduate School of Management. The current directorships for Barry Ariko are as follows: Globo plc and Incyte Corporation.



Dr. Joseph (Joe) Coughlin

Non-Executive Director

Joe is a distinguished academic with considerable business consultancy experience. He currently teaches at the Massachusetts Institute of Technology's School of Engineering on health innovation, strategic management and public policy. He is also the founder and Director of MIT's AgeLab - the first multi-disciplinary research programme created to understand the behaviour of the 45+ population and in turn providing innovative technological solutions to improve the quality of life of older adults and their families. Prior to joining MIT, Dr. Coughlin was with EG&G (Carlyle Group), a Fortune 1000 science and technology company, where he led the transportation technical services and consulting practice, serving industry and government worldwide.



Gavin Burnell

Non-Executive Director

Gavin Burnell is a Director of Corporate Finance with Sanlam Securities UK Limited. He holds a degree in Accounting & Finance and has specialised in advising smaller companies for the last thirteen years.
Gavin is a co-founder and / or director of a number of private and publicly traded entities, including Elephant Oil Limited, Magnolia Petroleum plc, Prospex Oil & Gas plc, Stratex International plc, Sula Iron & Gold plc and Hot Rocks Investments plc. Gavin has taken a number of companies from start-up through to sale or flotation.

The Directors present their Annual Report and the audited Financial Statements for the financial year ended 31 December 2014.

General Information

Certain information required by the Companies Act 2006 relating to the information to be provided in the Directors' Report is set out in the Group Strategic Report and includes: Principal activity, Future developments, Events after the end of the Reporting Period.

Research And Development

By investing in research and development, the Group develops mobile software products and services to meet the specialized requirements of business enterprises and public sector organizations. These activities rely on internal investment by Globo and on the adoption of stringent software engineering practices in order to ensure the high quality, effectiveness and usability of applications, which meet customer requirements, reduce production costs and document the know-how gained from each project. The Group closely follows international developments in key business and technology sectors.

Dividends

The Directors do not recommend the payment of a dividend (2013: Nil).

Directors

The following Directors held office during the year:

B Ariko

G Bonanos

G Burnell

J Coughlin

D Gryparis

K Papadimitrakopoulos

Directors' Interests - Shares

The beneficial interests of the Directors in the issued share capital of the Company were as follows.

Ordinary Shares		
	At end of period	**At start of period**
B Ariko	50,000	-
G Bonanos	298,685	248,685
G Burnell	320,000	270,000
J Coughlin	-	-
D Gryparis	303,685	253,685
K Papadimitrakopoulos	69,784,197	69,645,197

Financial Instruments

Financial instruments are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provision of the instrument. Financial assets carried on the statement of financial positioninclude cash and bank balances, trade receivables, trade payables and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. The Group's activities expose it to a variety of financial market risks, including the effects of changes in debt and equity markets, foreign currency exchange rates and interest rates. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on its financial performance.

Substantial Shareholdings

As at 30 April 2015 the Company was aware of the following holdings of 3% or more in the Company's issued share capital:

Shareholder	Shares	Percentage
Konstantinos Papadimitrakopoulos	69,784,197	18.67%
Standard Life Investments	30,351,580	8.12%
Royal London Asset Management	15,118,562	4.05%
Inflection Point Investments LLP	11,556,083	3.09%
Forum European Small caps GmbH	11,301,049	3.02%

Statement Of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Group and Parent Company Financial Statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the profit or loss of the Group for that period. In preparing these Financial Statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the Financial Statements comply with IFRSs as adopted by the European Union, 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 Company will continue in business,

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements and other information included in annual reports may differ from legislation in other jurisdictions.

The Company is compliant with AIM Rule 26 regarding the Company's website.

Provision Of Information To Auditor

The Directors confirm that:

- so far as each director is aware there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Our auditors, Grant Thornton UK LLP have indicated their willingness to continue in office, and a resolution for their reappointment will be proposed at the annual general meeting

AGM

The notice of AGM and an explanation of the business to be transacted at that meeting are on pages 107 to 114 of this document.

On Behalf of the Board
Dimitrios Gryparis
Chief Financial Officer
29 May 2015



The Directors recognize the importance of sound corporate governance while taking into account the Company's size and stage of development.

Under the AIM rules the Company is not required to comply with all of the provisions of the UK Corporate Governance Code (the Code) and we do not however this is the Code the Directors refer to when considering the Company's governance arrangements.

The Board

The Board is made up of three executive directors; Costis Papadimitrakopoulos (Chief Executive Officer), Dimitrios Gryparis (Chief Financial Officer) and Makis Bonanos (Chief Operating Officer) and three non-executive directors; Barry Ariko (Chairman), Gavin Burnell and Joseph Coughlin. The Board considers all of the non-executive directors to be independent. The Board has not appointed a Senior Independent Director as it does not believe that this is currently necessary. Biographical details of the Directors are given on pages 40 and 42.

The Directors believe that the Board is soundly constituted and they hold regular Board meetings. This enables them to exercise adequate control over the activities of the Group. There is a clear distinction between the role of the Non-Executive Chairman in running the Board and the Chief Executive Officer in running the business. There is a schedule of matters reserved to the Board for approval before implementation and this is regularly reviewed by the Board. The Board considers all key matters including corporate strategy, budgets, operational performance, risk management, corporate actions and any other areas which are either required by law or deemed appropriate by management to be considered by the Board.

Board committees

The terms of reference of all Board committees are available on the Company's website. The Company Secretary acts as Secretary to the committees, details of which are given below.

Audit Committee

The Audit committee comprises Barry Ariko (Committee Chair), Gavin Burnell and Joseph Coughlin. It meets at least once each year. In accordance with its terms of reference the principal functions of this committee are:

- to determine the appropriateness of accounting policies used by the Company;
- to review the interim and full year results and the annual report before publication;
- to consider the scope and findings of the external audit as well as the independence and objectivity of the external auditors;
- to assess the effectiveness of the Company's system of internal controls and risk management.
- to approve non-audit services provided by the statutory auditors

The Committee meets with the external auditors at least once a year without management being present.

Remuneration Committee

The Remuneration committee comprises Gavin Burnell (Committee Chair), Barry Ariko and Joseph Coughlin. It meets at least once each year. The principal duties of the committee are:

- to determine the total individual remuneration packages for executive directors;
- to review the scale and structure of the remuneration and service contracts for senior management;
- to approve the total levels of awards under the Company's share option schemes.

Nomination Committee

At this stage of the Company's development the Directors consider that the functions of a Nomination committee can be adequately fulfilled by deliberation of the full board: this will be kept under review.

Attendance at meetings

Directors' attendance at Board and committee meetings during the year is summarised in the table below.

	Board meetings		Audit committee meetings		Remuneration committee meetings	
Name	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Barry Ariko	7	7	1	1	1	1
Makis Bonanos	7	7	0	1	0	0
Gavin Burnell	7	6	1	1	1	1
Joseph Coughlin	7	7	1	1	1	1
Dimitris Gryparis	7	7	0	1	0	0
Konstantinos Papadimitrakopoulos	7	7	0	1	0	0

The Company maintains appropriate directors' and officers' liability insurance. All directors have access to the advice and services of the company secretary and may in furtherance of their duties, take independent professional advice at the Company's expense.

The performance and effectiveness of each director, including the non-executive directors, is assessed on an ongoing basis by the other members of the Board. All members of the Board are free to bring any matter to the attention of the Board, at any time. The Board carried out a review of its governance arrangements during the year.

Relations with shareholders

The Board welcomes the views of its shareholders. The Annual General Meeting (AGM) is used as an opportunity to communicate and discuss matters with shareholders. All shareholders are encouraged to attend the Company's AGM in order to take advantage of the opportunity to ask questions of the Directors.

Shareholders may also contact the Company in writing or via its website, which is regularly updated. Additional information is supplied through the circulation of the Annual Report and Accounts. The Company makes regulatory announcements whenever relevant and issues other news releases as appropriate. The Chief Executive Officer and Chief Financial Officer meet individual and institutional shareholders as and when required and provide such information as is permissible in order to give shareholders a better understanding of the Company's activities and progress.

Report on Directors' Remuneration

The Remuneration Committee, which comprises all of the non-executive directors, determines the remuneration (including bonuses and options) of executive directors.

Policy on Company Remuneration

The Company is active in the information technology and communications industry and as such, in setting remuneration, the Board has to be mindful of comparative remunerations from within the marketplace whilst controlling fixed costs.

Executive Directors' Remuneration

Executive Directors' remuneration packages are set out in their service agreements of the Company. The service agreements have an indefinite term and provide for notice periods that reach up to six months.

The major component of remuneration is the basic annual salary

i) Basic annual salary

An Executive Director's basic salary is reviewed by the Remuneration Committee. In setting appropriate salary levels, the Committee considers the Group as a whole as well as the performance of each individual executive.

ii) Long-term incentive plan

The Group adopted a Share Option Incentive Plan on 15 November 2007 which ended in 2013. All shares issued under the plan were exercised by 31 December 2013.

No Director had share options and warrants which were granted forfeited, exercised or expired during the period.

Director's Remuneration for the financial year 2014				
Name	**Position**	**Salary & fees €000**	**Other benefits €000**	**Total €000**
Barry Ariko	Non Executive Chairman	135	-	135
Gerasimos Bonanos	Chief Operating Officer	220	8	228
Gavin Burnell	Non Executive Director	86	-	86
Joseph Coughlin	Non Executive Director	75	-	75
Dimitris Gryparis	Chief Financial Officer	230	2	232
Konstantinos Papadimitrakopoulos	Chief Executive Officer	320	124	444
TOTAL		**1,066**	**134**	**1,200**

Share Price Information

The principal trading market for the ordinary shares is AIM.
At 31 December 2014, the Company had a market capitalization of €191,194,199.

Share price

Period from 1 January to 31 December 2014

High	Low
71.75p	37.50p

Earnings per Share

Earnings per ordinary share **€ 0.094** **(6.67p *)**

* Euro figure translated, for illustrative purposes only, at a rate of £1=€1.4086 being the exchange rate at 27 May 2015. (Source: Financial Times)

Advisors

Registered Office	190 High Street Tonbridge Kent TN9 1BE
Nominated Adviser	RBC Capital Markets Thames Court One Queenhithe London EC4V 4DE
Joint Brokers	RBC Capital Markets Thames Court One Queenhithe London EC4V 4DE Canaccord Genuity Ltd 88 Wood Street London E42V 7QR
Registrar	Share Registrars Limited Suite E, First Floor 9 Lion and Lamb Yard Farnham Surrey GU9 7LL
Auditors	Grant Thornton UK LLP Statutory Auditor Melton Street, Euston Square London NW1 2EP
Legal Advisors	Memery Crystal LLP 44 Southampton Buildings London WC2A 1AP
Company Secretary	Lorraine Young

Independent auditor's report to the members of Globo Plc

We have audited the financial statements of Globo Plc for the year ended 31 December 2014 which comprise the consolidated statement of total comprehensive income, the consolidated and company Statement of Financial Position, the consolidated and company statements of changes in equity, the consolidated and company cash flow statements and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeprivate

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2014 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Christopher Smith (Senior statutory auditor)
For and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants

Melton Street, Euston Square
London NW1 2EP

29 May 2015

Consolidated statement of total comprehensive income

For the years ended 31 December 2014 and 2013

	Note	2014 €'000	2013 €'000
Revenue	4	**106,386**	**71,514**
Cost of sales	5	(43,604)	(31,273)
Gross profit		**62,782**	**40,241**
Other operating income	6	204	1,785
Distribution expenses	7	(8,547)	(4,009)
Administrative expenses	8	(15,000)	(10,129)
Other operating expenses	6	(2,118)	(570)
Operating profit		**37,321**	**27,318**
Finance income	11	792	621
Finance costs	11	(4,125)	(1,701)
Share of profit/(loss) of investments accounted for using the equity method	20	1,715	1,161
Profit before tax		**35,703**	**27,399**
Income tax expense	12	(692)	(2,067)
Profit attributable to equity holders		**35,011**	**25,332**
Other Comprehensive Income			
Items that may be subsequently reclassified to profit or loss:			
Currency translation differences on foreign operations		2,815	(339)
Other Comprehensive Income for the year, net of tax		**2,815**	**(339)**
Total Comprehensive Income for the Year		**37,826**	**24,993**
Earnings per Share attributable to the Equity Holders of the Company			
Basic and Diluted	14	**0.094**	**0.074**

The Accounting Policies and Notes on pages 62 to 106 form an integral part of these financial statements.

Consolidated statement of financial position

At 31 December 2014 and 2013

	Note	As at 31 December 2014 €'000	As at 31 December 2013 €'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	15	2,776	2,601
Intangible assets	16	45,260	32,382
Goodwill	18	7,615	836
Deferred tax assets	13	481	507
Other receivables	24	6,045	8,321
Investments in an associate	20	13,339	11,625
Other investments	20	118	51
Total Non-Current Assets		**75,634**	**56,323**
Current Assets			
Inventories and work in progress	22	4,870	6,136
Trade receivables	23	50,788	28,608
Other receivables	24	4,234	2,716
Other current assets	25	21,101	16,730
Cash and cash equivalents	26	82,825	64,194
Total Current Assets		**163,818**	**118,384**
TOTAL ASSETS		**239,452**	**174,707**
EQUITY AND LIABILITIES			
Shareholders' Equity attributable to owners of the Parent			
Ordinary shares	27	4,653	4,653
Share premium	27	65,890	65,890
Other reserves	28	5,440	5,115
Translation reserve		2,852	37
Retained earnings		97,162	62,151
Total Equity		**175,997**	**137,846**
Non-Current Liabilities			
Borrowings	29	39,697	21,433
Retirement benefit obligations		281	139
Provisions	30	593	457
Finance lease liabilities	29	23	8
Deferred tax liabilities	13	3,305	2,954
Total Non-Current Liabilities		**43,899**	**24,991**

continued

	Note	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Current Liabilities			
Trade and other payables	31	4,698	4,642
Income tax		1,078	1,379
Taxes payable	32	772	439
Borrowings	29	2,700	–
Finance lease liabilities	29	22	14
Accrued liabilities and deferred income	33	10,286	5,396
Total Current Liabilities		**19,556**	**11,870**
TOTAL EQUITY & LIABILITIES		**239,452**	**174,707**

These financial statements were approved and authorised for issue by the Board of Directors on 29 May 2015 and signed on its behalf by:

Konstantinos Papadimitrakopoulos
Chief Executive Officer

Company statement of financial position

At 31 December 2014 and 2013

Company Number: 05506731	Note	As at 31 December 2014 €'000	As at 31 December 2013 €'000
ASSETS			
Non-Current Assets			
Investment in subsidiaries	17	7,407	8,062
Other receivables		5	5
Total Non-Current Assets		**7,412**	**8,067**
Current Assets			
Other receivables	24	129,170	63,720
Cash and cash equivalents	26	6,979	26,318
Total Current Assets		**136,149**	**90,038**
TOTAL ASSETS		**143,561**	**98,105**
EQUITY & LIABILITIES			
Shareholders' Equity attributable to owners of the Parent			
Ordinary shares	27	4,653	4,653
Share premium		65,190	65,190
Other reserves	28	1,851	1,526
Translation reserve		3,624	(79)
Retained losses		(10,720)	(6,142)
Total Equity		**64,598**	**65,148**
Non-Current Liabilities			
Borrowings	29	39,697	21,433
Provisions	30	–	162
Total Non-Current Liabilities		**39,697**	**21,595**
Current Liabilities			
Trade and other payables	31	344	77
Taxes payable	32	181	81
Borrowings	29	2,700	–
Accrued and other liabilities	33	36,041	11,204
Total Current Liabilities		**39,266**	**11,362**
TOTAL EQUITY & LIABILITIES		**143,561**	**98,105**

These financial statements were approved and authorised for issue by the Board of Directors on 29 May 2015 and signed on its behalf by:

Konstantinos Papadimitrakopoulos
Chief Executive Officer

	Attributable to owners of the parent					
	Ordinary Shares €'000	Share Premium €'000	Other Reserves €'000	Translation Reserve €'000	Retained Earnings €'000	Total Equity €'000
GROUP						
Balance at 1 January 2013	**4,224**	**39,067**	**5,221**	**376**	**36,679**	**85,567**
Profit for the year	–	–	–	–	25,332	25,332
Other comprehensive income for the year:						
– Foreign currency translation adjustment	–	–	–	(339)	–	(339)
Total comprehensive income for the year	**–**	**–**	**–**	**(339)**	**25,332**	**24,993**
Increase in capital	400	27,982	–	–	–	28,382
Share issue costs	–	(1,502)	–	–	–	(1,502)
Exercise of options	29	343	(106)	–	140	406
Total contributions by and distributions to owners of the Company	**429**	**26,823**	**(106)**	**–**	**140**	**27,286**
Balance at 31 December 2013	**4,653**	**65,890**	**5,115**	**37**	**62,151**	**137,846**
Balance at 1 January 2014	**4,653**	**65,890**	**5,115**	**37**	**62,151**	**137,846**
Profit for the year	–	–	–	–	35,011	35,011
Other comprehensive income for the year:						
– Foreign currency translation adjustment	–	–	–	2,815	–	2,815
Total comprehensive income for the year	**–**	**–**	**–**	**2,815**	**35,011**	**37,826**
Increase in capital	–	–	–	–	–	–
Share issue costs	–	–	–	–	–	–
Share option charge	–	–	325	–	–	325
Total contributions by and distributions to owners of the Company	**–**	**–**	**325**	**–**	**–**	**325**
Balance at 31 December 2014	**4,653**	**65,890**	**5,440**	**2,852**	**97,162**	**175,997**

The Accounting Policies and Notes on pages 62 to 106 form an integral part of these financial statements.

Company statement of changes in equity

	Attributable to owners of the parent					
	Ordinary Shares €'000	Share Premium €'000	Other Reserves €'000	Translation Reserve €'000	Retained Earnings €'000	Total Equity €'000
COMPANY						
Balance at 1 January 2013	**4,224**	**38,367**	**1,632**	**365**	**(3,113)**	**41,475**
Loss for the year	–	–	–	–	(3,169)	(3,169)
Other comprehensive income for the year:						
– Foreign currency translation adjustment	–	–	–	(444)	–	(444)
Total comprehensive income for the year	**–**	**–**	**–**	**(444)**	**(3,169)**	**(3,613)**
Increase in capital	400	27,982	–	–	–	28,382
Share issue costs	–	(1,502)	–	–	–	(1,502)
Exercise of options	29	343	(106)	–	140	406
Total contributions by and distributions to owners of the Company	**429**	**26,823**	**(106)**	**–**	**140**	**27,286**
Balance at 31 December 2013	**4,653**	**65,190**	**1,526**	**(79)**	**(6,142)**	**65,148**
Balance at 1 January 2014	**4,653**	**65,190**	**1,526**	**(79)**	**(6,142)**	**65,148**
Loss for the year	–	–	–	–	(4,578)	(4,578)
Other comprehensive income for the year:						
– Foreign currency translation adjustment	–	–	–	3,703	–	3,703
Total comprehensive income for the year	**–**	**–**	**–**	**3,703**	**(4,578)**	**(875)**
Increase in capital	–	–	–	–	–	–
Share issue costs	–	–	–	–	–	–
Share option charge	–	–	325	–	–	325
Total contributions by and distributions to owners of the Company	**–**	**–**	**325**	**–**	**–**	**325**
Balance at 31 December 2014	**4,653**	**65,190**	**1,851**	**3,624**	**(10,720)**	**64,598**

Consolidated cash flow statement

For the years ended 31 December 2014 and 2013

	Note	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Cash Flows from Operating Activities			
Cash generated from operations	35	36,414	22,724
Interest paid	11	(4,125)	(1,701)
Income tax paid		(1,337)	(397)
Net Cash generated from Operating Activities		**30,952**	**20,626**
Cash Flows from Investing Activities			
Acquisition of subsidiary, net of cash acquired	19	(9,149)	(3,869)
Purchases of tangible assets		(860)	(1,560)
Purchases of intangible assets		(23,565)	(14,447)
Interest received	11	792	621
Net Cash used in Investing Activities		**(32,782)**	**(19,255)**
Cash Flows from Financing Activities			
Proceeds from issue of share capital		–	28,752
Share issue expenses		–	(1,502)
Proceeds from borrowings		30,036	24,500
Repayments of borrowings		(10,000)	(5,022)
Proceeds from new finance leases		37	–
Repayment of obligations under finance leases		(14)	(13)
Financing fees of senior secured term loan		464	(3,066)
Net Cash from Financing Activities		**20,523**	**43,649**
Net Increase in Cash and Cash Equivalents		**18,693**	**45,020**
Movement in Cash and Cash Equivalents			
Cash and cash equivalents at the beginning of the year		64,194	19,174
Exchange gain/(loss) in cash and cash equivalents		(62)	–
Net increase in cash and cash equivalents		18,693	45,020
Cash and Cash Equivalents at the End of the Year	26	**82,825**	**64,194**

The Accounting Policies and Notes on pages 62 to 106 form an integral part of these financial statements.

Company cash flow statement

For the years ended 31 December 2014 and 2013

	Note	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Cash Flows from Operating Activities			
Cash used in operations	35	(36,767)	(25,397)
Interest paid		(3,033)	(1,306)
Net Cash used in Operating Activities		**(39,800)**	**(26,703)**
Cash Flow from Investing Activities			
Investment in subsidiaries		(46)	–
Purchases of tangible and intangible assets		–	(5)
Interest received		7	108
Net Cash generated from/(used in) Investing Activities		**(39)**	**103**
Cash Flow from Financial Activities			
Proceeds from issue of share capital		–	28,752
Share issue expenses		–	(1,502)
Proceeds from borrowings		30,036	24,500
Repayments of borrowings		(10,000)	(3,921)
Financing fees of Senior Secured Term Loan		464	(3,066)
Net Cash Inflow from Financing Activities		**20,500**	**44,763**
Net Increase/(Decrease) in Cash and Cash Equivalents		**(19,339)**	**18,163**
Movement in Cash and Cash Equivalents			
Net increase/(decrease) in cash and cash equivalents		(19,339)	18,163
Exchange gain/(loss) on cash and cash equivalents		–	174
Cash and cash equivalents at the beginning of the year		26,318	7,981
Cash and Cash Equivalents at the End of the Year	26	**6,979**	**26,318**

The Accounting Policies and Notes on pages 62 to 106 form an integral part of these financial statements.

1. General Information

The Consolidated Financial Statements ("the Financial Statements") of Globo Plc ("the Company") consists of the following companies: Globo Plc, Profitel Communications S.A., Globo Mobile S.A., Reach Further Communications Limited, Globo Holdings Ltd, GMIP Limited, Globo Services (CY) Ltd, Globo EMEA Holdings Limited, Globo Mobile Technologies International FZ - LLC, Globo International LLC, Globo US Holdings LLC, Globo Mobile Inc., Globo Mobile Technologies Inc., Sourcebits Inc., GMIP Ltd. Jersey, Globo Mobile Software Services Ltd, Sourcebits PBVT Limited. (Collectively, "the Group").

The registered office address is 190 High Street, Tonbridge, Kent TN9 1BE.

2. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the Financial Statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) Basis of Preparation

The Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), IFRIC interpretations and the parts of the Companies Act 2006 applicable to companies reporting under IFRS. The Financial Statements have been prepared under the historical cost convention as modified by the measurement of investments in associates and contingent consideration at fair value.

The preparation of Financial Statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial information, including the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The financial statements of the Company and Group are presented in Euros and all values are rounded to the nearest thousand (€000), except as otherwise stated.

Standards, amendments and interpretations effective in 2014

(i) New and amended standards adopted by the Group

In the current year, the following new and revised standards and interpretations have been adopted and affected the amounts reported in these financial statements:

IFRS 10	Consolidated financial statements
IFRS 12	Disclosures of interests in other entities
IAS 27	Separate financial statements
IAS 28	Investments in associates and joint ventures
IAS 32	Offsetting financial assets and financial liabilities

These do not materially affect the group.

(ii) New and amended standards and interpretations issued but not yet effective for the financial year beginning 1 January 2014 and not early adopted

A number of new standards and amendments to standards and interpretations are not yet effective for annual periods beginning after January 1, 2014, and have not been applied in preparing these consolidated financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

- *IFRS 9 Financial Instruments – effective for periods beginning on or after 1 January 2018*

  IFRS 9. The main impact is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the Statement of total consolidated income, unless this creates an accounting mismatch. The Group is yet to assess IFRS 9's full impact. The Group will also consider the impact of the remaining phases of IFRS 9 when completed by the International Accountings Standards Board.

- *IFRS 15 Revenue from contracts with customers – effective for periods beginning on or after 1 January 2017*

  IFRS 15. The new standard replaces IAS 18 *Revenue* and IAS 11 *Construction contracts*. In advance of its adoption, the Company will undertake a review of all existing major contracts to ensure the impact and effect of the new standard are fully understood and changes to current accounting procedures are highlighted and acted upon.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

(b) Basis of Consolidation

Business Combinations

The Consolidated Financial Statements include the results of the Company and entities controlled by the Company (its subsidiaries) forming the Group.

Subsidiaries are all entities over which the Company has the power to govern the financial and operating activities, generally accompanied by a shareholding equal to more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and continue to be consolidated until the date when such control ceases.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities assumed are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. Acquisition-related costs are expensed as incurred.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 Financial Instruments, is measured at fair value with changes in fair value recognised either in profit or loss or as a change to other comprehensive income.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments.

Investment in an associate

The Group's investment in its associate, an entity in which the Group has significant influence, is accounted for using the equity method. Under the equity method, the investment in the associate is initially recognised at cost and the carrying amount is adjusted to recognise changes in the Group's share of the profit or loss of the associate since the acquisition date.

The Group's share of profit or loss of an associate is shown on the face of the Statement of total comprehensive income and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

continued

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of associates' in the statement of total comprehensive income.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's Financial Statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Going Concern

The Financial Statements are prepared under the going concern assumption.

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement and Chief Executive Officer's Report. The financial position of the Group and Company, their cash flows, liquidity position and borrowing facilities are described in the Financial Review. In addition, notes 3 and 39 to the Financial Statements includes the Group's and Company's objectives, policies and processes for managing their capital; their financial risk management objectives; details of their financial instruments and exposure to credit risk, interest rate risk and liquidity risk.

The Group currently has considerable financial resources together with long term contracts with a number of customers and suppliers across different product lines and geographic areas. As a consequence, the Directors believe that the Group is well placed to manage its business and financial risks successfully despite the current uncertain economic climate and competitive market conditions. The Group also retains banking and loan note facilities through long term borrowings (a long term loan facility of €55m plus a €10 million extension from Barclays Bank Plc and East West United Bank is already in place) and continues with the development of software platforms and international development.

The Group's forecasts and projections, taking into account reasonably possible changes in trading performance, show that the Group should be able to operate with the cash funds and existing bank and loan note borrowings.

The Directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

(d) Measurement Currency

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates (its "functional currency"). The Financial Statements are presented in Euros (€), which is the Group's presentational currency. The Financial Statements of the parent undertaking, whose functional currency is pounds sterling, have been translated and stated in Euros in order for there to be consistency with the Group.

(e) Foreign Currency Translation

Transactions in currencies other than the functional currency are accounted for at the exchange rates ruling at the date of the transaction. Foreign exchange differences arising on the settlement of transactions are recognised in the statement of total comprehensive income. Foreign exchange differences arising on the retranslation of the statement of financial position are recognised in other comprehensive income and the accumulated differences are recorded in the translation reserve. Monetary assets and liabilities are retranslated at the prevailing rate on the statement of financial position date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at the transaction date exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

On disposal of a foreign operation, the component of other operating comprehensive income relating to that particular foreign operation is recognised in profit or loss.

(f) Property, Plant and Equipment

Property, plant and equipment, comprising land, property, vehicles and furniture and fittings, are recorded at historical cost less depreciation and impairment losses.

Property plant and equipment is depreciated on the straight line method over the expected useful life of the assets, as follows:

Asset	***Useful life***
Property	33 years
Office furniture, fittings and equipment	6 years
Vehicles	9 years

Gains and losses on disposal, determined by comparing proceeds with the carrying amount of the respective assets, are included in operating profit within other operating income.

All maintenance and repair costs are expensed as incurred.

Where an indication of impairment exists, the carrying amount of any tangible asset is assessed and is written down immediately to its recoverable amount.

(g) Intangible Assets

Intangible assets that are acquired or developed by the Group are carried at historical cost less accumulated amortisation and impairment losses. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets that are internally generated are fully amortised in a useful time period of three years. Purchased intangible assets are amortised over the expected period of benefit. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Interest costs on borrowings not directly attributable to software development costs are not capitalised but are instead recognised in profit or loss during the period.

continued

Software and Licences

Research expenditure is recognised as an expense in the period in which it is incurred. Costs incurred on development projects (relating to the design and testing of new and improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be reliably measured. Other development expenditures are recognised as an expense, as they are incurred.

Costs incurred on development projects are recognised as intangible assets only if all of the following conditions are met:

- it is technically feasible to complete the product so that it will be available for use or sale;
- it is the intention to complete the intangible asset and use or sell it;
- there is an ability to use or sell the intangible asset;
- it can be demonstrated how the intangible asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- the expenditure attributable to the intangible asset during its development can be reliably measured.

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Licences include development costs comprising the direct staff costs of the software development team incurred in the development of software products and third party development costs of software libraries and modules, incorporated into the Group's products. The Group continues to capitalise costs incurred on newly developed until the products are ready for use at which point the costs will be amortised in accordance with the Group's accounting policy. The Group will also capitalise certain development expenditures on available for use intangible assets when there is a clear future economic benefit. This includes any development that would enhance functionality and extend the life of existing assets. The Group expenses any basic maintenance costs in the period in which they are incurred.

Development costs that have been capitalised are amortised from the commencement of the commercial availability of the product on a straight-line basis over its expected benefit period of between three and five years. Licences are amortised over the shorter of the contract term of the licence agreement and the useful life of the asset which does not exceed a four year period.

Computer Software Costs

Computer software costs generally represent costs incurred to purchase software programmes and packages that are used both internally and to develop and ultimately sell the Group's products. Generally, costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. However, costs that are directly associated with identifiable and unique software products controlled by the Group, which have probable economic benefit beyond one year, are recognised as intangible assets. Direct costs include staff costs of the software development team as well as the cost of subcontractors. All other overheads are expensed in the period in which they are incurred.

Expenditure which enhances or extends the performance of computer software programmes beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Computer software development costs recognised as assets are amortised using the straight-line method over their useful lives, not exceeding a period of four years.

Costs associated with the maintenance of existing computer software programmes are expensed as incurred.

(h) Impairment of Non-Current Assets other than goodwill

The carrying amount of property, plant and equipment and intangible assets other than goodwill, is reviewed at each statement of financial position date to determine if there is any indication of impairment. An impairment loss is recognised in profit or loss when the carrying amount exceeds the recoverable amount. The recoverable amount is the greater of fair value less costs of disposal and value in use.

A previously recognised impairment loss will be reversed in so far as estimates change, but not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognised. A reversal of an impairment loss is recognised as income in the statement of total comprehensive income.

(i) Leases

A finance lease is one in which a significant portion of the risks and rewards of ownership are transferred to the lessee. Assets obtained under finance leases and hire purchase contracts are capitalised in the statement of financial position and are depreciated over the shorter of the useful economic life and the term of the lease. The interest element of the rental obligations is charged to profit or loss over the period of the lease, and represents a constant proportion of the balance of capital repayments outstanding.

The Group has finance lease obligations relating to vehicles under which substantially all of the risks and rewards of ownership have been transferred to the Group.

An operating lease is one in which a significant portion of the risks and rewards of ownership are retained by the lessor. Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the lease.

(j) Inventories and Work in Progress

Inventories are stated at the lower of their purchase or production cost and their corresponding net realisable value. Net realisable value is the estimated re-sale value of the inventories, reduced by the cost of disposal. The cost of inventories is quantified on the basis of the weighted average method and is inclusive of the costs associated with their acquisition or production (in the case of internally produced goods) and the costs incurred in bringing them to their present location and condition.

Expenses related to client projects which have been won but not yet contracted are classified as work in progress and included in inventories.

(k) Trade Receivables

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

(l) Cash and Cash Equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and call deposits held with banks.

(m) Share Capital

Ordinary Shares are classified as equity.

Share premium is shown as an addition to the shareholders' equity and represents the premium amount paid on the issue of new shares.

External costs directly attributable to the issue of new shares are shown as a deduction, net of tax, in equity from the proceeds. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable some or all of the facility will be drawn down.

continued

(n) Borrowings

Borrowings, net of directly attributable transaction costs, are initially recognised at fair value. After initial recognition, interest bearing loans and borrowings are measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable some or all of the facility will be drawn down.

(o) Trade Payables

Trade payables are not interest bearing and are initially stated at fair value. After initial measurement, trade payables are subsequently measured at amortised cost using the effective interest method.

(p) Income Taxes

The tax expense represents the sum of the tax payable for the current period and deferred tax.

The tax payable in the current period is based on taxable profit for the period. Taxable profit differs from profit for the year as reported in the statement of comprehensive income because it excludes items of income or expenditure which are taxable or deductible in other periods. It further excludes items that are never taxable or deductible. The Group's liability for tax in the current period is calculated using tax rates and laws that have been enacted or substantively enacted by the reporting date. Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in the Statement of total consolidated income.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax is calculated at the tax rates and laws that are subsequently enacted at reporting date that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right of offset and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current assets and liabilities on a net basis.

(q) Post Retirement Benefits

The Group's defined benefit obligation in respect of post-retirement benefits is calculated by estimating the value of benefits that employees have earned in return for their service in the current and prior periods, based on the level of employee earnings in accordance with Greek Labour Law.

The Group has established a provision for staff retirement indemnities based on an actuarial study. The actuarial study is performed every year by an independent qualified firm. There is no requirement for the Group to contribute to any pension plan.

(r) Government Grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to expenses are recognised in profit or loss in order to match them with the costs they are intended to compensate.

Government grants in relation to the construction of intangible assets are initially treated as deferred income and recognised as income over the life of the asset by way of a reduced amortisation charge.

There were no government grants received during 2014.

(s) Provisions

Provisions are only recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The expense relating to a provision is recognised in the Statement of total consolidated income net of any virtually certain reimbursement.

(t) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes. The Group assesses its revenue arrangements against specific criteria to determine whether it is acting as principal or agent.

Revenue from sale of third party goods is recognised when the significant risks and rewards of ownership, together with title to the goods have been transferred to the buyer and the amount can be measured reliably. This occurs on delivery of the goods to the final customer.

Revenue from rendering of services is based on the stage of completion determined using the percentage of completion method where revenue is matched with the costs incurred in reaching the stage of completion. The stage of completion is determined by comparing the proportion that costs incurred for work performed to date bear to the budgeted total cost of the services to be performed. The Group recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Amounts recoverable on such long term contracts are included in other current assets.

The Group combines telecom services with its own software products that are then sold on a "software as a service" basis. This revenue stream includes repeat customer orders for services such as bulk SMS, SMS service integration and web hosting. Revenue from recurring S.a.a.S transactions is recognised on the basis of usage volume at the contracted unit price.

Revenues from the provision of WiFi broadband networks is recognised at the date of sale of the non-refundable prepaid access card to the venue owner and is determined as a percentage of the price charged to the end user as the Group believes there are no significant continuing performance obligations.

The Group sells its own mobile software products and services to its clients, being Mobile Network Operators ("MNOs") and resellers. Revenue on contracts for the sale of services is recognised on a monthly basis, based on a fixed service fee per active user (a "revenue share model"). The fixed fee is determined as a percentage of the reference price charged to the end user, agreed between the Group and the MNO or reseller.

Revenue from the sale of product licences is recognised when ownership of the licence, and the right to use the licence, is unconditionally transferred to the buyer. This is the point at which the buyer takes on all risks and rewards associated with the licence.

continued

Revenue recognition requires judgment, including whether a mobile product or service arrangement includes multiple elements such as support and maintenance services. A portion of revenue may be recorded as unearned due to undelivered elements. Changes to the elements in a mobile product or service arrangement could materially impact the amount of earned and unearned revenue. The deferred revenue related to elements that are delivered over time are recognised pro rata over the specified term of the agreement.

Judgment is also required to assess whether future releases of certain MPS represent new products or upgrades and enhancements to existing products. MPS updates are evaluated on a case-by-case basis to determine whether they meet the definition of an upgrade, which may require revenue to be deferred and recognised when the upgrade is delivered, or if it is determined that implied post-contract customer support ("PCS") is being provided, revenue from the arrangement is deferred and recognised over the implied post-contract customer support term. If updates are determined to not meet the definition of an upgrade, revenue is generally recognised as products are shipped or made available.

Interest income is recognised on the accruals basis taking into account the effective yield on the asset.

(u) Financial Instruments

Financial instruments are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provision of the instrument. Financial instruments carried on the statement of financial position include cash and cash equivalents, trade and other receivables, trade and other payables, and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Financial Assets

Classification

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Recognition and Measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement at the fair value, such financial assets are subsequently measured at amortised cost using the effective interest method, where material, less impairment. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position. The losses from impairment are recognised in the Statement of total consolidated income in administrative expenses.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Impairment of Financial Assets – Assets Carried at Amortised Cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset, or a group of financial assets, is impaired. A financial asset, or a group of financial assets, is impaired, and impairment losses are incurred, only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event"), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset, or group of financial assets, that can be reliably estimated.

Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal repayments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For the loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced, and the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

Financial liabilities

The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings.

Borrowings

After initial recognition, interest bearing loans and borrowings are, where material, subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest amortisation process.

(v) Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers, who are responsible for allocating resources and assessing performance of the operating segments and making strategic decisions.

(w) Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or associate at the date of acquisition. Goodwill arising on acquisition of a subsidiary is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in profit or loss and is not subsequently reversed.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination. Goodwill has an indefinite useful life and is tested annually for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units), which in most cases is at the subsidiary level.

(x) Share-Based Payments

The Group has applied the requirements of IFRS 2 "Share-based payments". Equity-settled share-based payments are measured at fair value at the date of grant. The fair value is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. At each statement of financial position date, the Group revises its estimate of options that are expected to vest and recognises the impact of any revision to original estimates in profit or loss with corresponding adjustments to equity.

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

Where equity instruments are granted to persons other than Directors or employees, profit or loss is charged with the fair value of the goods and services received.

continued

(y) Critical Accounting Estimates and Judgements

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting 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 described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

There is a critical judgement related to the recognition of revenue for multiple element contracts. Management has to determine the fair value of each deliverable to ensure appropriate recognition and deferral of income.

Key Sources of Estimation Uncertainty

i) Estimation of Contract Income

Estimated income receivable on contracts is judged by Management through the application of their experience and knowledge of the industry in which the Group operates. Income for each individual contract is determined according to the stage of completion determined by reference to the cost of services performed to date as a percentage of the total cost of services to be performed. Management consider that the cost of services performed under each contract at any stage of completion when compared to total budgeted cost is an accurate measure of the work performed under those contracts. Total budgeted costs are continually reviewed throughout the contract for accuracy and costs incurred are closely monitored against budget. As at 31 December 2014, the amount recoverable on long term contracts was €20,210,000 (2013: €16,197,000).

ii) Provision for Bad Debts and Impairment of Financial Assets

Management carry out detailed reviews of trade and other receivables during the financial year. This review takes into account the age of the debt, credit history and information available about the financial strength of the client or counterparty. If it is considered, based on the available evidence, more likely than not that the debt will not be recovered in full then a provision is made to write down the receivable to reflect the anticipated recovery. Details of the provision against doubtful debts are set out in note 23.

iii) Impairment of Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate future cash flows expected to arise from the cash generating unit and apply a suitable discount rate in order to calculate present value. These cash flows could be affected upwards or downwards by movements in several factors to include market conditions and operating costs. The calculation is also sensitive to changes in discount rate. Details of the impairment review are set out in note 18.

iv) Deferred Taxation

The Group is subject to income taxes in a number of jurisdictions. Judgement is required in determining the provision for such taxes. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the current and deferred income tax assets and liabilities in the period in which such determination is made.

A deferred tax asset has been recognised in respect of carrying forward tax losses and tax credits arising from the Group's tax credit claim related to research and development expenditure. In accordance with Greek Tax Law, fifty per cent of eligible expenditure on scientific and technological research can be claimed from the General Secretariat for Research and Technology and, if accepted, deducted from Greek GAAP taxable profits. If the tax credit claim in any one year exceeds the Greek GAAP tax liability, the tax credit can be carried forward as tax losses and offset against future tax liabilities for a maximum period of five years. Any excess is not refunded in cash. Should the claims submitted to the General Secretariat not be accepted in whole or in part or if insufficient future Greek taxable profits are generated within the required timescale, the Group may need to revise the carrying value of this asset.

3. Financial Risk Management

The Group's activities expose it to a variety of financial market risks, including the effects of changes in foreign currency exchange rates and interest rates. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on its financial performance.

Foreign Exchange Risk

The Group operates internationally and is currently exposed to foreign exchange risks arising from various currency exposures with respect to certain customers' and suppliers' balances, primarily with regard to US dollars, the UK pound and UAE Dirhams. The Group also has investments in foreign operations. At 31 December 2014, if US dollars had weakened/strengthened by 10% against the Euro with all other variables held constant, post tax profit for the year would have been €936,824 higher/lower as a result of gains/losses on translation of US Dollars assets and liabilities. The Group does not enter into derivative or hedging transactions to manage its foreign exchange risk.

Interest Rate Risk

The Group is exposed to interest rate risk as it borrows and places surplus cash at floating interest rates. Exposure to interest rate risk on borrowings and cash investments is monitored on an on-going and proactive basis. All borrowings are denominated in Euros. During the year ended 31 December 2014, if average interest rates on borrowings had been 200 basis points higher/lower with all other variables held constant, pre-tax profit for the year would have been €680,000 lower/higher as a result of higher/lower interest expense on floating rate borrowings.

Credit Risk

The principal risk facing the Group is with the ability of the counterparties to honour their commitments to the Group, together with the concentration of this risk with a limited number of trading partners.

Credit risk arises from work in progress, trade receivables, post-dated cheques received, advance payments to subcontractors and suppliers, and amounts recoverable on long term contracts. With regard to the international mobile applications market, the Group currently has a concentration of risk with a small number of mobile network operators and resellers. The Group seeks to mitigate these risks wherever possible by assessing the credit quality of the customer which, in the absence of any independent rating, takes into account its financial position, past experience and other factors. Long term and on-going relationships with customers also reduce the credit risk.

Liquidity Risk

Cash plan budgets and forecasts are prepared and monitored at an individual entity and Group level in order to control liquidity requirements and ensure sufficient cash resources exist in order to meet operational needs. In addition, cash forecasts are used to ensure the Group adheres to the terms of its borrowing facilities and loan covenants, where applicable. Any surplus cash is held in interest bearing bank accounts.

The Group's financing requirements have significantly increased due to investment in software development and other working capital requirements. The Group partly meets its financing needs through revolving credit and term loan facilities established with banks which are secured over the Group's assets.

Fair Value Estimation

Management consider that the carrying amount of the Group's financial assets and liabilities approximates to their fair value at each statement of financial position date.

continued

4. Segment Information

The following segments are based on the management reports received by the executive directors (who are the chief operating decision makers) which are used to make strategic decisions. The executive directors consider the business based on a grouping of product offerings by medium of delivery. The main segments are:

Mobile products and services: The main activity of the Group. The Group sells its own mobile software products and services to its clients.

Telecom services (S.a.a.S): The Group combines telecom services with its own software products (e-business and WiFi services) that are then sold on a "software as a service" basis.

Third party goods: The Group resells third party goods, to its customers, mainly comprising mobile accessories.

The Directors assess the performance of the operating segments based on revenue from external customers and gross profit. The segment information provided to the Directors for the reportable segments for the year ended 31 December 2014 is as follows:

	Third party goods €'000	Telecom services (S.a.a.S) €'000	Mobile products and services €'000	Total €'000
Revenue from external customers	3,341	6,646	96,399	106,386
Inventory costs	(2,993)	–	–	(2,993)
Other expenses	–	(2,939)	(24,869)	(27,808)
Amortisation	–	(1,119)	(11,684)	(12,803)
Gross Profit	**348**	**2,588**	**59,846**	**62,782**
Depreciation	–	102	629	731
Expenditure on property, plant and equipment	–	98	762	860
Expenditure on intangible assets	–	269	23,296	23,565
Disposals of intangible/tangible assets	–	4	2	6
Total assets	457	18,725	182,091	201,273
Total liabilities	127	3,356	14,306	17,789

A further analysis of the Group's revenue for the year 2014 is shown below:

Revenue 2014 (€'000)	Third party goods	Telecom services (S.a.a.S)	Mobile products and services	Total
Consumer mobility services	–	–	38,491	38,491
GO!Enterprise products (EMM & MADP)	–	–	32,589	32,589
Mobility Business Solutions (MBS)	–	–	25,319	25,319
Third party goods	3,341	–	–	3,341
Wi-Fi Broadband services	–	638	–	638
Software as a Service	–	6,008	–	6,008
Total	**3,341**	**6,646**	**96,399**	**106,386**

Revenues from third party goods comprise the sale of mobile accessories.

Consumer mobility services comprise revenues from CitronGO! and GO!Social.

Enterprise mobility licences and subscriptions comprise revenues from 'Business to Employee' (EMM) licences which includes product categories GO!Enterprise Office/Mobilizer/BOX/Sync/Link. Enterprise mobility licences and subscriptions also comprise revenues from 'Business to Consumer' (MADP) licences consisting of the GO!Enterprise Reach product.

Mobile software products comprise revenues from GO!Enterprise Project Services (MBS).

The segment information provided to the Directors for the year ended 31 December 2013 is as follows:

	Third party goods €'000	Telecom services (S.a.a.S) €'000	Mobile products and services €'000	Total €'000
Revenue from external customers	1,892	4,953	64,669	71,514
Inventory costs	(1,701)	–	–	(1,701)
Other expenses	–	(354)	(20,965)	(21,319)
Amortisation	–	(899)	(7,354)	(8,253)
Gross Profit	**191**	**3,700**	**36,350**	**40,241**
Depreciation	–	268	114	382
Expenditure on property, plant and equipment	–	184	1,404	1,588
Expenditure on intangible assets	–	801	13,776	14,577
Total assets	581	22,190	108,618	131,389
Total liabilities	1,998	6,077	10,280	18,355

A further analysis of the Group's revenue for the year 2013, is shown below:

Revenue 2013 (€'000)	Third party goods	Telecom services (S.a.a.S)	Mobile products and services	Total
Consumer mobility services	–	–	34,808	34,808
GO!Enterprise products (EMM & MADP)	–	–	14,903	14,903
Mobility Business Solutions (MBS)	–	–	14,958	14,958
Third party goods	1,892	–	–	1,892
Wi-Fi Broadband services	–	434	–	434
Software as a Service	–	4,519	–	4,519
Total	**1,892**	**4,953**	**64,669**	**71,514**

continued

A reconciliation of gross profit to profit before taxation is provided as follows:

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Gross profit for reportable segments	62,782	40,241
Other operating income	204	1,785
Distribution expenses	(8,547)	(4,009)
Administrative expenses	(15,000)	(10,129)
Other operating expenses	(2,118)	(570)
Share of profit/(loss) from associate	1,715	1,161
Finance costs (net)	(3,333)	(1,080)
Profit before tax	**35,703**	**27,399**

Reportable segments' assets are reconciled to total assets as follows:

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Segment assets for reportable segments	201,273	131,389
Unallocated:		
Goodwill	7,615	836
Other receivables	8,773	4,468
Investment in associate	13,339	11,625
Other current assets	259	70
Cash and cash equivalents	8,193	26,319
Total assets per statement of financial position	**239,452**	**174,707**

Reportable segments' liabilities are reconciled to total liabilities as follows:

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Segment liabilities for reportable segments	17,789	18,355
Unallocated:		
Borrowings	42,397	17,496
Accrued liabilities	2,679	538
Trade and other payables	114	77
Taxes payable	476	233
Other non-current liabilities	–	162
Total liabilities per statement of financial position	**63,455**	**36,861**

Revenue from external customers

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
South Eastern Europe	34,012	21,455
Western Europe	14,362	11,442
Eastern Europe	3,154	5,292
Africa	6,933	4,720
Latin America	15,313	12,157
North America	15,632	3,576
Asia/Middle East	16,814	12,872
Oceania	166	–
Total	**106,386**	**71,514**

Non-current assets

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Greece	6,792	4,412
Cyprus	13,547	34,471
USA	12,087	9,331
India	1,314	–
Jersey	35,195	–
United Arab Emirates	2	17
UK and Ireland	6,697	8,092
Total	**75,634**	**56,323**

Contract Revenue

Revenue from services is based on the stage of completion determined by reference to services performed to date as a percentage of total services to be performed. At 31 December 2014, the Group has recognised €62,666,861 (2013: €55,554,531) of contract revenue, of which €20,210,204 (2013: €16,197,295) had not been invoiced by the year end, based on the completion ratio from the rendering of services in relation to projects with total budgeted revenue of €65,326,861 (96% completion) (2013: €65,554,346, 85% completion). Total costs incurred relating to these projects were €16,020,030 as at 31 December 2014 (2013: €6,559,033).

5. Cost of Sales

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Inventory cost	2,993	1,798
Cost of content	53	154
Direct staff costs	2,320	1,138
Third party costs	24,987	18,601
Telecom provider cost	448	1,329
Amortisation of intangible assets	12,803	8,253
Total	**43,604**	**31,273**

continued

6. Operating Income/Expenses

Other operating income is derived from:

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Other Operating Income		
Exchange gains	120	636
Other income	84	1,149
Total	**204**	**1,785**

Other operating expenses are derived from:

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Other Operating Expenses		
Exchange losses	1,167	382
Other operating expenses	951	188
Total	**2,118**	**570**

7. Distribution Expenses

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Sales and marketing staff costs	4,731	1,010
Travel and transportation costs	490	655
Promotion, exhibitions and other costs	3,326	2,344
Total	**8,547**	**4,009**

8. Administrative Expenses

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Administrative staff costs	3,360	2,491
Research expenses	234	147
Wages and expenses for contracted third parties	4,147	4,398
Utilities and rents	2,624	1,323
Taxes and custom duties	154	104
Depreciation of non-current assets	731	382
Charges related to provisions	1,254	552
Non recurring expenses	941	329
Other	1,555	403
Total	**15,000**	**10,129**

Non recurring expenses in 2014 included legal and financial advisory fees of €383k related to Sourcebit's acquisition, recruitment fees of €379k and €179k related to the reallocation of the CEO in the United States. Legal and advisory fees of €329k were related to Globo Mobile Technologies Inc. acquisition back to 2013.

9. Auditor Remuneration

During the year the Group (including overseas subsidiaries) obtained the following services from the Company's auditor and its associates:

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Fees payable to the Company's auditor and its associates for the audit of the Parent Company and Consolidated Financial Statements	193	118
Fees payable to the Company's auditor and its associates for other services:		
– Audit of Company's subsidiaries	94	62
– Audit-related assurance services	28	5
– Tax compliance services	17	22
– Tax advisory services	51	2
Total	**383**	**209**
Fees payable to other auditors:		
– audit of Company's subsidiaries	–	–
– valuation and actuarial services	14	191
Total	**14**	**191**

10. Staff Costs

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Wages and salaries	9,271	3,978
Social security costs	1,374	808
Staff retirement indemnities	65	26
Total	**10,710**	**4,812**

The Group has capitalised wages and social security costs of €3,221,372 in the year ended 31 December 2014 (year ended 31 December 2013: €1,090,653) as software development costs incurred in relation to the development of commercially viable mobile platforms and services. All other staff costs relating to research and development have been recognised in profit or loss.

continued

The average monthly number of people employed by the Group is analysed as follows:

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Software Development	117	62
Project Development	71	20
Sales	63	31
Administration	70	52
Total	**321**	**165**

Directors' Remuneration

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Salaries, fees and other benefits	1,200	786

The remuneration of the highest paid Director amounted to €443,858 (2013: €211,066).

2014	Salary and fees €'000	Other benefits €'000	Total €'000
Barry Ariko	135	–	135
Gerasimos Bonanos	220	8	228
Gavin Burnell	86	–	86
Joseph Coughlin	75	–	75
Dimitrios Gryparis	230	2	232
Konstantinos Papadimitrakopoulos	320	124	444
Total	**1,066**	**134**	**1,200**

2013	Salary and fees €'000	Other benefits €'000	Total €'000
Barry Ariko	106	–	106
Gerasimos Bonanos	159	22	181
Gavin Burnell	47	–	47
Joseph Coughlin	60	–	60
Dimitrios Gryparis	181	–	181
Konstantinos Papadimitrakopoulos	185	26	211
Total	**738**	**48**	**786**

Share Options and Warrants Granted to Directors

There were no outstanding share options or warrants as at 31 December 2013. No new grants were made to directors during the year ended 31 December 2014.

11. Finance Costs and Finance Income

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Finance Costs		
Interest expense on bank borrowings, bank charges and finance leases	4,125	1,701
Total	**4,125**	**1,701**
Finance Income		
Interest income on bank deposits	318	113
Interest income on receivable from disposal of subsidiary	474	508
Total	**792**	**621**

12. Income Tax

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Current tax on profits for the year	1,206	1,388
Current tax	**1,206**	**1,388**
Deferred tax:		
Origination and reversal of temporary differences (Note 13)	(514)	679
Total deferred tax	**(514)**	**679**
Total	**692**	**2,067**

The total tax charge for 2014 comprises tax on continuing operations of €692,000.

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits/(losses) of the consolidated entities as follows:

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Profit before tax per IFRS financial statements	35,703	27,399
Reconciliation of tax charge:		
Tax at the nominal rate of 26%	9,283	7,123
Tax losses for which no deferred tax asset is recognised	4,538	1,834
Income not subject to tax	(12,554)	(7,234)
Timing and permanent differences	(462)	1,337
Tax in foreign jurisdictions calculated at a different tax rate to the nominal rate	(113)	(993)
Tax charge	**692**	**2,067**

Tax losses available to be carried forward by the parent Company and the UK branch of Globo International LLC at 31 December 2014 against future profits are estimated to comprise trading losses of approximately €5,602,935 (2013: €2,417,000) arising in the UK and €7,155,374 (2013: €4,682,000) arising in Greece. A deferred tax asset amounting to approximately €1,176,616 (31 December 2013: €508,000) has not been recognised in respect of the Company's accumulated UK losses and approximately €1,860,397 (2013: €1,217,000) in respect of the Company's accumulated losses in Greece, as there is insufficient evidence that the asset will be recovered in the foreseeable future. There were no other factors that may affect future tax charges.

continued

Untaxed Reserves

"Untaxed reserves" are used to reduce the Group's taxable profit according to the relevant investment percentage. This percentage is calculated on realised investments and usually varies from 50% to 60%. The result of this calculation is the untaxed reserve, which is deducted from the taxable profit and is not subject to tax. This reserve is for re-investment into the business. If the untaxed reserve is distributed to shareholders, the tax becomes payable. Otherwise it remains indefinitely as a special reserve. The Group has utilised three development Greek laws, L. 1828/1989, L. 2601/1998 and L. 3220/2004.

13. Deferred Income Taxes

Deferred income taxes are calculated in full on temporary differences under the liability method using a principal tax rate in 2014 of 26%.

The movement on the deferred income tax account is as follows:

	31 December 2014 €'000	31 December 2013 €'000
At the beginning of the year	(2,447)	(1,768)
Statement of total consolidated income charge/credit (note 12)	514	(679)
Direct charges to liabilities	(891)	–
At the end of year	**(2,824)**	**(2,447)**

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	At 1 January 2014 €'000	(Charged)/ Credited to profit or loss €'000	Direct charges to liabilities €'000	At 31 December 2014 €'000
Deferred tax liabilities				
Tangible assets	(18)	2	–	(16)
Intangible assets-capitalised costs	(983)	879	(891)	(995)
IAS 11 revenue recognition	(1,953)	(319)	–	(2,272)
Provisions	–	(22)	–	(22)
Subtotal	**(2,954)**	**540**	**(891)**	**(3,305)**
Deferred tax assets				
Intangible assets-capitalised costs	17	(2)	–	15
Tangible assets	15	16	–	31
Receivables	29	63	–	92
Deferred income	73	216	–	289
Unused tax losses	371	(329)	–	42
Trade and other payables	2	10	–	12
Subtotal	**507**	**(26)**	**–**	**481**
Deferred tax assets/ (liabilities)	**(2,447)**	**(377)**	**–**	**(2,824)**

	At 1 January 2013 €'000	(Charged)/ Credited to profit or loss €'000	Direct charges to liabilities €'000	At 31 December 2013 €'000
Deferred tax liabilities				
Tangible assets	(10)	(8)	–	(18)
Intangible assets-capitalised costs	(851)	(132)	–	(983)
IAS 11 revenue recognition	(1,233)	(720)	–	(1,953)
Prepayments	(11)	11	–	–
Subtotal	**(2,105)**	**(849)**	**–**	**(2,954)**
Deferred tax assets				
Intangible assets-capitalised costs	–	17	–	17
Tangible assets	–	15	–	15
Receivables	22	7	–	29
Deferred income	–	73	–	73
Unused tax losses	315	56	–	371
Trade and other payables	–	2	–	2
Subtotal	**337**	**170**	**–**	**507**
Deferred tax assets/ (liabilities)	**(1,768)**	**(679)**	**–**	**(2,447)**

Deferred income tax liabilities of approximately €25,262,000 (2013: €15,941,000) have not been recognised for tax that would be payable on the unremitted earnings of certain subsidiaries as the Group intends to fully re-invest these earnings. Unremitted earnings totalled €97.162 million at 31 December 2014 (2013: €61.308 million).

14. Earnings per Share

Basic earnings per share is calculated by dividing the profit after tax attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Profit attributable to equity holders of the Company (€000's)	35,011	25,332
Weighted average number of ordinary shares in issue	373,689,061	344,532,666
Effect of dilutive potential ordinary shares:		
Share options and warrants	27,362	4,951
Weighted average number of ordinary shares for the purposes of diluted earnings per share	373,716,423	344,537,617
Basic earnings per share (€ per share)	**0.094**	**0.074**
Diluted earnings per share (€ per share)	**0.094**	**0.074**

In accordance with IAS 33, there is no difference between basic and diluted earnings per share during the year ended 31 December 2014. Details of share options and warrants that could potentially dilute earnings per share in future periods are set out in notes 27 and 38.

continued

15. Property, Plant and Equipment

Group

	Property €'000	Vehicles €'000	Office furniture, fittings and equipment €'000	Total €'000
Cost				
As at 1 January 2013	**351**	**23**	**1,607**	**1,981**
Additions	1	34	1,553	1,588
Disposals	–	–	(21)	(21)
Acquisition of subsidiary	1	–	66	67
As at 31 December 2013	**353**	**57**	**3,205**	**3,615**
Additions	184	–	676	860
Disposals	–	–	(63)	(63)
Acquisition of subsidiary (note 19)	–	–	51	51
As at 31 December 2014	**537**	**57**	**3,869**	**4,463**
Accumulated Depreciation				
As at 1 January 2013	**(69)**	–	**(582)**	**(651)**
Charge for the year	(49)	(14)	(319)	(382)
Disposals	–	–	19	19
As at 31 December 2013	**(118)**	**(14)**	**(882)**	**(1,014)**
Charge for the year	(56)	(14)	(661)	(731)
Disposals	–	–	58	58
As at 31 December 2014	**(174)**	**(28)**	**(1,485)**	**(1,687)**
Net book Value at 1 January 2013	**282**	**23**	**1,025**	**1,330**
Net book Value at 31 December 2013	**235**	**43**	**2,323**	**2,601**
Net book Value at 31 December 2014	**363**	**29**	**2,384**	**2,776**

The net book value of assets held under finance leases, included above, are as follows:

	2014 €'000	2013 €'000
Vehicles	**13**	**16**

16. Intangible Assets

Group

	Software €'000	Licences €'000	Customer Relation ships/ Trademarks €'000	Royalties €'000	Total €'000
Cost					
As at 1 January 2013	**14,230**	**30,168**	**–**	**97**	**44,495**
Additions	837	13,740	–	–	14,577
Acquisition of subsidiary	3	2,585	2,349	–	4,937
As at 31 December 2013	**15,070**	**46,493**	**2,349**	**97**	**64,009**
Additions	377	22,947	241	–	23,565
Acquisition of subsidiary (note 19)	5	197	2,050	–	2,252
FX adjustments	–	25	230	–	255
Impairment	–	(209)	(182)	–	(391)
As at 31 December 2014	**15,452**	**69,453**	**4,688**	**97**	**89,690**
Accumulated Amortisation					
As at 1 January 2013	**(6,872)**	**(16,405)**	**–**	**(97)**	**(23,374)**
Charge for the year	(2,918)	(5,143)	(192)	–	(8,253)
As at 31 December 2013	**(9,790)**	**(21,548)**	**(192)**	**(97)**	**(31,627)**
Charge for the year	(2,491)	(9,308)	(1,004)	–	(12,803)
As at 31 December 2014	**(12,281)**	**(30,856)**	**(1,196)**	**(97)**	**44,430**
Net Book Value at 1 January 2013	**7,358**	**13,763**	**–**	**–**	**21,121**
Net Book Value at 31 December 2013	**5,280**	**24,945**	**2,157**	**–**	**32,382**
Net Book Value at 31 December 2014	**3,171**	**38,597**	**3,492**	**–**	**45,260**

Additions to internally generated intangible assets totalled €23,565,000 (2013: €14,577,000).

Significant intangible assets are analysed below as at 31 December 2014:

- Mobility Business Solutions toolset with a net book value of €3.1 million, amortised over a three year period.
- Enterprise Mobility group of products with a net book value of €30.4 million and a three year amortisation period.
- Consumer Mobility products with a net book value of €1.5 million and expected amortisation period of three years.

continued

17. Investment in Subsidiary Undertakings

Company

Shares in Group Undertakings	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
At the beginning of the year	8,062	8,236
Acquisition	46	–
Transfer of investment to subsidiary	(747)	–
Exchange differences	46	(174)
At the end of the year	**7,407**	**8,062**

Details of Subsidiary and Associate Undertakings

Name	Country of incorporation and residence	Nature of business	Proportion of equity shares directly held by Company	Proportion of equity shares held by Group
Subsidiaries				
Profitel Communications S.A.	Greece	Business communication services	0%	100%
Globo Mobile S.A.	Greece	Mobile software solutions and services	0%	100%
ReachFurther Communications Limited	Cyprus	Content/service aggregator for the entire mobile and fixed telecommunication markets	0%	100%
Globo Holdings Limited	BVI	Holding of investments	100%	100%
Globo Services (CY) Limited	Cyprus	e-Business and mobile software solutions	100%	100%
GMIP Limited	Cyprus	Holding of Intellectual Property	100%	100%
Globo EMEA Holdings Limited	Cyprus	Holding of investments	100%	100%
Globo Mobile Technologies International FZ-LLC	UAE	Mobile software solutions and services	0%	100%
Globo International LLC	USA	Mobile software solutions and services	0%	100%
Globo Mobile Technologies Inc.	USA	Mobile software solutions and services	0%	100%
Globo US Holdings LLC	USA	Holding of investments	100%	100%
Globo Mobile Inc.	USA	Business communication services	0%	100%
GMIP (Jersey) Limited	Jersey	Holding of Intellectual Property	100%	100%
Globo Mobile Software Services Limited	Ireland	Intrasegment invoicing of Intellectual Property	100%	100%
Sourcebits Inc	USA	Mobile software solutions and services	0%	100%
Sourcebits PBVT Limited	India	Mobile software solutions and services	2.5%	100%
Associate				
Globo Technologies S.A	Greece	E-business solutions	0%	49%

Investments in subsidiaries are recorded at cost, which is the fair value of consideration paid.

18. Goodwill

As at 31 December 2012	**742**
Acquisition of GMTI	94
As at 31 December 2013	**836**
Impairment of Globo Mobile Technologies Inc	(94)
Impairment of Reach Further Communications Ltd	(106)
Acquisition of Sourcebits	6,979
As at 31 December 2014	**7,615**

Goodwill that has arisen on acquisition is allocated to the appropriate cash generating unit ('CGU'). Management has designated each subsidiary a separate CGU. For the purpose of impairment testing goodwill is allocated to the cash generating units or groups of cash generating units expected to benefit upon acquisition. In the current year, management acquired Sourcebits and recognised goodwill of approximately €7.0 million.

In accordance with the requirements of IAS 36, the Group tested the goodwill attributable to each of its reporting units for impairment as at 31 December 2014. As a result of actual results not meeting forecasted numbers and management revising forecasts for the ReachFurther and Globo Mobile Technologies Inc ('GMTI') there were indications of impairment and after performing the yearly analyses, and impairment was taken. For GMTI, the total balance of goodwill of €94,000 was impaired and €106,000 of the €548,000 of goodwill recorded at ReachFurther was impaired. No further impairment was identified relating to the Profitel and Globo Plc CGU which have balances of €67,000 and €127,000 respectively.

Fair value was estimated using discounted cash flow methodologies and market comparable information. The Group will test goodwill for impairment annually in accordance with its strategic planning process. Management has performed an impairment analysis of goodwill for the Sourcebits CGU as required under IAS 36. Management has used a weighted average discount rate of 19.3% for this division and has used growth rates for the first two forecast years of 20%, before moving down to 15% through years 3 to 5 before using a perpetual growth rate of 3%.

Management have determined the budgeted operating cash flows based on past performance and expectations of market development, consistent with expectations in the industry.

19. Business Combinations – Acquisition in 2014

a. Acquisition of Sourcebits

On 15 July 2014, Globo acquired the services division of Sourcebits Inc. ("Sourcebits"), a developer of mobile applications and proprietary products for enterprise customers, for a cash consideration of US$12.2 million (€9.1 million acquisition price). Globo incurred €383k of acquisition costs that have been expensed in the statement of total comprehensive income. The acquisition agreement was signed on 27 June 2014 with a completion date of 27 July 2014 through existing companies Sourcebits Inc and Sourcebits PBVT Limited which are now fully owned subsidiary companies (100%) within the Globo Group.

This acquisition added approximately 167 new employees in San Francisco and Bangalore, India.

This acquisition is in line with Globo's strategic objective to build its presence in the enterprise mobility market, and will accelerate its progress as a Mobile Application Development Platform ("MADP") provider. Since then, Sourcebits has become part of Globo's Mobility Business Services division ("MBS"), providing substantial resources that allows Globo to expand its offerings faster and to a broader marketplace, particularly the United States. Sourcebits' scale provides Globo with more powerful and compelling assets to compete for new clients and develop custom mobile applications with its flagship GO!Enterprise platform.

The services division of Sourcebits is based in San Francisco, California, with a significant development centre in Bangalore, India.

continued

The fair value, determined by the highest and best use, of the identifiable assets and liabilities acquired and their carrying as of the acquisition date, were as follows:

IDENTIFIABLE ASSETS	
Property, plant and equipment (note 15)	51
Intangible Assets (note 16)	
• Software	5
• Backlog	197
• Customer Relations	327
• Trademark/Trade Name Sourcebits	1,678
• No complete agreements	45
Cash and cash equivalents	736
Trade receivables	318
Long term other receivables	630
Other current assets	250
Total Assets	**4,237**
ASSUMED LIABILITIES	
Provision for other liabilities and charges	130
Current Liabilities:	
Trade and other payables	261
Accrued liabilities and deferred income	225
Non Current Liabilities:	
Deferred tax liabilities	785
Total Liabilities	**1,401**
Total Identifiable Net Assets	2,836
Purchase Price Consideration	9,815
Fully attributed to the Group (100%)	
Goodwill	**6,979**

The resulting goodwill from the acquisition represents the future economic benefits arising from assets that are not capable of being individually identified and separately recognised. This includes the knowledge and expertise that comes from the assembled workforce, the synergies relating to their mobile application development business and the expanded presence in the United States as well as the expansion into India.

Analysis of cash flows on acquisition:

	Year ended 31 December 2014 €'000
Cash paid	9,815
Less:	
Net cash acquired with the subsidiary	736
Net cash flow on acquisition	**9,079**

From the date of acquisition, Sourcebits has contributed €2.09 million of revenue and contributed a loss before tax of €0.3 million, attributable to the continuing operations of the Group. If the business combination had taken place at the beginning of the year, revenue from continuing operations for the Group would have been €4.56 million and the loss before tax from continuing operations for the Group would have been €0.65 million.

b. Investment in Odyssey Partners S.C.A. SICAR

	Year ended 31 December 2014 €'000
Cash paid	70
Net cash flow on acquisition	**70**

20. Investment in Associate

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
At the beginning of the year	11,625	10,464
Additions	(1)	–
Share of profit/(loss)	1,715	1,161
At the end of the year	**13,339**	**11,625**
Investment in Related Companies		
At the beginning of the year	51	–
Addition	67	51
At the end of the year	**118**	**51**

The Group has a 49% interest in Globo Technologies S.A., which is involved in e-business software, digitalisation and software integration services. Globo Technologies S.A. is not listed on any public exchange.

The following table illustrates the summarised financial information of the Group's investment in Globo Technologies S.A.:

Share of Associate's Statement of Financial Position	2014 €'000	2013 €'000
Current assets	12,017	8,313
Non-current assets	21,846	19,223
Current liabilities	(12,767)	(13,441)
Non-current liabilities	(7,757)	(2,470)
Carrying amount of investment	13,339	11,625
Share of Associate's Revenue and Profit/(Loss)		
Revenue	15,797	12,655
Profit/(loss)	1,715	1,161

continued

21. Financial Instruments by Category

31 December 2014

Group

	Loans and Receivables €'000	Total €'000
Assets per Statement of Financial Position		
Trade and other receivables, excluding prepayments	55,924	55,924
Other current assets	20,210	20,210
Cash and cash equivalents	82,825	82,825
Total	**158,959**	**158,959**

31 December 2014

Group

	Liabilities at Amortised Cost €'000
Liabilities per Statement of Financial Position	
Borrowings	42,397
Finance lease liabilities	45
Trade and other payables, excluding non-financial liabilities	5,522
Total	**47,964**

31 December 2013

Group

	Loans and Receivables €'000	Total €'000
Assets per Statement of Financial Position		
Trade and other receivables, excluding prepayments	37,930	37,930
Other current assets	16,197	16,197
Cash and cash equivalents	64,194	64,194
Total	**118,321**	**118,321**

31 December 2013

Group

	Liabilities at Amortised Cost €'000
Liabilities per Statement of Financial Position	
Borrowings	21,433
Finance lease liabilities	22
Trade and other payables, excluding non-financial liabilities	5,171
Total	**26,626**

31 December 2014

Company

	Loans and Receivables €'000	Total €'000
Assets per Statement of Financial Position		
Other receivables, excluding prepayments	128,912	128,912
Cash and cash equivalents	6,979	6,979
Total	**135,891**	**135,891**

31 December 2014

Company

	Liabilities at Amortised Cost €'000
Liabilities per Statement of Financial Position	
Borrowings	42,397
Trade and other payables, excluding non-financial liabilities	344
Total	**42,741**

31 December 2013

Company

	Loans and Receivables €'000	Total €'000
Assets per Statement of Financial Position		
Other receivables, excluding prepayments	63,635	63,635
Cash and cash equivalents	26,318	26,318
Total	**89,953**	**89,953**

31 December 2013

Company

	Liabilities at Amortised Cost €'000
Liabilities per Statement of Financial Position	
Borrowings	21,433
Trade and other payables, excluding non-financial liabilities	77
Total	**21,510**

continued

Credit Quality of Financial Assets

The credit quality of financial assets which are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates.

The Group categorises its trade receivables under the following:

Group 1 – New customers/related parties (less than 6 months)

According to the credit risk policy of the Group, this category has a limited credit facility that does not exceed 90 days, upon a six month period of successful performance and cooperation.

Group 2 – Existing customers/related parties (more than 6 months) with no defaults in the past

This category includes customers/related parties with approved credit quality, proven good financial position and qualified past experience on cooperation. This category receives a more flexible credit facility due to their past good performance and successful delivering of long term special projects.

Group

Trade Receivables and post dated cheques received

	2014 €'000	2013 €'000
Counterparties without external credit rating		
Group 1	6,920	1,418
Group 2	17,772	25,144
Total	**24,692**	**26,562**

22. Inventories and Work in Progress

Group

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Traded goods	110	212
Raw materials	37	6
Products	4	30
Work in progress	4,719	5,888
Total	**4,870**	**6,136**

Work in progress relates to expenditure incurred by the Group, consisting of services either provided or contracted by the year end with third party suppliers, where the Group has been successful in winning tenders but contracts with customers have either not been signed, or where project implementation has been delayed.

23. Trade Receivables

Group

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Trade receivables	45,661	26,907
Post-dated cheques received	3,798	1,208
Notes receivables	5	5
Less: provision for impairment of receivables	(16)	(15)
Trade receivables – net	49,448	28,105
Advance payments to subcontractors and suppliers	1,340	503
Total	**50,788**	**28,608**

Trade receivables comprise customer receivables in credit and post-dated cheques received. The Group retains all risks associated with post-dated cheques received until the funds clear the bank on the presentation date. Included in the Group's trade receivables balance are debtors with a carrying amount of €5,833,000 (2013: €2,636,000) which are past due at the reporting date for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable.

Ageing of trade receivables (net)

	As at 31 December 2014 €'000				As at 31 December 2013 €'000			
	Up to 3 months	Up to 6 months	Between 6 and 12 months	Over 12 months	Up to 3 months	Up to 6 months	Between 6 and 12 months	Over 12 months
Trade receivables from customers	25,531	14,338	5,641	135	19,199	5,496	679	1,519
Advance payments to vendors	1,197	91	32	20	169	8	307	19
Trade receivables from post-dated cheques	3,798	–	–	5	566	534	107	5
	30,526	**14,429**	**5,673**	**160**	**19,934**	**6,038**	**1,093**	**1,543**

As at 31 December 2014, trade receivables from customers of €46,830,000 (2013: €25,858,000) were performing according to the agreed credit terms. As of 31 December 2014, trade receivables over 12 months of €135,000 (2013: €1,519,000) were past due but not impaired. These relate to existing customers for whom there is no history of default.

Movement on the Group provision for impairment of trade receivables and advance payments is as follows:

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
At 1 January	15	114
Provision for receivables impairment	1	15
Post-dated cheques receivable (released)/provided for	–	(114)
At 31 December	**16**	**15**

continued

The individually impaired receivables relate to customers who are perceived to be in financial difficulty and the amounts are not considered recoverable. The creation and release of the provision for impaired receivables is included in administrative expenses.

The carrying amount of the Group's trade receivables, advance payments and other receivables are denominated in the following currencies:

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
GBP	419	236
EUR	57,736	36,196
USD	1,873	1,761
Other currencies	194	1,331
Total	**60,222**	**39,524**

The maximum exposure to credit risk at the reporting date is the carrying value reported above.

24. Other Receivables

Group

Non-current	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Proceeds from disposal of subsidiary	5,200	8,200
Other receivables	845	121
Total	**6,045**	**8,321**

Current	As at 31 December 2014 €'000	As at 31 December 2013 €'000
VAT recoverable	1,100	404
Other receivables	39	694
Claims from Government	114	118
Proceeds from disposal of subsidiary	2,981	1,500
Total	**4,234**	**2,716**

On 3 December 2012 the Group disposed of 51 per cent of its subsidiary Globo Technologies S.A. ("Globo Technologies") to GMBO Holdings Limited (formerly Zipersi Consulting Limited) for a total consideration of €11,200,000 plus any outstanding intra group balances at that date.

The total consideration is receivable as follows: €1,000,000 on 15 January 2013, €500,000 on 31 December 2013, €500,000 on 30 June 2014, €1,000,000 on 31 December 2014, €1,481,000 on 30 June 2015, €1,500,000 on 31 December 2015, €1,500,000 on 30 June 2016 and €3,700,000 on 31 December 2016. Interest at the rate of 5 per cent per annum is payable to the Group on the above instalments. As security for the deferred consideration, GMBO Holdings Limited has provided the Group with a pledge over the shares under sale. If GMBO Holdings Limited falls into arrears on the repayments, then the entire remaining consideration becomes immediately due. Each completed instalment results in the partial release of the Group's pledge over the shares.

All instalments have been fully received to date, and management does not expect any losses from non-performance by GMBO Holdings Limited.

The deferred proceeds receivable from disposal are recorded at amortised cost using the effective interest method.

Company

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Receivables from related parties	128,326	61,160
Other receivables	586	2,490
Prepayments	258	70
Total	**129,170**	**63,720**

25. Other Current Assets

Group

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Prepayments	891	533
Accrued income and Amounts recoverable on long term contracts	20,210	16,197
Total	**21,101**	**16,730**

26. Cash and Cash Equivalents

Group

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Cash at bank	82,762	64,089
Cash in hand	63	105
Total	**82,825**	**64,194**

Company

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Cash at bank	**6,979**	**26,318**

Included in the cash balances is €2.4 million (2013: €0.8 million) relating to balances held in escrow accounts for the acquisition of Sourcebits & Notify (2013: Notify).

continued

The Group holds bank accounts with several banks in the UK, Switzerland, USA, Dubai, India, Greece and Cyprus. The Group held cash in banks with the following credit ratings:

Credit rating	As at 31 December 2014 €'000	As at 31 December 2013 €'000
A+, A, AA-, Aa3	9,977	27,228
BB+	–	707
B3, B, B-,Baa3	72,774	36,117
CA	11	37
Total	**82,762**	**64,089**

27. Ordinary Shares

Allotted, Called up and Fully Paid

Ordinary shares of 1 pence each	Number of shares	Ordinary Shares €'000	Share Premium €'000
At 1 January 2013	337,288,261	4,224	39,067
New shares issued	36,400,800	429	26,823
At 31 December 2013	**373,689,061**	**4,653**	**65,890**
New shares issued	–	–	–
At 31 December 2014	**373,689,061**	**4,653**	**65,890**

Share Options and Warrants

Share Options Plan

The Company has one share option scheme. The Globo Plc Share Option Plan (Part I) applies to employees of the Group and the Globo Plc Share Option Plan (Part II) applies to employees and non-employees of the Group. The maximum number of ordinary shares to be made available under the Option Plan shall not exceed 5% of the Company's issued ordinary share capital.

Disclosures for Share Options and Warrants

	Year ended 31 December 2014		Year ended 31 December 2013	
	No. of options and warrants	Weighted average price (in pence)	No. of options and warrants	Weighted average price (in pence)
Outstanding at beginning of year	835,000	64.63	2,520,000	12.50
Granted during the period	1,520,000	48.02	835,000	64.63
Exercised during the year	–	–	(2,520,000)	12.50
Lapsed during the year	–	–	–	–-
Outstanding at end of year	2,355,000	53.91	835,000	64.63
Exercisable at end of year	935,000	62.49	300,000	46.17

The warrants and options outstanding at 31 December 2014 had a weighted average remaining contractual life of 3.92 years (2013: 4.80 years).

Where material, the Group recognises an expense for all share based payments. The fair value of the options and warrants has been measured by use of the Black-Scholes pricing model. The expected volatility was determined by calculating the historical volatility of the Company's share price.

The significant inputs into the model were as follows:

	7 June 2013	2 August 2013	21 October 2013	7 February 2014	8 September 2014	21 November 2014
Shares under option	300,000	100,000	435,000	200,000	860,000	460,000
Share price at grant date (pence)	47.75p	42.75p	80.60p	53.94p	48.25p	45.00p
Exercise price	47.75p	43.00p	81.25p	54p	48.25p	45.00p
Option life (years)	4	9	3	3	3	3
Risk free rate	1.88%	2.59%	0.58%	0.64%	0.99%	0.94%
Expected volatility	46.98%	46.98%	53.77%	52.04%	45.01%	42.19%
Expected dividend	Nil	Nil	Nil	Nil	Nil	Nil
Fair value per option	20.48p	24.50p	29.15p	19.08p	15.14p	13.29p
Forfeiture rate	Nil	Nil	Nil	15%	15%	15%

The total fair value has been spread over the relevant vesting periods and has resulted in a charge to profit or loss for the year ended 31 December 2014 of €325,253 (2013: €23,092). This amount has been included in administrative expenses.

28. Other reserves

Group

Other reserves are analysed as follows:

	Ordinary reserves	Untaxed reserves	Financial means reserves	Other reserves	Merger reserve	Share based payments reserve	Total
Balance at 1 January 2013	**179**	**3,530**	**(46)**	**(81)**	**1,500**	**139**	**5,221**
Charges within the year	–	–	–	–	–	(106)	(106)
Balance at 31 December 2013	**179**	**3,530**	**(46)**	**(81)**	**1,500**	**33**	**5,115**
Charges within the year	–	–	–	–	–	325	325
Balance at 31 December 2014	**179**	**3,530**	**(46)**	**(81)**	**1,500**	**358**	**5,440**

In accordance with the provisions of Greek company law the "ordinary reserve" has been created through a compulsory transfer of an amount equal to 5 per cent of the annual profit after tax, until such time as the reserve reaches the equivalent of one third of the share capital. The "ordinary reserve" can be distributed only upon the dissolution of the Greek companies but can be utilised to offset accumulated losses.

The "untaxed reserves" have been created in the periods from 2002 onwards, as a result of tax legislation. This permits the indefinite deferral of tax on otherwise taxable profits, as a form of an investment incentive, on the condition that the said profits are reinvested into the business. Tax deferred in this way is crystallised on the disposal of the assets acquired, within a period of 5 years from their acquisition, or whenever the untaxed reserves are distributed. The tax liability that will crystallise on the distribution of these reserves, estimated, as at 31 December 2014 is €633,000 (31 December 2013: €633,000) and shall be recognised as and when a decision to distribute these reserves, in full or in part, is taken.

continued

The "financial means reserve" has been created as a result of the loss from selling the shares of subsidiary company 3nSold S.A. at a lower value than that at which it was acquired. This reserve will remain for an indefinite period until the loss is recovered by profits from selling shares or at the dissolution of the Greek companies (at which time it will be offset with any "ordinary reserve" in existence at the time).

Net "other reserves" comprise the excess paid to acquire a non-controlling interest of (€564,000) and undistributed post-tax profits of €483,000. Changes in ownership interests after control is obtained, and do not result in a change of control, are accounted for as equity transactions with any excess paid recognised within other reserves attributable to equity holders rather than additional goodwill. The undistributed post-tax profits can be used to increase the share capital of Greek companies, or can be distributed to the shareholders at any time, without any tax obligation. The use of this reserve is subject to the decision of a general meeting.

The "merger reserve" arises on consolidation as a result of merger accounting for the historic acquisition of Globo Technologies S.A., and represents the difference between the value of the share capital and premium issued for the acquisition and that of the acquired equity of Globo Technologies S.A.

For year 2014, the share based payments reserve, as the fair value of the options and warrants has been measured, reaches the amount €325,253.

Company

Other reserves are analysed as follows:

	Merger reserve €'000	Share based payments reserve €'000	Total €'000
Balance at 1 January 2013	**1,500**	**132**	**1,632**
Charges within the year	–	(106)	(106)
Balance at 31 December 2013	**1,500**	**26**	**1,526**
Charges within the year	–	325	325
Balance at 31 December 2014	**1,500**	**351**	**1,851**

29. Borrowings and Finance Leases

Group

Loans have been provided to the Group during 2014 by Barclays Bank Plc and East West United Bank SA, which are denominated in Euros. The amounts payable within one year of the statement of financial position date are reported as short-term loans while the amounts repayable at a subsequent stage, are reported as long-term loans.

The bank loans and finance lease liabilities of the Group are analysed as follows:

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Current Liabilities		
Long term bank loans payable within one year	2,700	–
Finance lease liabilities	22	14
Total current borrowings	**2,722**	**14**
Non-current Liabilities		
Long term bank loans	39,697	21,433
Finance lease liabilities	23	8
Total non-current borrowings	**39,720**	**21,441**
Total borrowings and finance leases	**42,442**	**21,455**

Maturity analysis (interest charge included)

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
A. Long-Term Loans		
Payments analysed as:		
– within one year	4,163	–
– between two and five years	43,675	25,296
– more than five years	–	–
Total	**47,838**	**25,296**
B. Finance leases		
Payments analysed as:		
– within one year	22	14
– between two and five years	23	8
– more than five years	–	–
Total	**45**	**22**

continued

The carrying amount of the Group's borrowings are denominated in the following currencies:

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Euros	42,397	21,433
Total	**42,397**	**21,433**

Company

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Non-Current Liabilities		
Long term bank loans	39,697	21,433
Current Liabilities		
Short term bank loans	2,700	–
Total	**42,397**	**21,433**

In 2014, the Group had access to a revolving credit facility of €30 million and two secured term loan facilities totalling €35 million, of which at the year-end 2014 have been drawn €15 million and €30 million respectively.

Amounts drawn down under the revolving credit facility are fully repayable until October 2016. Amounts drawn down under the two term loan facilities are repayable in quarterly instalments commencing on April 2015 (for term loan A) and on April 2016 (for term loan B) and fully repayable until October 2016.

The Group bears interest on the revolving credit and term loan facilities at Euribor + 3.50% per annum.

The borrowing facilities are secured in the event of non-payment by Globo Plc and those subsidiaries which have entered into the Facility Agreement as guarantors, namely Globo US Holdings LLC, Globo Mobile Inc, Globo Mobile Technologies Inc, Globo International LLC, Globo Mobile SA, Profitel SA, Globo EMEA Holdings Ltd, Globo Services (CY) Ltd, G.M.I.P Ltd, Reachfurther Communications Ltd, Globo Mobile Software Services Ltd and G.M.I.P. (Jersey) Ltd.

Borrowings are secured by a fixed and floating charge over certain Group assets, to include trade receivables, cash and cash equivalents, goodwill and intellectual property, together with a pledge over the issued share capital of the subsidiary undertakings.

Borrowings as at 31 December 2014 include issuance costs amounting to €2,603 million (2013: €3,067).

30. Provisions

Group	Tax obligations €'000	Contingent consideration on business combination €'000	Deferred income €'000	Total €'000
At 1 January 2014	–	162	295	457
Charged/(credited) to Statement of total consolidated income:				
– Additional provisions	–	–	593	593
Used during the year	–	(162)	(295)	(457)
At 31 December 2014	**–**	**–**	**593**	**593**

Analysis of total provisions	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Non-current	593	457
Total	**593**	**457**

Company	Contingent consideration on business combination €'000	Total €'000
At 1 January 2014	162	162
Used during the year	(162)	(162)
At 31 December 2014	**–**	**–**

Analysis of total provisions	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Non-current	–	162
Total	**–**	**162**

continued

31. Trade and Other Payables

Group

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Trade payables	4,378	4,242
Post dated cheques	270	340
Advance payment from customer	50	60
Total	**4,698**	**4,642**

Company

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Trade payables	344	77
Total	**344**	**77**

The Group's trade and other payables are carried at amortised cost are denominated in the following currencies:

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
GBP	225	156
EUR	3,639	3,076
USD	764	651
Other currencies	70	759
Total	**4,698**	**4,642**

32. Taxes payable

Group

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Payroll taxes	449	115
Third parties taxes	20	19
Other taxes payable	303	305
Total	**772**	**439**

Company

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Social security and other taxes	181	81
Total	**181**	**81**

33. Accrued Liabilities and Deferred Income

Group

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Social security	308	223
Deferred income	5,447	2,814
Other payables and accrued expenses	4,531	2,359
Total	**10,286**	**5,396**

Company

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Payables to related parties	35,032	10,561
Other payables	446	254
Intrasegment accrued expenses	108	108
Accrued expenses	455	281
Total	**36,041**	**11,204**

34. Related Party Transactions

For the purposes of these Financial Statements, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions as defined by IAS 24 "Related Party Disclosures". In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Transactions between the Company and its related parties are disclosed below:

i. Directors' Remuneration and Service Fees

In the year ended 31 December 2014 the total remuneration and service fees of the Directors was €1,200,079 (year ended 31 December 2013: €786,030). The amount due to Directors and their service companies as at 31 December 2014 was €6,621 (2013: €206,682).

ii. Managers' Remuneration

In the year ended 31 December 2014 the total remuneration and service fees of the key management personnel was €1,756,767 (year ended 31 December 2013: €625,899).

The Group is not committed to any post-employment benefits, other than long-term benefits or termination benefits, other than by Greek Law, for any of its Directors, managers or employees.

continued

iii. Transactions with Related Companies

Globo Plc

Globo Plc undertakes a cash management and corporate treasury function on behalf of the Group, which gives rise to the receipt and payment of funds with subsidiary undertakings. All amounts are receivable or payable on demand and bear no interest.

The year end balances due to Globo Plc arising from intercompany transactions with related parties were as follows:

	At 31 December 2014 €	At 31 December 2013 €
Globo Mobile S.A.	49,372,748	27,756,579
Profitel Communications S.A.	6,989,472	4,111,600
Globo Mobile Technologies International FZ LLC	2,104,663	–
Globo International LLC	4,361,319	1,880,352
Globo Holdings Limited	209,696	196,642
G.M.I.P. Limited	24,461,027	19,396,424
Globo Mobile Inc.	11,334,139	7,115,578
Reach Further Communications Limited	267,729	232,575
Globo Mobile Technologies Inc.	2,442,830	470,370
G.M.I.P. Jersey Ltd	18,049,281	–
Globo Mobile Software Services Ltd	14,683	–
Globo US Holdings LLC	8,717,943	–

Amounts payable at the year end to related parties arising from intercompany transactions with Globo Plc were as follows:

	At 31 December 2014 €	At 31 December 2013 €
Globo Services (CY) Limited	24,439,290	6,216,543
Globo Mobile Technologies International FZ LLC	9,423,092	3,362,006
Globo Mobile S.A.	149,395	107,563
Globo EMEA Holdings Limited	1,151,388	982,658
Globo International LLC	18,496	–
Globo Mobile Technologies Inc.	191,421	–

Non-Controlling Party

Globo Group charged Globo Technologies S.A. €3,549,119 for licenses and services and Globo Technologies S.A. charged Globo Group €3,267,013 for support and software development services.

35. Cash Generated from Operations

Group

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Profit for the period before tax	**35,703**	**27,399**
Adjustments for:		
Profit on disposal of tangible/intangible assets	6	–
Depreciation of property, plant and equipment	731	381
Amortisation of intangible assets	12,803	8,253
Movement in provisions	149	220
Impairment of assets	592	–
Share-based payments	325	33
Share of (profit)/loss of associate	(1,715)	(1,161)
Finance costs (net)	3,333	1,080
Adjustments for changes in working capital:		
Increase in inventory and work in progress	1,266	(1,599)
Increase in current trade and other receivables	(17,658)	(7,394)
Increase in current assets	(3,657)	(5,401)
Increase in trade and other payables	4,536	913
Cash Generated from Operations	**36,414**	**22,724**

Company

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
Loss before tax	(4,578)	(3,169)
Adjustments for:		
Amortisation of intangible assets	–	3
Share-based payments	325	–
Foreign exchange on operating activities	3,699	(448)
Finance costs (net)	3,026	1,198
Adjustments for changes in working capital:		
Increase in current assets	(64,063)	(6)
Increase in other receivables	(920)	(33,551)
Increase/(decrease) in trade and other payables	25,744	10,576
Cash used in Operations	**(36,767)**	**(25,397)**

continued

36. Commitments and Contingencies

i. Operating Lease Commitments

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	As at 31 December 2014 €'000	As at 31 December 2013 €'000
Within one year	1,402	746
Between two and five years	2,448	1,605
Total	**3,850**	**2,351**

ii. Unaudited Tax Years

The Group has not had its Greek tax computations assessed by the taxation authorities for the financial year 2010. Under the revised Greek tax law, the tax audit for 2011, 2012 and 2013 has been conducted by the Greek statutory auditors. The tax audit for the year 2014 is currently on-going and scheduled for completion in the first half of 2015.

37. Post Balance Sheet Events

On 30 January 2015, 200,000 share options were granted to employees with an exercise price of 42 pence and an option life of five years.

38. Capital Management Policies

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating with its banks and suppliers in order to support the expansion of the business and maximise shareholder value. The Group manages its capital structure according to economic conditions and makes adjustments to it in light of changes to those conditions. Furthermore the Group is continuously reviewing its working and investment capital needs in order to secure cash flows and financing facilities to support them. The Group is using short term debt, long term debt and equity to finance its product development and infrastructure needs. In situations where new capital requirements are imposed by new projects that the Group is aiming to engage, careful planning is undertaken to ensure optimum spending within the project's resources and within existing and/or new financing facilities.

39. Parent Company statement of comprehensive income

The Company has taken advantage of section 408 of the Companies Act 2006 and has not included its own statement of comprehensive income in these Financial Statements. The loss of the Company for the year was €4,578,007 (2013: loss €3,168,399) which is dealt with in the Financial Statements of the Company.

Notice is given that the Annual General Meeting of Globo Plc will be held at 10.00am on Monday 29 June 2015 at Thames Court, 1 Queenhithe, London EC4V 3DQ to consider the following resolutions of which resolutions 1 to 5 will be proposed as ordinary resolutions and resolutions 6 and 7 as special resolutions.

1. To receive the annual report and audited accounts for the year ended 31 December 2014.

2. To re-elect Barry Ariko as a director.

3. To re-elect Dimitrios Gryparis as a director.

4. To reappoint Grant Thornton UK LLP as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the members and to authorise the directors to determine their remuneration.

5. THAT under section 551 of the Companies Act 2006 ("the Act") and in substitution for all existing authorities under that section, the directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal amount of £1,245,630 such authority (unless previously revoked or varied) to expire at the end of next year's annual general meeting or if earlier 30 June 2016 save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted or rights to be granted after such expiry and the directors may allot shares or grant rights under such an offer or agreement as if this authority had not expired.

Special Resolutions

6. THAT, subject to the passing of resolution 5 above, the directors be and are hereby empowered under section 570 of the Companies Act 2006 ("the Act") to allot equity securities (within the meaning of section 560 of the Act) under the authority conferred by resolution 5 above as if section 561(1) of the Act did not apply to any such allotments provided that this power shall be limited to:

   (a) the grant of options under the Globo Share Option Plan (Parts I and II) ("the Plan"), to employees, directors, management and consultants of the Company and its subsidiaries from time to time ("the Group"), and the issue of ordinary shares upon the exercise of such options, provided that the number of ordinary shares in respect of which such options may be granted under the Plan shall not, when added to the number of ordinary shares issued or capable of being issued by way of subscription on the exercise of options granted by the Company in any ten year period under:

      (i) the Plan; or

      (ii) any other share plan approved by the Company in general meeting or adopted by the board of directors of the Company after the adoption of the Plan which provides for the acquisition of shares by or on behalf of employees, directors, contractors or consultants of the Group (but excluding any options which have lapsed or been surrendered and options granted before the adoption of the Plan)

   exceed 10 per cent of the ordinary shares in issue from time to time;

   (b) the allotment of equity securities in connection with an invitation or offer of equity securities to the holders of ordinary shares in the capital of the Company (excluding any shares held by the Company as treasury shares (as defined in section 724(5) of the Act)) on a fixed record date in proportion (as nearly as may be) to their respective holdings of such shares or in accordance with the rights attached to such shares (but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or as a result of legal or practical problems under the laws of, or the requirements of any regulatory body or any stock exchange in any territory or otherwise howsoever);

continued

(c) the allotment (other than under paragraphs (a) and (b) above) of additional equity securities and/or the sale or transfer of shares held by the Company in treasury (as the directors shall deem appropriate) up to an aggregate nominal value of £373,689;

and so that such power (unless previously revoked or varied) shall expire at the end of next year's annual general meeting, or if earlier 30 June 2016, provided that the directors may, before the power expires, make an offer or enter into an agreement which would or might require equity securities to be allotted after such power expires.

7. THAT, the Company be generally and unconditionally authorised to make market purchases (as defined in the Companies Act 2006) of ordinary shares of 1p each in the capital of the Company ("ordinary shares") on such terms and in such manner as the directors may from time to time determine, provided that:

(a) the maximum number of ordinary shares authorised to be purchased shall be 56,053,359;

(b) the minimum price which may be paid for an ordinary share is 1p;

(c) the maximum price (exclusive of expenses) which may be paid for an ordinary share is an amount equal to the higher of: (i) 105% of the average of the middle market quotations for the shares as derived from the Daily Official List for the five business days immediately preceding the day on which the purchase is made; and (ii) an amount equal to the higher of the price of the last independent bid for an ordinary share as derived from the London Stock Exchange Trading System;

(d) the authority conferred by this resolution shall expire at the end of next year's annual general meeting, or if earlier, 30 June 2016, unless such authority is varied, revoked or renewed prior to such time by the Company in general meeting by special resolution; and

(e) the Company may make a contract to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority which will or may be completed wholly or partly after the expiration of such authority.

By order of the Board

L E Young
Secretary

Registered Office:
190 High Street
Tonbridge
Kent TN9 1BE

5 June 2015

Right to attend, speak and vote

1. If you want to attend, speak and vote at the AGM you must be on the Company's register of members at 10.00am on Thursday 25 June 2015. This will allow us to confirm how many votes you have on a poll. Changes to the entries in the register of members after that time, or, if the AGM is adjourned, 48 hours (excluding non-working days) before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend, speak or vote at the meeting.

Appointment of proxies

2. As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to a single share. To appoint more than one proxy, please contact the registrars of the Company, Share Registrars Limited on 44 (0) 1252 821390.

5. If you do not give your proxy an indication of how to vote on any resolution, they will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit on any other matter which is put before the meeting. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution.

6. The notes to the proxy form explain how to direct your proxy to vote on each resolution or withhold their vote.

7. To appoint a proxy using the proxy form, the form must be completed and signed. It must then be sent or delivered to the Company's registrars, Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL. Alternatively it can be sent by fax to 44 (0) 1252 719232; or scanned and sent by email to proxies@shareregistrars.uk.com. The proxy form must be received by Share Registrars Limited no later than 10.00am on Thursday 25 June 2015.

8. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be submitted with the proxy form.

Appointment of proxy by joint members

9. In the case of joint shareholders, where more than one of them purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

10. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using a hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Share Registrars Limited on 44 (0) 1252 821390.

continued

If you submit more than one valid proxy appointment, the one received last before the latest time for the receipt of proxies will have effect.

Termination of proxy appointments

11. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment, to: Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL or by fax to 44 (0) 1252 719232. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be submitted with the revocation notice. In either case, the revocation notice must be received by Share Registrars Limited no later than 10.00am on Thursday 25 June 2015.

    If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

    Appointment of a proxy does not prevent you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

Communication

12. Except as provided above, members who have general queries about the meeting should contact Share Registrars Limited on 44 (0) 1252 821390 or by email to enquiries@shareregistrars.uk.com (no other methods of communication will be accepted). You may not use any electronic address provided either in this notice of annual general meeting or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

Issued shares and total voting rights

13. As at 5.00pm on the day immediately prior to the date of posting of this notice of meeting, the Company's issued share capital comprised 373,689,061 ordinary shares of 1p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company at that time was 373,689,061.

Annual general meeting – explanation of business

This year's annual general meeting will be held at 10.00am on Monday 29 June 2015 at Thames Court, 1 Queenhithe, London EC4V 3DQ. The notice of meeting is set out on pages 107 and 108 of this document and a form of proxy is enclosed.

Details of resolutions to be considered at the meeting are given below.

Accounts (resolution 1)

In accordance with usual practice, shareholders are asked to receive the report and accounts for the year ended 31 December 2014.

Directors (resolutions 2 and 3)

Under the Company's articles of association, Barry Ariko and Dimitris Gryparis are due to retire by rotation and they each offer themselves for re-election by shareholders. Biographical details of all of the directors are given on pages 40 and 41 of this document.

Auditors (resolution 4)

The Company is required to reappoint the auditors at each general meeting at which accounts are laid before the members. Resolution 4 authorises the Company to reappoint the auditors and, in accordance with standard practice, to determine their remuneration.

Authority to allot shares (resolutions 5 and 6)

In accordance with current guidelines, the Directors seek authority to allot up to a maximum of 124,563,000 relevant securities. This represents approximately 33% of the issued ordinary share capital as at 4 June 2015. Further, in order to retain some flexibility, the Directors seek power to allot 37,368,900 equity securities wholly for cash other than on a pre-emptive basis to current shareholders pro-rata to their existing holdings. This amount represents 10% of the issued ordinary share capital as at 4 June 2015. These authorities will continue in force until the annual general meeting to be held in 2016 or 30 June 2016, whichever is the earlier.

Authority for the Company to purchase its own shares (resolution 7)

Resolution 7 authorises the Company, until the earlier of next year's AGM or 30 June 2016, to purchase in the market up to a maximum of 56,053,359 ordinary shares (equivalent to 15% of the issued share capital of the Company as at 4 June 2015) for cancellation at a minimum price of 1p per share and a maximum price per share of an amount equal to 105% of the average of the middle market quotations for an ordinary share (as derived from the Daily Official List) for the five business days immediately before the date of purchase.

The Companies Act 2006 allows the Company to hold any repurchased shares in treasury, instead of cancelling them immediately. If the Company buys back its own shares and holds them in treasury it may then deal with some or all of them in several ways. It may sell them for cash; transfer them under the provisions of an employee share scheme; cancel them; or continue to hold them in treasury. Holding shares in treasury in this way would allow the Company to reissue them quickly and cost effectively, giving increased flexibility to the management of its capital base. Dividends are not paid on shares held in treasury, nor do they carry voting rights while they remain there. The Directors intend to decide at the time of any share buyback, whether to cancel the shares immediately or to hold them in treasury, depending on the interests of the Company and its shareholders as a whole, at the time. The Company does not currently hold any shares in treasury. This proposal should not be taken as an indication that the Company will purchase shares at any particular price or indeed at all, and the Directors will only consider making purchases if they believe that such purchases would result in an increase in earnings per share and are in the best interests of shareholders.

It is intended to renew each of the above authorities at each annual general meeting.

Proxy form

I/We _____
(insert full name in BLOCK CAPITALS)

of _____
(insert address in BLOCK CAPITALS)

being (a) member(s) of GLOBO PLC (the 'Company') hereby appoint the Chairman of the meeting or the following person:

Name	*Number of shares* (see notes 6 and 7)

as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at Thames Court, 1 Queenhithe, London EC4V 3DQ on Monday 29 June 2015 at 10.00am and at any adjournment of that meeting. I/We request such proxy to vote on the following resolutions as indicated below:

RESOLUTIONS	**For**	**Against**	**Withheld**
1. To receive the report and accounts for the year ended 31 December 2014			
2. To re-elect Barry Ariko as a director			
3. To re-elect Dimitrios Gryparis as a director			
4. To reappoint the auditors and authorise the directors to determine their remuneration			
5. To authorise the directors to allot relevant securities			
6. To disapply pre-emption rights			
7. To authorise the Company to buy back its shares			

☐ Please tick here if the proxy appointment is one of multiple appointments being made and state in the box above the number of shares to which this proxy relates. Also, see notes 6 and 7 below.

Signature _____

Date _____

continued

NOTES:

1. A proxy need not be a member of the company.

2. Please indicate with an 'X' in the appropriate boxes above how you wish your votes to be cast. Unless otherwise instructed the proxy may vote or abstain from voting as they think fit. The 'vote withheld' option is provided so that you may abstain on any particular resolution: this is not a vote in law and will not be counted in the calculation of the proportion of votes 'for' and 'against' a resolution.

3. To be effective this proxy form must be deposited with Share Registrars, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL, not less than 48 hours (excluding non-working days) before the time fixed for the meeting. The proxy form must be signed by the member or the member's attorney duly authorised in writing or, if the member is a corporation, it must be either under its common seal or signed on its behalf by an attorney or officer duly authorised whose capacity should be stated.

4. In the case of joint members the vote of the senior joint member who signs a proxy form will be accepted to the exclusion of others, seniority being determined by the order of names in the register.

5. If you wish to appoint someone other than the Chairman as your proxy, delete "the Chairman of the meeting (or)" and insert the name of your proxy in the box provided.

6. If the proxy is being appointed in relation to only some of your shares, please write the number of shares in respect of which they are authorised to act in the box next to their name. If this box is left blank, your proxy will be deemed to be authorised to act in respect of all of your shares.

7. To appoint additional proxies, this form may be photocopied or additional copies obtained from the registrars. On each form, please indicate in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act and ensure that each form bears an original signature. If you wish to terminate the proxy appointment you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment. Your revocation notice must be received no later than 48 hours (excluding non-working days) before the meeting.

8. Completion and return of a proxy form will not prevent you from attending and voting in person at the meeting should you subsequently decide to do so.

9. Any alteration made to this proxy form should be initialled.

10. As at 5.00pm on the day immediately prior to the date of posting of this notice of meeting, the Company's issued share capital comprised 373,689,061 ordinary shares of 1p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company at that time was 373,689,061.

San Francisco ¦ Palo Alto ¦ New York ¦ Canfield ¦ London ¦ Athens ¦ Limassol ¦ Dubai ¦ Bangalore ¦ Singapore



190 High Street
Tonbridge - Kent
TN9 1BE

Tel: +44 (0) 1732 366561
Fax: +44 (0) 1732 353056
Email: info@globoplc.com
URL: globoplc.com