Globo plc
29 September 2015

FOR IMMEDIATE RELEASE

GLOBO plc
("Globo" or "the Group")

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

Globo plc (LSE-AIM: GBO / OTCQX: GOBPY), the international provider of Enterprise Mobility Management (EMM), mobile solutions and software as a service (SaaS), is pleased to announce its unaudited interim results for the six months ended 30 June 2015.

Financial highlights

- Revenue up 56% to €72.4 million (H1 2014: €46.5 million)
  - GO!Enterprise revenue up 126% to €44.9 million (H1 2014: €19.9 million)
  - CitronGO! and GO!Social revenue up 6% to €21.3 million (H1 2014: €20.1 million)
  - Telecom & SaaS revenue grew 16% YoY to €5.0 million (H1 2014: €4.3 million)
- The Group continues to build on its strong recurring revenue streams:
  - GO!Enterprise EMM & MADP had a renewal rate of the prior year's licences of roughly 99%
  - 68% of GO!Enterprise MBS project revenue was generated by repeat orders
- H1 Gross profit margin increased to 59% (H1 2014: 58%) primarily due to the increased proportion of direct sales
- EBITDA increased 55% to €34.2 million (H1 2014: €22.0 million)
- Last twelve months (LTM) EBITDA was €63.1 million
- Profit before tax rose 37% to €22.0 million (H1 2014: €16.1 million)
- Earnings per share increased 14% to €0.049 (H1 2014: €0.043)
- Net cash generated from operations increased to €21.0 million (H1 2014: €16.6 million)
- Free cash flow[1] of €7.2 million (H1 2014: €4.2 million)
- LTM free cash flow of €10.3 million
- Net cash position increased to €47.4 million (31 December 2014: €40.4 million)

[1] 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.

Operating highlights

- Significant growth in licence and end user base:
  - GO!Enterprise Enterprise Mobility Management ("EMM") business-to-employee device licences installed base up 93% to 1.1 million at the half year (30 June 2014: 0.569 million)
  - GO!Enterprise Mobile Application Development Platform ("MADP") business-to-consumer licences installed base up 63% to 40.8 million (30 June 2014: 24.9 million)
  - CitronGO! and GO!Social monthly active users up 9% to 3.7 million (30 June 2014: 3.4 million)

- Renewal of approximately 50,000 GO!Enterprise EMM licences and an incremental purchase order from a U.S. Fortune 100 company, worth US$1.2 million (€1.0 million).

- U.S. growth remains on track, with expanded operations and headcount increases in the region. During the period we strengthened our sales and marketing capabilities with the addition of Keith Higgins as our U.S. Chief Marketing Officer and the hiring of numerous sales and marketing professionals. In order to attract additional talent, a software development centre has been established in Pittsburgh, Pennsylvania. The Group has also expanded the capabilities of its Canfield, Ohio development centre.

- Globo secured a major contract for numerous mobile application projects with a strategically significant South Asian industrial conglomerate customer in June 2015. The initial contract value is in excess of US$1million, and the diversified nature of the customer offers additional future opportunities for new projects and licence growth.

- New customers added in Q2 2015, including eRevmax, CenClear, Northlands Police, Aegean Oil, International Life, Lafarge, UBB Bank, Peoplecert and Watt & Volt. These new customers follow strong contract wins in Q1 2015, including the U.S. Army, ING, EMC, INTEL, Musananda (UAE), Vodafone and Coca-Cola.

- Continued awards and recognition from industry observers:
  - Highlighted in Ovum's 2015-16 Decision Matrix for MADP Solutions as a major "Market Challenger" amongst the 12 leading MADP vendors, with the potential to become a Tier-1 player
  - Highlighted in Gartner's 2015 Enterprise Mobility Management Suites Magic Quadrant
  - Innovative Application Award in February 2015 for the "EMBRYOGENESIS" app
  - Recognition for our TUI app in March by Tourism Awards 2015 in the category 'Applications for smartphones and tablets'
  - Distinction at the Mobile Excellence Awards 2015 in June for the mobile app "be inlife" (International Life)

- Announcement at Mobile World Congress in Barcelona of FIPS 140-2 certified encryption for GO!AppZone. Globo is the only company to offer this level of security for such a development platform.

- Launch in the U.S. of a Fully-Sponsored Level 1 ADR with over-the-counter trading facilities on the OTCQX platform, traded under the ticker GOBPY.

Situation in Greece

Since the end of June 2015, our Greek operations have faced the challenges of the Greek political uncertainty in combination with the impact on financial markets of slowing growth in China which resulted in capital controls.

The Group has taken all relevant measures to avoid any operational or financial impact, as previously announced. Our Greek revenues in 2015 are estimated at between 6% and 7% of total revenue and we do not see any potential impact on our results for this year. The situation in Greece has now stabilised and our Greek operations continue to function as normal.

Post period-end

- We have announced a €14 million proposed acquisition of a Bring-Your-Own-Device (BYOD) and Mobile Security software provider based in Europe. The acquisition target offers a set of security solutions for the mobile industry with strong focus on BYOD and Mobile Applications Security. It has a successful track record with customers in the banking, finance and public sectors, and has built a strong reseller network including telecommunications companies, IT solutions providers and mobile technology players. This acquisition is intended to enhance the GO!Enterprise portfolio with certain aspects of security that are not covered in the current GO!Enteprise platform, and provide instant access to certain additional regulated financial markets. Globo expects the acquisition to be completed in October 2015.

- Globo has entered into a major partnership with I Love Velvet (ILV) Inc., based in New York, to address the mobile POS (mPOS) market globally. Our combined mPOS solution has been selected by a major International Bank to enable its more than 2 million small business and professionals customers. Official commercial launch is planned for Q1 2016 after the completion of a pilot programme scheduled for Q4 2015.

Outlook

- Our positioning within the field of Mobile Enterprise creates strong momentum for further growth in enterprise customers and new project wins.

- Strong business momentum is expected due to the traditionally stronger second half of the year and continued US expansion.

- Our current cash position and cash flow covers all of our operating requirements and will enable us to pursue selective acquisition opportunities in the near term. In order to grow the business through more sizeable acquisitions, we continue our High Yield Bond discussions. Globo maintains a prudent view on the methods of financing its acquisition led growth.

Commenting on the results, Costis Papadimitrakopoulos, CEO of Globo, said:
"We are proud of the continued success of our growth strategy. Over the course of just a few years, Globo has been positioned as one of the leaders in the Mobile Enterprise space and our business continues to evolve in a number of different business areas. Our International operations and growing US presence are driving opportunities for our customers and the Enterprise transformation towards mobile systems and applications is accelerating.

We remain committed to increasing shareholder value, both through organic growth and strategic investments in technology, expertise and market reach."

A presentation to analysts and brokers hosted by Costis Papadimitrakopoulos, Chief Executive Officer, and Dimitris Gryparis, Financial Director, will be held at 10.30 on 29 September 2015 at 55 Old Broad Street Street, London, EC2M 1RX.

To join via conference call:

UK dial-in: 0800 368 0649
Overseas dial-in: +44 20 3059 8125
Access Code: Globo

To join via the website:

http://globoplc.com/interim-results-2015-presentation/

The slides for the presentation will be available on Globo's website:

http://www.globoplc.com/en-GB/results-and-presentations/

For further information please contact:

Globo plc +44 20-7378-8828

Costis Papadimitrakopoulos, CEO
Dimitris Gryparis, Finance Director
Mike Jeremy, IRO

RBC Capital Markets +44 20-7653-4000
(Nominated Adviser & Broker)

Pierre Schreuder or Ema Jakasovic

Canaccord Genuity +44 20-7523-8000
(Joint Broker)
Simon Bridges or Emma Gabriel

Brunswick Group

Chris Blundell or Charles Pemberton +44 20-7404-5959

About Globo plc

Globo Plc is a global provider of complete enterprise mobility solutions and SaaS. Our GO!Enterprise (EMM) and GO!AppZone (MADP) offerings help businesses expand their engagement with employees and customers through the mobile channel via a secure and extensible environment that runs on all smart devices. The Group operates internationally through subsidiaries and offices in the U.S., U.K., Europe, Middle East and South East Asia. Globo was included in the 2014 Gartner Enterprise Mobility Management Magic Quadrant report, in Ovum's 2014-15 Decision Matrix for EMM Solutions and 2015-16 Decision Matrix for MADP Solutions, and in IDC's January 2015 report on Mobile Enterprise Application Development Platforms. For more information visit www.globoplc.com.

CHIEF EXECUTIVE OFFICER'S REPORT

Overview

In the six months to 30 June 2015 Globo maintained strong operational momentum, driven by our Enterprise Mobility product suite, Mobility Business Solutions (MBS) offering, and increased direct sales leading to strong revenue growth and cash generation.

The main areas of focus during the period have been the:

- Increase of our direct sales personnel and execution capacity
- Increase of our technical capabilities in the implementation of strong Enterprise Mobility solutions driven by security and Mobile Apps
- Expansion of our U.S. activities and market penetration
- Optimisation of our Sales and Marketing processes to attract new direct customers and achieve stronger engagement with cross selling and up selling opportunities
- Establishment of strong partnerships that will help us build a stronger commercial and innovation path
- Evaluation of acquisition targets that will help the company scale up
- Optimisation of our international presence and operational platform to minimise the exposure to operational and software development costs, thus keeping the underlying margins at a very strong level
- Continuous innovation in new products and expansion of existing ones

During the period we continued to improve our competitive position in an enterprise mobility market which is being driven by strong demand for enterprise use of smartphones and tablets and increasing interest in mobile-based applications.

Our Enterprise and Consumer mobile product lines continued to deliver significant growth, forming the basis for future recurring revenues and profit generation for the Group.

As expected our Enterprise Business is now the most dominant component of our revenue, representing 62% of our total sales, driving our working capital performance and improving cash generation.

We saw strong underlying demand and new customer wins for our GO!Enterprise platform, leading to revenue growth of 126% to €44.9 million (H1 2014: €19.9 million). Our consumer mobility revenue (CitronGO! and GO!Social) also performed well, growing 6% to €21.3 million (H1 2014: €20.1 million).

Overall, Group revenue grew by 56% to 72.4 million (H1 2014: €46.5 million). EBITDA increased by 55% to €34.2 million (H1 2014: € 22.0 million), whilst profit before tax grew €5.9 million to €22.0 million (H1 2014: €16.1 million).

Free Cash Flow[2] totalled €7.2 million in the first half compared to €4.2 million in the same period last year. This is a reflection of the shift in revenue balance towards enterprise mobility with an associated improvement in the payment cycle.

[2] 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.

Customer and contract wins

Throughout the first half of 2015 we have been winning new customers in addition to new users and business from our existing customers.

Significant new customers include eRevmax, CenClear, Northlands Police, Aegean Oil, International Life, Lafarge, UBB Bank, Peoplecert and Watt & Volt, U.S. Army, ING, EMC, INTEL, Musananda (UAE), Vodafone and Coca-Cola.

In addition, we secured a material South Asian industrial conglomerate customer in June 2015 for numerous mobile application projects. This customer is already contributing a strong revenue stream which is expected to surpass US$1million during 2015, with strong future potential.

These additions augment an interim base of approximately 3,500 enterprise customers and associated recurring revenue streams from GO!Enterprise projects and licences.

GO!Enterprise Business recurrence

As expected GO!Enterprise has become our dominant revenue stream. This brings improved recurring revenue visibility with 97% licence retention, with almost no licence churn and a 65% repeat project ratio.

U.S. Expansion

Globo continued its U.S. growth by expanding operations and increasing headcount in the region. During the period we strengthened our sales and marketing capabilities with the addition of Keith Higgins as our U.S. Chief Marketing Officer and the hiring of numerous sales and marketing professionals. In order to attract additional talent, a software development centre has been established in Pittsburgh, Pennsylvania. The Group has also expanded the capabilities of its Canfield, Ohio development centre.

First half revenue in the U.S. increased by 611% to €15.2 million (H1 2014: €2.1 million) contributing 21% of total group revenue.

We consider the U.S. our most important market as it represents 60% of the global EMM+MADP market, which in 2015 is expected to reach $4.6 billion. Our main focus remains the U.S. Enterprise mid-tier market (companies with revenues of between $10million and $1billion) which is in itself equivalent to the fifth largest economy in the world.

Our U.S. operations are headquartered in Palo Alto with additional offices in San Francisco, New York, Ohio and Pittsburgh, with representatives located in Canada, Los Angeles and Atlanta. We currently employ approximately 29% of our global head count in the U.S.

Recognition in Gartner's "Magic Quadrant for Enterprise Mobility Management Suites" and "Magic Quadrant for Mobile Application Development" reports

During the period we achieved inclusion in both the EMM and MADP Gartner Magic Quadrant, being officially one of the 4 players globally that has presence in both reports. This is a tremendous achievement and highlights our commitment to our investment strategy.

Strategy – Investments and Acquisitions

As the Mobile Enterprise Market evolves we observe continuing consolidation favouring larger

entities. We define this market as divided into three levels each of almost equal scale, as follows:

- Top-tier global players who provide mobility solutions as part of their overall product portfolio, with the consequence that they cannot offer the focus of "pure play" alternatives
- A group of leading "pure play" players who provide mainly Enterprise Mobility Solutions as their mainstream business
- A lower tier of smaller technology or service companies that offer innovative mobile solutions and services but with limited ability to execute or grow.

Globo's strategy is to establish leadership in the "pure play" segment through a combination of organic growth, backed by product investments, and selective acquisitions.

The Group has been targeting a series of acquisitions since the end of 2014 and we hope to progress certain of these over the coming months. We have recently announced the proposed acquisition of an innovative BYOD – Mobile Security Company in Europe for €14 million.

Our current cash position and cash flow covers all of our operating requirements and will enable us to pursue selective acquisition opportunities in the near term. In order to grow the business through more sizeable acquisitions, we continue our High Yield Bond discussions. The Company maintains a prudent view on the methods of financing its acquisition led growth.

Launch of new products and services

During the first half of the year we expanded the capability of our **GO!Enterprise** offering in many different areas:

- At Mobile World Congress (MWC) in Barcelona in February we announced the full availability of our FIPS 140-2 certified Mobile Application Development Platform (GO!AppZone) being the only company worldwide offering such a solution.
- During June we released our GO!AppZone deploy service which now offers connectivity and control of mobile apps through the GO!AppZOne cloud in a "pay as you go" transactional model. This improvement is expected to drive significant demand for SMEs deploying mobile apps in a more cost efficient way
- During June we completed GO!Enterprise Windows10 development in cooperation with Microsoft and being one of the first vendors to support the new Operating System from its first day of launch.
- Development of further product enhancements and new features has kept us busy during H1 2015 and new product releases are expected this year.

Operational performance: GO!Enterprise, CitronGO! and GO!Social

During the period, our combined mobile solutions revenues grew 65% to €66.2 million compared to €40.0 million in the same period last year.

GO!Enterprise

Our expansion plans are underpinned by the combination of global growth in demand for smartphones and tablets and the BYOD trend. This is a market which IDC predicts will reach US$7.0 billion by 2017.

The first half of the year showed our commitment to continued product expansion and improvement, with the launch of **GO!AppZone Studio** and **GO!Enterprise WorkSpace.**

Our fully integrated solutions of mobile Security, Mobile Productivity and Mobile Application Development Platform in combination with a strong consulting and services offering is

underpinning our future performance and opens up significant opportunities within each customer.

We continue to build our direct sales force, notably in the U.S. and UK and we are expanding our MBS capability, adding personnel in Greece and India where labour costs are more favourable. In the meantime we are ramping up our customer facing consultants in the U.S. and Western Europe while expanding our indirect relationships with resellers and software integrators.

Revenue from **GO!Enterprise** is recognised in two categories:

- Via licensing options on a per user/device basis, which are renewed annually or on a perpetual basis. These are accompanied by software assurance service contracts.
- Via consulting and implementation services for the development of tailor-made solutions and apps for customers or partners within the MBS division.

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

	H1 2015 Licences Installed Base [3]	**H1 2015 Revenue**	**H1 2014 Licences Installed Base** [3]	**H1 2014 Revenue**
Enterprise Mobility Management (EMM) Licences [4]	1.1 million	€11.4 million	569,500	€5.0 million
Mobile Application Development Platform (MADP) Licences [5]	40.8 million	€14.0 million	24.9	€4.9 million
Mobility Business Solutions (MBS) Services [6]	N/A	€19.5 million	N/A	€10.0 million
TOTAL		**€44.9 million**		**€19.9 million**

[3] Disclosed number of Installed Base is not equal to the licences sold during the period. It represents the total number of licences being active at the specific time including licences sold during the period and licences that are active and have been sold in previous periods.

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

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

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

We are planning to launch significant add-ons to our GO!Enterprise and GO!AppZone platforms tapping into several “hot” areas of the market such as Internet of Things (IoT), Wearable devices as well into Machine to Machine (M2M) communications where we see a tremendous opportunity for future growth. In the meantime we are expanding our GO!Apps Ecosystem of readymade

apps that give instant access to customers who want an out of the box solution that works for them.

The expansion of our GO!AppZone (MADP) family of products with the introduction of GO!AppZone cloud services are offering Application Test services, Application Native Build services for iOS, Android, Windows8 and BlackBerry as well as a Cloud Connector (MBAAS) which can interconnect applications and Back End Systems in a secure and flexible way.

We are building a developer community of users and the follow-on potential for revenue streams built on the desire to secure, deploy and monetise the resulting apps.

We are confident that the breadth of services that **GO!Enterprise** offers (EMM and MADP) combined with the momentum of demand for mobile first services and our US sales and distribution initiative in particular will further enable Globo to build on its recognised position as one of the leading mobile enterprise software and solution providers.

CitronGO! / GO!Social

CitronGO! / GO!Social saw first half revenue of €21.3 million (H1 2014: €20.1 million), up 6% from the previous year, and representing 29% of total Group revenue compared to 43% in H1 2014.

Feature phones continue to represent a significant portion of the mobile devices used around the world and mostly in the emerging markets. Several factors such as cost, energy and data consumption of smartphones and slow mobile network infrastructures in the emerging world, limit the entrance of smartphones, making CitronGO! a favourable solution for those who want to enjoy social networks, chat and email from a feature phone.

Globo provisions the **CitronGO!** and **GO!Social** offering on a white label basis with an emerging markets emphasis (given the continuing prevalence of feature phone use).

Revenues are generated from services provided to end users via Mobile Value Added Service Providers (MVASPs) and Mobile Network Operators (MNOs) as part of their own content offerings. As of 30 June 2014, **CitronGO!** and **GO!Social** were being offered in countries throughout Europe, Africa, Latin America, Asia and the Middle East, principally via mobile value added service providers (MVASPs) as part of their own subscription application and content offerings. At the end of the first half we had recorded 7.6 million unique users and registered 3.7 million as active on a monthly basis. Globo receives a fixed service fee per active user on a monthly basis.

Telecom - S.a.a.S Solutions

Telecom - S.a.a.S Solutions saw first half revenue of €5.0 million (H1 2014: €4.3 million), an increase of 16% on the previous year. This strong growth resulted from utilisation of investments we have made in the previous two years in order to enrich our service portfolio with new services.

In this division Globo provides its *WiPLUS* WiFi service, a fully-managed deployment for hotels, airports or marinas etc., and similar locations, for which venue owners pay a monthly fee. Secondly, via Reach Further Communications Globo provides MVAS Services to MNOs and other VASPs. Finally, Globo Mobile Inc. provides other telecom services to international telecom carriers. Globo continues to expand its product offering within this segment, which is EBITDA enhancing to overall performance and supports the Group's overall mobile offering whilst increasing market footprint.

Outlook

Globo continues its growth trajectory for both revenues and profits and free cash flow while its operational performance is underpinned by growing recurring revenues from its Enterprise Mobility products and services.

Our Enterprise solutions are recognised for their quality and breadth of completeness and vision, which fuel our future growth as ever more Enterprises use the mobile channel to increase employee effectiveness and customer engagement.

The first half of 2014 saw a continued growth in our US revenues and operations where we think there is a great potential in the future and we have been investing heavily. In the mean time we take advantage of our geographic diversification to maximize returns and minimize expenses, thus achieving a very strong operating result. The continuous development and new innovations within of our product line drives future demand and we are satisfied that we are now recognized as one of the most complete vendors in the Mobile Enterprise space.

Since the beginning of the year we have been evaluating several acquisition opportunities that we feel will add significant value to the Group. We have recently announced the proposed transaction for the first one. We believe that our organic growth, strong technology offering and our ability to integrate new businesses in the short term will result in future acquisitions acting as a multiplying factor for our performance.

We are now in the traditionally stronger second half of the year and we look forward to an exciting period of growth for the Group in 2015 and beyond.

Costis Papadimitrakopoulos
Chief Executive Officer

Financial Review

The Group delivered a strong financial performance across all business areas in the first half of 2015.

Revenue increased by 56% to €72.4 million (H1 2014: €46.5 million), reflecting predominantly good growth in the mobile sector of the Group.

Gross profit increased by 59% to €42.96 million (H1 2014: €27.0 million) with a gross margin of 59.3% (H1 2014: 58%).

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased 55% to €34.19 million (H1 2014: €22.04 million).

Depreciation and amortisation of non- current assets was €10.96 million (H1 2014: €5.61 million), reflecting significant investment in product development.

Operating profit increased by 41% to €23.23 million (H1 2014: €16.43 million).

Profit before tax was €22.00 million, an increase of 37% over the same period last year (H1 2014: €16.06 million).

The taxation charge for the period was €3.57 million (H1 2014: €0.43 million).

Basic earnings per share for the period increased by 14% to €0.049 (H1 2014: €0.043).

At the end of the current period, the Group had net assets of €198.20 million (H1 2014: €155.57 million) and total assets of €283.67 million (H1 2014: €203.94 million). Total assets included €78.72 million in non-current assets, €5.38 million in inventories and work in progress, and €95.21 million in trade and other receivables, prepayments and other current assets. Total liabilities increased by 77% to €85.47 million (H1 2014: €48.36 million).

On 30 June 2015, cash and cash equivalents totalled €104.36 million (30 June 2014: €67.78 million) and net cash was €47.43 million.

Improved working capital performance resulted in operating cash flow of €23.02 million (H1 2014: €18.23 million).

Net operating cash flow increased by 27% to €21.04 million (H1 2014: €16.56 million).

During the period a total of €14.22 million (H1 2014: €12.69 million) was invested in product development and infrastructure, mainly relating to the mobile products and services of the Group.

The Group has recorded Free Cash Flow[7] of €7.2 million (H1 2014: €4.2 million) due to the increase in GO!Enterprise sales which have a shorter collection cycle.

During the period, and prior to the expiry of the available drawdown, the Group used the remaining term loan under the Barclays & EWUB facility. The use of the loan proceeds are intended to fund the contemplated acquisitions that we have just recently started to execute.

[7] 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.

Our liquidity management has resulted in several changes during the period:

- Since the beginning of the period we have progressively transferred our reserves to bank accounts with stronger rating than the previous ones. The Group holds bank accounts with several banks in the UK, Switzerland, USA, Dubai, India, Greece and Cyprus. At 30 June 2015 the Group held cash in banks with the following credit ratings:

Credit Rating	As at 30 June 2015 €'000	As at 31 December 2014 €'000
A+, A, AA-, Aa3 *	103,489	9,977
B3, B, B-,Baa3	869	72,774
CA	-	11
Total	**104,358**	**82,762**

* Banks located in UK, US and Switzerland

- In an effort to minimize exposure to a single currency and FX fluctuations, the Group holds cash balances in several currencies given its diversified collections and payment needs. At 30 June 2015 the distribution of balances per currency was the following:

Currency	As at 30 June 2015
Euro (€)	57.1%
British Pound (£)	20.8%
US Dollar ($)	21.9%
Local Currencies (Rupiahs, Dirhams)	0.2%
Total	**100%**

Globo Technologies S.A performance & outlook

Revenue at Globo Technologies S.A., an associate of the Group, increased by 3% to €19.35 million (H1 2014: €18.74 million). Profit after tax was €0.78 million (H1 2014: €1.71 million), with profit attributable to the Group of €0.38 million (H1 2014: €0.84 million). The Group received, on schedule, the fifth instalment, of €1.65 million, from the acquiring entity (GMBO Holdings Ltd, previously Zipersi Consulting Ltd). This comprised €1.48 million of principal and €173K in interest due, in respect of the Group's divestment of 51% of Globo Technologies S.A., the e-business and software service. We expect that outstanding payments, totalling €6.7 million, to be received in three instalments up to the end of 2016, will be collected on time

Financial performance metrics

As our Group is continuing its international growth and in the need of providing additional financial analysis of certain KPIs that comply with different reporting standards (Non IFRS) we are providing a set of financial KPIs analysis that examines several areas of our working capital

performance in order to evaluate the:

- **Days Sales Outstanding (DSO)**

We define DSO as the result of multiplying 365 days by outstanding qualifying receivables (related to customer sales) divided by the total value of raised invoices for the last twelve months.

For the last twelve months ended 30 June 2015 the DSO calculation is the following:

	LTM H1 2015	LTM H1 2014
	€'000	€'000
Qualifying trade receivables*	49,194	27,678
LTM Invoices Issued	139,450	88,900
DSOs	**129**	**114**

* Qualifying trade receivables include trade receivable, notes receivable, cheques receivable and exclude prepayments to vendors

The increase of 15 days in DSOs is mainly a result of invoice ageing as outlined in the RVWAA (see below) calculation below.

- **Receivables Volume Weighted Average Aging (RVWAA)**

  Given the seasonality of stronger sales during Q2 and Q4 of each year, it is important to examine the volume weighted average ageing of receivables in order to judge the receivables collectability quality and controlling and collections execution performance.

  This way we evaluate the overall receivables collection performance as a financial KPI

  For the period ended 30 June 2015 the RVWAA calculation is the following:

	Up to 3 months	Between 3-6 months	Between 6-12 months	Over 12 months
	€'000	€'000	€'000	€'000
Qualified trade receivables H1 2015*	37,835	9,509	1,850	-
Qualified trade receivables H1 2014*	7,400	6,806	12,642	830
RVWAA H1 2015	**71 Days**			
RVWAA H1 2014	**185 Days**			

* Qualifying trade receivables include trade receivable, notes receivable, cheques receivable and exclude prepayments to vendors

As shown above, the Group has reduced the RVWAA by 62% to 71 days (H1 2014: 185 days) as a result of increased controls and execution in collection policies and customer relations.

- **Non – IFRS Adjustments to Gross Profit, Operating Profit, PBT, EBITDA, Operating Cash, Investing and Free Cash flow due to R&D expenditure**

The Group IFRS accounting policy follows the IAS 38 standard for the capitalization of product Research & Development expenses. As a result the costs for developing our products are capitalized and are amortized over a period of 3 years.

We hereby present non – IFRS adjustments in several KPIs of our financial performance after the adjustment of R&D expenses being directly expensed (instead of being capitalized and then amortised).

Financial KPIs	**H1 2015** **€'000**	**H1 2014** **€'000**
IFRS Gross Profit	42,959	27,001
Non-IFRS R&D Adjustments	*10,515*	*5,289*
Non IFRS Gross Profit	**53,474**	**32,290**
Non IFRS Gross Profit Margin	**74%**	**69%**
IFRS Operating Profit	23,230	16,340
Non-IFRS Operating Profit Adjustments	*(3,455)*	*(6,910)*
Non IFRS Operating Profit	**19,775**	**9,430**
Non IFRS Operating Profit Margin	**27%**	**20%**
IFRS Profit Before Tax	22,001	16,058
Non-IFRS R&D Adjustments	*(3,455)*	*(7,000)*
Non IFRS Earnings Before Tax	**18,546**	**9,058**
Non IFRS Earnings Before Tax Margin	**26%**	**19%**
EBITDA	34,191	21,952
Non-IFRS R&D Adjustments	*(13,970)*	*(12,199)*
Non IFRS EBITDA	**20,221**	**9,753**
Non IFRS EBITDA Margin	**28%**	**21%**
IFRS Net Operating Cash Flow	21,039	16,559
Non-IFRS R&D Adjustments	*(13,970)*	*(12,289)*
Non IFRS Operating Cash Flow	**7,069**	**4,270**
IFRS Investing Cash Flow	(14,005)	(12,970)
Non-IFRS R&D Adjustments	*13,970*	*12,289*
Non IFRS Operating Cash Flow	**(35)**	**(681)**
Free Cash Flow	7,192	4,216
Non-IFRS R&D Adjustments	*0*	*0*
Non IFRS Free Cash Flow	**7,192**	**4,216**

Dimitris Gryparis
Chief Financial Officer

[8] 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.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the 6 months ended 30 June 2015	Six months ended 30 June 2015	Six months ended 30 June 2014	Year ended 31 December 2014
	€'000 (unaudited)	€'000 (unaudited)	€'000 (audited)
Revenue (Note 2)	**72,426**	**46,499**	**106,386**
Cost of sales	(29,467)	(19,498)	(43,604)
Gross Profit	**42,959**	**27,001**	**62,782**
Other operating income	1,612	3,092	204
Distribution expenses	(9,123)	(2,929)	(8,547)
Administrative expenses	(8,063)	(6,021)	(15,000)
Other operating expenses	(4,155)	(4,713)	(2,118)
Operating Profit	**23,230**	**16,430**	**37,321**
Finance income	368	347	792
Finance costs	(1,981)	(1,554)	(4,125)
Share of gain / (loss) of associate	384	835	1,715
Profit before Tax	**22,001**	**16,058**	**35,703**
Taxation	(3,573)	(435)	(692)
Profit for the period from operations	**18,428**	**15,623**	**35,011**
Total	**18,428**	**15,623**	**35,011**
Other comprehensive income			
Exchange differences on translating foreign operations	**3,779**	**2,103**	**2,815**
Other comprehensive income for the period, net of tax	**3,779**	**2,103**	**2,815**
Total comprehensive income for the period	**22,207**	**17,726**	**37,826**
Attributable to :			
Equity holders of the Company from operations	**22,207**	**17,726**	**37,826**
Earnings per share for profit from continuing operations attributable to the equity holders of the Company			
Basic and diluted earnings per share total operations (€ per share) (Note 3)	0.049	0.043	0.094

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2015

	As at 30 June 2015 €'000 (unaudited)	As at 30 June 2014 €'000 (unaudited)	As at 31 December 2014 €'000 (audited)
ASSETS			
Non–Current Assets			
Property, plant and equipment	2,619	2,692	2,776
Intangible assets	49,243	39,849	45,260
Goodwill	7,615	9,019	7,615
Deferred tax assets	640	394	481
Other receivables	4,607	7,452	6,045
Investment in an associate	13,723	12,459	13,339
Other investments	276	51	118
Total Non-Current Assets	**78,723**	**71,916**	**75,634**
Current Assets			
Inventories and work in progress	5,382	5,642	4,870
Trade receivables (Note 4)	54,495	32,958	50,788
Other receivables	4,868	3,174	4,234
Other current assets	35,845	22,465	21,101
Cash and cash equivalents	104,358	67,780	82,825
Total Current Assets	**204,948**	**132,019**	**163,818**
TOTAL ASSETS	**283,671**	**203,935**	**239,452**
EQUITY AND LIABILITIES			
Shareholders' Equity			
Ordinary shares	4,653	4,653	4,653
Share premium	65,890	65,890	65,890
Other reserves	5,440	5,115	5,440
Translation reserve	6,631	2,140	2,852
Retained earnings	115,590	77,774	97,162
Total Equity - Capital and Reserves	198,204	**155,572**	**175,997**
Non–Current Liabilities			
Borrowings	51,660	21,814	39,697

Retirement benefit obligations	279	283	281
Finance lease liabilities	18	8	23
Other liabilities	-	425	
Provisions for other liabilities and charges	612	-	593
Deferred tax liabilities	6,489	872	3,305
Total Non - Current Liabilities	**59,058**	**23,402**	**43,899**
Current Liabilities			
Trade and other payables	8,972	4,682	4,698
Income tax payable	1,718	3,668	1,078
Taxes payable	841	416	772
Finance lease liabilities	19	13	22
Borrowings	5,270	-	2,700
Other liabilities	9,589	16,182	10,286
Total Current Liabilities	**26,409**	**24,961**	**19,556**
TOTAL EQUITY AND LIABILITIES	**283,671**	**203,935**	**239,452**

CONSOLIDATED CASH FLOW STATEMENT
For the 6 months ended 30 June 2015

	Six months ended 30 June 2015 €'000 (unaudited)	Six months ended 30 June 2014 €'000 (unaudited)	Year ended 31 December 2014 €'000 (audited)
Cash Flows from Operating Activities			
Cash generated from operations (Note 5)	23,020	18,228	36,414
Interest paid	(1,981)	(1,554)	(4,125)
Income tax paid	-	(115)	(1,337)
Net Cash generated from Operating Activities	**21,039**	**16,559**	**30,952**
Cash Flow from Investing Activities			
Investments in business combinations	(158)	(627)	(9,149)
Purchases of tangible and intangible assets	(14,215)	(12,690)	(24,425)
Proceeds from sale of tangible and intangible assets	-	-	-
Interest received	368	347	792
Net Cash used in Investing Activities	**(14,005)**	**(12,970)**	**(32,782)**
Cash Flows from Financing Activities			
Proceeds from issue of share capital	-	-	-
Share issue expenses	-	-	-
Proceeds from borrowings	15,433	-	30,036
Repayment of borrowings	(900)	-	(10,000)
Proceeds from new finance leases	-	-	37
Repayments of obligations under finance leases	(8)	(3)	(14)
Financing fees of Senior Secured Term Loan	433	-	464
Net Cash from Financing Activities	**14,958**	**(3)**	**20,523**
Net Increase in Cash and Cash Equivalents	**21,992**	**3,586**	**18,693**
Movement in Cash and Cash Equivalents			
Cash and cash equivalents at the beginning of the period	82,825	64,194	64,194
Exchange gain / (loss) on cash and cash equivalents	(459)	-	(62)
Net increase in cash and cash equivalents	21,992	3,586	18,693
Cash and Cash Equivalents at the End of the Period	**104,358**	**67,780**	**82,825**

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2015

Attributable to equity holders of the Company

	Share Capital	Share Premium	Other Reserves	Currency Translation Reserve	Retained Earnings	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Balance at 1 January 2014	**4,653**	**65,890**	**5,115**	**37**	**62,151**	**137,846**
Profit for the period	-	-	-	-	15,623	15,623
Other comprehensive income for the period	-	-	-	2,103	-	2,103
Total comprehensive income for the period	**-**	**-**	**-**	**2,103**	**15,623**	**17,726**
Increase in Capital	-	-	-	-	-	-
Share options lapsed	-	-	-	-	-	-
Total contributions by and distributions to owners of the Company	**4,653**	**65,890**	**5,115**	**2,140**	**77,774**	**155,572**
Balance at 30 June 2014	**4,653**	**65,890**	**5,115**	**2,140**	**77,774**	**155,572**
Balance at 1 January 2015	**4,653**	**65,890**	**5,440**	**2,852**	**97,162**	**175,997**
Profit for the period	-	-	-	-	18,428	18,428
Other comprehensive income for the period	-	-	-	3,779	-	3,779
Total comprehensive income for the period	**-**	**-**	**-**	**3,779**	**18,428**	**22,207**
Increase in Capital	-	-	-	-	-	-
Share options lapsed	-	-	-	-	-	-
Total contributions by and distributions to owners of the Company	**4,653**	**65,890**	**5,440**	**6,631**	**115,590**	**198,204**
Balance at 30 June 2015	**4,653**	**65,890**	**5,440**	**6,631**	**115,590**	**198,204**

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the 6 months ended 30 June 2015

1 Basis of preparation

The condensed consolidated interim financial information for the 6 months ended 30 June 2015 has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting'. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

2 Segment information

The following segments are based on the management reports received by the Board of Directors (who are the chief operating decision makers) which are used to make strategic decisions. The Directors consider the business from a product perspective. 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 equipment as part of integrated mobile solution projects.

Transactions between segments are recorded at cost.

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 6 months ended 30 June 2015 is as follows:

	Third party goods	Telecom Services S.a.a.S	Mobile products and services	Total
	€' 000	€' 000	€' 000	€' 000
Revenue from external customers	1,203	5,024	66,199	72,426
Inventory costs	(1,066)	-	-	(1,066)
Other expenses	-	(2,062)	(15,824)	(17,886)
Amortisation	-	(929)	(9,586)	(10,515)
Gross Profit	**137**	**2,033**	**40,789**	**42,959**
Depreciation	-	58	388	446
Expenditure on tangible fixed assets	-	100	145	245
Expenditure on intangible fixed assets	-	89	13,881	13,970
Total assets	**168**	**22,410**	**230,063**	**252,641**
Total Liabilities	**331**	**4,980**	**19,829**	**25,140**

A further analysis of the Group's revenue for the period ended 30 June 2015 is shown below:

Revenue for the six months ended 30 June 2015 (€'000)	Third party goods	Telecom services (S.a.a.S.)	Mobile products and services	Total
Consumer mobility services	-	-	21,285	21,285
Enterprise mobility licenses &subscriptions	-	-	25,359	25,359
Mobile software projects	-	-	19,555	19,555
Third party goods	1,203	-	-	1,203
Wi-Fi Broadband services	-	199	-	199
Software as a Service	-	4,825	-	4,825
Total	**1,203**	**5,024**	**66,199**	**72,426**

The segment information provided to the Directors for the period ended 30 June 2014 is as follows:

	Third party goods	Telecom services (S.a.a.S.)	Mobile products and services	Total
	€' 000	€' 000	€' 000	€' 000
Revenue from external customers	2,118	4,313	40,068	46,499
Inventory costs	(1,921)	-	-	(1,921)
Other expenses	-	(1,509)	(10,779)	(12,288)
Amortisation	-	(1,120)	(4,169)	(5,289)
Gross Profit	**197**	**1,684**	**25,120**	**27,001**
Depreciation	-	53	270	323
Expenditure on tangible fixed assets	-	64	337	401
Expenditure on intangible fixed assets	-	100	12,189	12,289
Total assets	**902**	**21,765**	**145,005**	**167,672**
Total liabilities	**160**	**2,266**	**11,674**	**14,100**

A further analysis of the Group's revenue for the period ended 30 June 2014, is shown below:

Revenue for the six months ended 30 June 2014 (€'000)	Third party goods	Telecom services (S.a.a.S.)	Mobile products and services	Total
Consumer mobility services	-	-	20,125	20,125
Enterprise mobility licenses &subscriptions	-	-	9,948	9,948
Mobile software projects	-	-	9,995	9,995
Third party goods	2,118	-	-	2,118
Wi-Fi Broadband services	-	225	-	225
Software as a Service	-	4,088	-	4,088
Total	**2,118**	**4,313**	**40,068**	**46,499**

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

	Six months ended 30 June 2015 €'000 (unaudited)	Six months ended 30 June 2014 €'000 (unaudited)
Gross profit for reportable segments	42,959	27,001
Other operating income	1,612	3,092
Distribution expenses	(9,123)	(2,929)
Administrative expenses	(8,063)	(6,021)
Other operating expenses	(4,155)	(4,713)
Income from associates	384	835
Finance costs (net)	(1,613)	(1,207)
Profit before tax	**22,001**	**16,058**

Revenue from external customers

	Six months ended 30 June 2015 €'000 (unaudited)	Six months ended 30 June 2014 €'000 (unaudited)
South Eastern Europe	25,349	20,611
Western Europe	7,967	2,725
Eastern Europe	2,173	2,140
Africa	3,621	1,502
Central/South America	8,691	8,197
North America	15,195	2,134
Asia/Middle East	9,415	9,190
Oceania	15	-
Total	**72,426**	**46,499**

3 Earnings per Share

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

	Six months ended 30 June 2015 (unaudited)	Six months ended 30 June 2014 (unaudited)	Year ended 31 December 2014 (audited)
Profit from total operations attributable to equity holders of the Company (€000's)	18,428	15,623	35,011
Weighted average number of ordinary Shares in issue	**373,689,061**	**363,107,113**	**373,689,061**

Diluted earnings per share assumes that options and warrants outstanding at 30 June 2015 were exercised at 1 July 2015, for options and warrants where the exercise price was less than the average price of the ordinary shares during the period. On this basis, the calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders divided by 373,711,762 (six months ended 30 June 2014: 363,107,113, year ended 31 December 2014: 373,716,423) ordinary shares.

4 Trade Receivables

	As at 30 June 2015 € '000	As at 30 June 2014 € '000
Trade receivables	47,296	27,456
Post-dated cheques received	1,916	233
Notes receivables	-	5
Less: provision for impairment of receivables	(18)	(15)
Trade receivables - net	49,194	27,679
Advance payments to subcontractors and suppliers	5,301	5,279
Total	**54,495**	**32,958**

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.

	As at 30 June 2015 €'000				As at 30 June 2014 €'000			
	Up to 3 months	Between 3 and 6 months	Between 6 and 12 months	Over 12 months	Up to 3 months	Between 3 and 6 months	Between 6 and 12 months	Over 12 months
Trade receivables from customers	37,719	9,509	50	-	7,274	6,806	12,642	718
Advance payments to Vendors	3,151	2,116	12	22	68	5,143	4	65
Trade receivables from postdated cheques	116	-	1,800	-	126	-	-	112
Total	**40,986**	**11,625**	**1,862**	**22**	**7,468**	**11,949**	**12,646**	**895**

5 Cash generated from Operations

	Six months ended 30 June 2015 €'000 (unaudited)	Six months ended 30 June 2014 €'000 (unaudited)	Year Ended 31 December 2014 €'000 (audited)
Profit for the period before tax	**22,001**	**16,058**	**35,703**
Adjustments for:			
Profit on disposal of tangible/intangible assets	-	-	6
Depreciation of property, plant and equipment	446	323	731
Amortisation of intangible assets	10,515	5,289	12,803
Movement in provisions	16	(32)	149
Share of (profit) of associate	(384)	(835)	(1,715)
Share-based payments	-	-	325
Impairment of assets	-	-	592
Foreign exchange on operating activities	3,779	2,104	-
Finance costs (net)	1,613	1,207	3,333
Adjustments for changes in working capital			
(Increase)/Decrease in inventory and work in progress	(512)	495	1,266
Increase in trade receivables	(2,903)	(2,941)	(17,658)
Increase in other current assets	(15,199)	(5,168)	(3,657)
Increase in trade and other payables	3,648	1,728	4,536
Cash generated from Operations	**23,020**	**18,228**	**36,414**