

**ANTEVENIO S.A.**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

**ANTEVENIO, S.A.**  
**BALANCE SHEET AT 31 DECEMBER 2015 (in euro)**

ASSETS	Note	31.12.2015	31.12.2014
<b>NON-CURRENT ASSETS</b>		<b>11,761,539</b>	<b>11,804,516</b>
<b>Intangible assets</b>	<b>6</b>	<b>43,849</b>	<b>64,673</b>
Computer software		43,849	64,673
<b>Property, plant and equipment</b>	<b>5</b>	<b>110,448</b>	<b>45,582</b>
Technical installations and other items		110,448	45,582
<b>Long-term investments in group and associated companies</b>		<b>11,543,350</b>	<b>11,629,350</b>
Equity instruments	<b>9</b>	10,031,350	10,031,350
Loans to companies	<b>8.1.1 y 20</b>	1,512,000	1,598,000
<b>Non-current financial assets</b>		<b>57,499</b>	<b>58,519</b>
Loans to third parties	<b>8.1.1</b>	29,991	29,991
Other financial assets	<b>8.1.1</b>	27,508	28,528
<b>Deferred tax assets</b>	<b>14</b>	<b>6,392</b>	<b>6,392</b>
<b>CURRENT ASSETS</b>		<b>3,298,694</b>	<b>2,449,610</b>
<b>Trade and other receivables</b>		<b>1,876,513</b>	<b>1,709,119</b>
Trade receivables	<b>8.1.1</b>	12,995	55,202
Trade receivables from group companies and associates	<b>8.1.1 y 20</b>	1,679,719	1,637,927
Staff	<b>8.1.1</b>	1,528	11,124
Current tax assets	<b>14</b>	181,946	-
Other accounts receivable from public authorities	<b>14</b>	324	4,866
<b>Current investments in Group companies and associates</b>	<b>20</b>	<b>668,461</b>	<b>3,451</b>
Debt securities	<b>8.1.1</b>	55,358	2,653
Other financial assets	<b>8.1.1</b>	613,102	798
<b>Current financial assets</b>		<b>895</b>	<b>1,224</b>
Debt securities	<b>8.1.1</b>	545	874
Other financial assets	<b>8.1.1</b>	350	350
<b>Cash and cash equivalents</b>	<b>8.1</b>	<b>752,826</b>	<b>735,816</b>
Cash		126,826	635,816
Other equivalent liquid assets		626,000	100,000
<b>TOTAL ASSETS</b>		<b>15,060,232</b>	<b>14,254,126</b>

**ANTEVENIO, S.A.**  
**BALANCE SHEET AT 31 DECEMBER 2015 (in euro)**

LIABILITIES AND EQUITY	Note	31.12.2015	31.12.2014
<b>EQUITY</b>		<b>11,638,661</b>	<b>11,131,323</b>
<b>Capital and reserves</b>		<b>11,638,661</b>	<b>11,131,323</b>
<b>Capital</b>		<b>231,412</b>	<b>231,412</b>
Paid-up capital	11.1	231,412	231,412
<b>Share Premium</b>	11.2	<b>8,189,787</b>	<b>8,189,787</b>
<b>Reserves</b>	11.2	<b>2,731,828</b>	<b>1,767,646</b>
Legal and statutory		46,282	46,282
Other reserves		2,685,546	1,721,364
<b>(Treasury shares and holdings in equity)</b>		<b>(513,805)</b>	<b>(21,704)</b>
<b>Profit/(loss) for the period</b>	3	<b>929,898</b>	<b>964,182</b>
<b>Other net equity instruments</b>	21	<b>69,540</b>	<b>-</b>
<b>NON-CURRENT LIABILITIES</b>		<b>1,257,551</b>	<b>1,474,696</b>
<b>Non-current liabilities</b>		<b>1,257,551</b>	<b>1,474,696</b>
Finance lease payables		4,843	-
Other financial liabilities	8.2.2 y 17	1,252,709	1,474,696
<b>CURRENT LIABILITIES</b>		<b>2,164,020</b>	<b>1,648,108</b>
<b>Current payables</b>		<b>278,186</b>	<b>6,470</b>
Bank borrowings	8.2.1	7,902	3,900
Finance lease payables	8.2.1	35,530	-
Other financial liabilities	8.2.1	234,754	2,570
<b>Trade and other payables</b>		<b>1,885,834</b>	<b>1,641,638</b>
Suppliers	8.2.1	625,323	789,923
Payable to suppliers - Group companies and associates	8.2.1 y 20	397,660	148,712
Sundry accounts payable	8.2.1	256,187	448,331
Personnel (remuneration payable)	8.2.1	192,655	126,680
Current tax liabilities	14	28,404	28,404
Other accounts payable to public authorities	14	289,033	90,517
Customer advances	8.2.1	96,573	9,071
<b>TOTAL ASSETS AND LIABILITIES</b>		<b>15,060,232</b>	<b>14,254,126</b>

**ANTEVENIO, S.A.**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR**  
**ENDED 31 DECEMBER 2015 (in euro)**

	Note	2015	2014
<b>Net turnover</b>	<b>23</b>	<b>2,216,256</b>	<b>2,569,033</b>
Net sales		142,498	390,492
Services rendered		2,073,757	2,178,541
<b>Provisions</b>	<b>15.a</b>	<b>(51,289)</b>	<b>(193,107)</b>
Work performed by other companies		(51,289)	(193,107)
<b>Other operating income</b>		<b>20,505</b>	<b>-</b>
Accessory and current management income		20,505	-
<b>Staff costs</b>		<b>(862,621)</b>	<b>(829,185)</b>
Wages and salaries		(736,721)	(683,702)
Employee benefit costs	<b>15.b</b>	(125,900)	(145,483)
<b>Other operating expenses</b>		<b>(1,407,620)</b>	<b>(1,426,700)</b>
Outside services		(1,426,620)	(1,549,349)
Provision losses, impairment and variation from commercial operations		19,000	122,649
<b>Depreciation and amortisation charge</b>	<b>5 y 6</b>	<b>(53,688)</b>	<b>(48,907)</b>
<b>Other extraordinary gains/(losses) from disposal of Group's own equity instruments</b>	<b>15.d</b>	<b>(87)</b>	<b>(316,657)</b>
<b>PROFIT FROM OPERATIONS</b>		<b>(138,545)</b>	<b>(245,523)</b>
<b>Finance income</b>	<b>15.c</b>	<b>1,068,957</b>	<b>52,391</b>
Income from equity participations in group and associated companies	<b>20</b>	1,000,000	-
Income from marketable securities and other financial instruments, group and associated companies	<b>20</b>	55,107	2,653
Other income from marketable securities and other third-party financial instruments		13,849	49,738
<b>Finance costs</b>	<b>15.c</b>	<b>(17,948)</b>	<b>(82,996)</b>
On debts to third parties		(7,468)	-
Debt adjustment	<b>8.2.2</b>	(10,481)	(82,996)
<b>Exchange differences</b>	<b>13</b>	<b>13,085</b>	<b>(19,272)</b>
<b>Change in fair value of financial instruments</b>		<b>-</b>	<b>(31,650)</b>
Financial assets held for trading and other		-	(31,650)
<b>Impairment and gains/(losses) on disposal of financial instruments</b>		<b>-</b>	<b>1,287,778</b>
Impairment and losses	<b>9</b>	-	1,347,905
Gains/(losses) on disposals and other		-	(60,127)
<b>FINANCIAL PROFIT/LOSS</b>		<b>1,064,094</b>	<b>1,206,251</b>
<b>PROFIT BEFORE TAX</b>		<b>925,549</b>	<b>960,728</b>
<b>Income Tax</b>	<b>14</b>	<b>7,288</b>	<b>6,392</b>
<b>Other taxes</b>		<b>(2,938)</b>	<b>(2,938)</b>
<b>PROFIT/(LOSS) FROM CONTINUING OPERATIONS</b>		<b>929,898</b>	<b>964,182</b>
<b>PROFIT/(LOSS) FOR THE FISCAL YEAR</b>		<b>929,898</b>	<b>964,182</b>

**ANTEVENIO, S.A.**  
**Statement of Changes in Equity for the year**  
**ended 31 December 2015 (in euro)**

**A) STATEMENT OF RECOGNISED INCOME AND EXPENSES**

	2015	2014
<b>RESULT OF PROFIT AND LOSS ACCOUNT</b>	929,898	964,182
<b>TOTAL RECOGNIZED INCOME AND EXPENSE</b>	<b>929,898</b>	<b>964,182</b>

**B) STATEMENT OF TOTAL CHANGES IN EQUITY**

	Subscribed capital	Share Premium	Reserves	(Treasury shares and holdings in equity)	Other net equity instruments	Profit/(loss) for the period	Total
<b>C) BALANCE, END OF YEAR 2013</b>	231,412	8,189,787	3,361,380	(43,870)		(1,593,734)	10,144,975
<b>D) BALANCE AT YEAR-END 2013, 01 JANUARY 2014</b>	231,412	8,189,787	3,361,380	(43,870)		(1,593,734)	10,144,975
<b>I. Total recognised income and expense</b>						964,182	964,182
<b>II. Transactions with equity holders and owners</b>				22,166			22,166
Transactions in own shares				22,166			22,166
<b>III. III. Other changes in the equity.</b>			(1,593,734)			1,593,734	
Distribution of results of the previous year.			(1,593,734)			1,593,734	
<b>E) BALANCE, END OF YEAR 2014</b>	231,412	8,189,787	1,767,646	(21,704)		964,182	11,131,323
<b>F) BALANCE AT YEAR-END 2014, 1 JANUARY 2015</b>	231,412	8,189,787	1,767,646	(21,704)		964,182	11,131,323
<b>I. Total recognised income and expense</b>						929,898	929,898
<b>II. Transactions with equity holders and owners</b>				(492,100)			(492,100)
Transactions in own shares				(492,100)			(492,100)
<b>III. III. Other changes in the equity.</b>			964,182		69,540	(964,182)	69,540
Distribution of results of the previous year.			964,182			(964,182)	
Other net equity instruments					69,540		69,540
<b>G) BALANCE AT 31 DECEMBER 2015</b>	<b>231,412</b>	<b>8,189,787</b>	<b>2,731,828</b>	<b>(513,805)</b>	<b>69,540</b>	<b>929,898</b>	<b>11,638,661</b>

**ANTEVENIO, S.A.**  
**STATEMENT OF CASH FLOWS FOR THE YEAR**  
**ENDED 31 DECEMBER 2015 (in euro)**

CASH FLOWS	Note	2015	2014
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>1,001,883</b>	<b>142,162</b>
Profit before tax		925,549	960,728
Adjustments to income		<b>(1,029,405)</b>	<b>(1,279,993)</b>
a) Fixed asset depreciation	5 y 6	53,688	48,907
b) Impairment losses		(19,000)	(1,470,554)
f) Proceeds from disposal and derecognition of financial instruments		-	60,127
d) Finance income	15. c	(1,068,957)	(52,391)
e) Financial expenses	15. c	7,468	82,996
f) Exchange gains/(losses)	13	(13,085)	19,272
g) Change in fair value of financial instruments		-	31,650
h) Other income and expenses	15. c	10,481	-
<b>Changes in working capital</b>		<b>100,153</b>	<b>(498,625)</b>
a) Debtors and other receivables		(141,106)	623,394
b) Other current assets		-	(12,422)
c) Creditors and other payables		241,259	(1,103,636)
d) Other non-current assets and liabilities		-	(5,961)
<b>Other cash flows from operating activities</b>		<b>1,005,586</b>	<b>960,052</b>
a) Interest payment		(7,468)	-
b) Interest received		13,054	52,391
c) Income tax received (paid)		-	-
d) Dividends received		1,000,000	907,661
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(619,488)</b>	<b>(285,582)</b>
<b>Payments from investments</b>		<b>(707,382)</b>	<b>(719,830)</b>
a) Group companies and affiliates		-	(621,497)
b) Intangible fixed assets		-	(58,630)
c) Property, plant and equipment	5	(97,730)	(660)
d) Other financial assets		-	(39,043)
e) Group companies and associates		(609,651)	-
<b>Proceeds from sale of investments</b>		<b>87,894</b>	<b>434,248</b>
a) Property, plant and equipment		-	-
b) Other financial assets		1,894	7,391
c) Group companies and associates		86,000	426,857
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>(378,470)</b>	<b>2,002</b>
<b>Proceeds from and payments for equity instruments</b>		<b>(422,560)</b>	<b>-</b>
c) Acquisition of own equity instruments	11.2. d	(492,100)	-
b) Issue of equity instruments	21	69,540	-
<b>Proceeds and payments relating to financial liability instruments</b>		<b>44,090</b>	<b>2,002</b>
a) Issue		44,090	2,570
1. Bank borrowings		4,002	2,570
2. Others		40,088	-
b) Redemption and repayment of		-	(568)
1. Bank borrowings		-	(568)
<b>D) EFFECT OF EXCHANGE RATE FLUCTUATIONS</b>		<b>13,085</b>	<b>(19,272)</b>
<b>E) NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>17,010</b>	<b>(160,690)</b>
Cash or cash equivalents at the beginning of the year.		735,816	896,506
Cash or cash equivalents at the end of the year.		752,826	735,816

**ANTEVENIO, S.A.****NOTES FOR THE YEAR ENDED 31 DECEMBER 2015****1. COMPANY INCORPORATION, BUSINESS ACTIVITY & LEGAL STATUS****a) Incorporation and Legal Regime**

Antevenio, S.A. (hereinafter the Company) was incorporated on 20 November 1997 under the name "Interactive Network, S.L."; later, on 22 January 2001, the Company converted into a public limited company and changed its corporate name to "I-Network Publicidad, S.A.". On April 7, 2005, the Annual General Meeting approved the change of the Company's name to its current one.

**b) Activity and Registered Address**

The Company's corporate purpose involves any activities that, according to the existing provisions on advertising, are typical of general advertising agencies; accordingly the Company may execute all manner of acts, contracts and transactions and, in general, take all measures directly or indirectly conducive to, or deemed necessary or convenient for, the fulfilment of the aforementioned corporate purpose. The activities that form the Company's corporate purpose may be performed, entirely or partly, by the Company, either directly or indirectly through its interests in other companies with an identical or similar purpose.

The Company's registered address is in Madrid, at calle Marqués de Riscal 11; the Company is part of the Group Antevenio S.A. and subsidiaries, whose activities involve the performance of activities relating to advertisement in Internet; the Company is the parent of the Group and files its individual financial statements with the Mercantile Register of Madrid. The consolidated financial statements of the Antevenio Group for 2015 have been prepared by the Directors at a meeting of the Board held on 31 March 2016. The consolidated financial statements for 2014 were approved by the Annual General Meeting of Antevenio, S.A. held on 25 June 2015 and filed with the Mercantile Register of Madrid.

The Company is listed on the French alternative market, Alternext Paris, since 2007.

The Company has a significant volume of transactions and balances with companies in the group to which it belongs.

The Company's financial year begins on January 1 and finishes on 31 December of each year.

**c) Legal Regime**

The Company is governed by its articles of association and by the existing Spanish Corporations Act.

## **2. BASIS FOR PRESENTATION OF FINANCIAL STATEMENTS**

### **a) True and fair view**

The financial statements for the year ended 31 December 2015 have been prepared based on the accounting records of the Company and are presented in accordance with the existing Code of Commerce and the accounting policies set forth in the Spanish General Chart of Accounts approved by Royal Decree 1514/ 2007, of 16 November, and applying the amendments introduced thereto by Royal Decree 1159/2010, in order to offer a fair image of the Company's equity, financial position and the results of its operations and to show the accuracy of the cash flows recognised in the statement of cash flows.

The Directors consider that these consolidated financial statements for 2015, presented on 31 March 2016, will be approved without any changes by the Annual General Meeting.

### **b) Accounting principles applied**

In the preparation of the accompanying financial statements the accounting policies set forth in the Spanish Code of Commerce and General Chart of Accounts have been applied.

All mandatory accounting principles which would have a significant effect on the preparation of these consolidated financial statements have been applied.

### **c) Functional and presentation currency**

In compliance with the existing regulations on accounting, the accompanying financial statements are presented in euro, which is the Company's functional currency.

### **d) Aggregation of items**

Certain items from the balance sheet, the profit and loss statement, the statement of changes in net equity and the cash flow statement are presented in a grouped fashion so as to facilitate their comprehension. If, however, disaggregated information was significant, it was included in the corresponding notes in the report.

### **e) Responsibility for the information and estimates**

Preparation of financial statements requires judgements, estimates and assumptions affecting the application of accounting policies and the balances of assets, liabilities, income and expenses. The related estimates and assumptions are based on past experience and several other factors deemed to be reasonable in the current context. Estimates and assumptions are subject to continuous revision; the effects of changes in accounting estimates are recognized in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

In preparing the financial statements for the year ended 31 December 2015, the Company's Directors have made certain accounting estimates for the measurement of the assets, liabilities, revenues, expenses and commitments therein recorded. Basically, these estimates refer to:



- The assessment of eventual impairment losses (nota 4c)
- The assessment of eventual losses arising from the determination of the recoverable value of equity investments in Group companies, jointly controlled entities and associates, for which future cash flows projections based on return and discount rates and other variables and assumptions made by the Company's management, that justify the measured value of those investments (see notes 4e and 9).
- The useful lives of intangible fixed assets and of items of property, plant and equipment (see notes 4a and 4b).
- The amount for certain provisions (Note 4i)
- Forecasts of future taxable profits that make the application of deferred tax assets likely (note 4g).

Although these estimates were based on the best information available at year end, additional information subsequently obtained or events and circumstances taking place in the future might make it necessary to change in future periods the assumptions on which these estimates are based; the effects of those changes will be prospectively recognized and included in the profit or loss account for the relevant period.

In addition of the process of systematic estimates and the revision thereof, certain judgements are used, amongst which those relating to measurement of the eventual impairment of assets, and those relating to provisions and contingent liabilities.

#### **f) Comparative information**

In compliance with the Spanish Code of Commerce and for comparative purposes, the accompanying financial statements include for each item in the balance sheet, in the profit and loss account, in the statement of changes in equity, in the statement of cash flows and in the notes to the financial statements, the corresponding figures for the previous year as well as the figures for 2015. The notes to the financial statements also include quantitative information of the previous reporting period, except when an accounting standard specifically establishes that it is not necessary.

Accounting policies newly applied:

During the reporting period the following changes in accounting policies or new accounting policies have been applied for the first time; a circumstance that should be considered when using the comparative information.

Disclosures on deferred payment to suppliers in commercial transactions:

Resolution, of 29 January 2016, of the Spanish Institute of Accounting and Accounts Auditing, on the disclosures on deferred payment to suppliers in commercial transactions to be included in the notes to the financial statements, is applicable for the first time in the reporting period. Under the resolution's Sole Additional Provision, for the first reporting period to which the resolution is applicable the Company shall only disclose the information relating to 2015 and does not include comparative information thereon; to these sole purposes, the accompanying financial statements are classified as initial financial statements with regards to the application of the principle of consistency and the comparability requirement.

### 3. **DISTRIBUTION OF PROFIT/(LOSS)**

The Company's Directors have submitted to the Annual General Meeting the following distribution of profits from the year 2015:

<b><u>Basis of distribution</u></b>	
Profit and loss (profit)	929,898
Total	929,898
<b><u>Application</u></b>	
Voluntary reserves	929,898
<b>Total</b>	<b>929,898</b>

On 25 June 2015, the Annual General Meeting approved the transfer of profits from 2014, amounting to 964,182 euros, to voluntary reserves.

### 4. **RECOGNITION AND MEASUREMENT STANDARDS**

In compliance with the provisions of the Spanish General Accounting Plan, the main measurement standards applied by the Company in the preparation of the accompanying financial statements were as follows:

#### a) **Intangible assets**

Elements of intangible assets are measured at cost, determined as the purchase price or the production cost, less any accumulated amortization (calculated on the basis of their useful lives) and, where appropriate, any impairment losses.

Assets with a finite useful life are measured at their acquisition price less the accumulated amortization and less the accumulated amount of any impairment losses thereon.

#### Industrial property

Development expenditure capitalized when a patent or similar right is obtained, including expenses incurred on registering industrial property, and the acquisition costs of the related rights from third parties, are accounted for as industrial property.

Industrial property is amortized on a straight-line basis throughout its useful life, at an annual rate of 20%.

#### Computer software

Licenses for computer software acquired from third parties or internally developed computer software are recognized as intangible assets on the basis of the costs incurred in acquiring or developing them, and preparing them for use.

Computer software is amortized on a straight-line basis throughout its useful life, at an annual rate of 25%.

Maintenance costs incurred from computer applications during the year are recognized in the Profit and Loss Account.

#### b) **Property, plant and equipment**

Property, plant and equipment is recognized at acquisition or production cost and less any accumulated depreciation and, where appropriate, any accumulated impairment losses.

Upkeep and maintenance costs incurred during the fiscal year are recorded in the Profit and Loss Account. Costs incurred to renovate, enlarge or improve items of property, plant and equipment which increase capacity or productivity or extend the useful life of the asset are capitalized as part of the cost of the related asset. The carrying amount of items that are replaced are derecognized.

Indirect taxes on property, plant and equipment are included in the acquisition price or production cost only when they are not directly recoverable from Tax Authorities.

The cost of the different items that make up property, plant and equipment, where applicable net of their residual value, is depreciated on a straight-line basis over the estimated years of useful life over which the Company expects to use said items and in line with the following table:

	31/12/2015		31/12/2014	
	Annual Percentage	Estimated Years of Useful Life	Annual Percentage	Estimated Years of Useful Life
Other installations	20	5	20	5
Furniture	10	10	10	10
Computer equipment	25	4	25	4
Other property, plant and equipment	20-10	5-10	20	5

The carrying amount of an item of property, plant and equipment is derecognized on disposal, or when no future economic benefits are expected from its use or disposal.

The gain or loss on derecognition of an item of property, plant and equipment shall be determined as the difference between the net amount obtained on the disposal of the item, and the carrying amount. The gain or loss shall be recognized in the Profit and Loss Account when the item is derecognized.

Investments made by the Company in leased premises, which are not separable from the asset leased, are amortized during their useful life, which corresponds to the lower period between the duration of the lease, including the renewal period when there is evidence to support that it will occur, and the economic life of the asset.

**c) Impairment of intangible assets and of property, plant and equipment**

An impairment loss in the value of intangible assets or property, plant and equipment occurs when their carrying amount exceed their recoverable value, the latest understood as the higher of its fair value less costs to sell and its value in use.

To these purposes, at least at year end, the Company assesses, using the so-called "impairment test", whether there is evidence that any intangible assets or property, plant and equipment with indefinite useful life, or, where applicable, any cash-generating unit may be impaired; if so the Company proceeds to estimate the recoverable amount thereof applying the corresponding value adjustments.

The impairment of property, plant and equipment is calculated individually. However, when the recoverable amount of each individual asset cannot be determined, the Company proceeds to establish the recoverable amount of the cash-generating unit to which the relevant asset is associated.

When an impairment loss is subsequently reversed (a circumstance that is not permitted in the specific case of goodwill), the carrying amount of the relevant asset or cash-generating unit is increased to the revised estimate of its recoverable value, insofar as the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or the cash-generating unit in prior years. A reversal of an impairment loss is recognized as income in the profit/loss account.

**d) Leases and other operations similar in nature**

When the economic conditions of a lease agreement indicate that substantially all the risks and rewards incidental to ownership of an asset are transferred, the Company classifies this agreement as a finance lease. When the economic conditions of a lease agreement do not meet the requirements for the agreement to be classified as a finance lease, the Group classifies this agreement as an operating lease.

Operating leases costs incurred into during the period are recognized in the Profit and Loss Account.

**e) Financial instruments**

The Company only recognizes a financial instrument in its balance sheet under the terms of the contract or legal transaction to which it becomes party.

Upon initial recognition financial instruments are classified as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, a financial liability and an equity instrument.

The Company classifies financial instruments under different categories based on their features and on the Company's intention at the time of initial recognition thereof.

Financial instruments are classified for measurement purposes in the following categories:

1. Loans and receivables and debts and payables

## 2. Equity investments in group companies, jointly controlled entities and associates

The company's financial instruments mainly relate to cash and cash equivalents, loans and receivables, debts and payables and equity investments in Group companies.

### e.1) Cash and other equivalent liquid assets

The heading "Cash and cash equivalents" in the Balance Sheet includes cash on hand, bank accounts, demand deposits and other highly liquid short-term investments. These items are recognised at historical cost, which does not differ significantly from realizable value.

### e.2) Loans and receivables and debts and payables

#### e.2.1) Loans and receivables

The following items are classified in this category:

- a) Trade receivables: financial assets arising on the sale of goods and the rendering of services in the course of the company's trade operations; and
- b) Non-trade receivables: financial assets that are neither equity instruments nor derivatives, not arising on trade transactions, with fixed or determinable payments, and which are not traded in an active market. This category does not include financial assets for which the Company cannot make substantial recovery of the entire initial investment due to circumstances other than credit impairment. These are classified as available-for-sale.

#### e.2.2) Debts and payables

The following items are classified in this category:

- a) Trade payables: financial liabilities arising on the purchase of goods and services in the course of the company's trade operations; and
- b) Non-trade payables: financial liabilities that are not derivatives and do not arise on trade transactions.

Financial assets and liabilities included in this category are initially measured at fair value, i.e. the transaction price, which is equivalent to the fair value of the consideration given/received, adjusted for directly attributable transaction costs.

Nonetheless, trade receivables and trade payables falling due within one year for which there is no contractual interest rate, and loans and advances to personnel, dividends receivable and receivables on called-up equity instruments expected to be collected in the short term, and called-up equity holdings expected to be settled in the short term, are measured at their nominal amount, provided that the effect of not discounting the cash flows is immaterial.

In subsequent valuations both assets and liabilities are measured at their amortized cost. Accrued interest is accounted for in the Profit and Loss Account by applying the effective interest method.

Notwithstanding the above, receivables and payables maturing within a year that were initially measured at their nominal value shall continue being measured at this amount except if, in the case of impaired credits.

Any necessary valuation adjustments are made at year-end when there is objective evidence that the value of a credit has been impaired, i.e. if there is evidence of a reduction or delay in the future estimated cash flows corresponding to that asset.

### e.3) Equity investments in group companies, jointly controlled entities and associates

This category includes equity investments in companies controlled by the Company (group companies), in companies where the Company shares control with one or several partners under statutory or otherwise agreement (jointly-controlled companies), or companies where the Company exercises a significant influence (associates).

Equity investments in group companies, jointly controlled entities and associates are initially measured at cost, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs.

Equity investments in group companies, jointly controlled entities and associates are subsequently measured at cost less any accumulated impairment.

At the balance sheet date, the Company recognizes any necessary valuation allowances when there is objective evidence that the value of an asset is impaired.

Said losses are calculated as the difference between the carrying value and the recoverable amount, with this value being the higher of its fair value less costs to sell and the current value of future cash flows arising from the investment, calculated by estimating its share in the cash flows expected to be generated by the investee from its normal operations as well as from the disposal or derecognition thereof.

Unless there is better evidence of the investment recoverable amount, for measuring the impairment thereof the net equity of the investee is taken into account, adjusted by the unrealized gains existing on the date of valuation.

Where appropriate, in determining the investee's equity for the purposes of the preceding paragraph, when the investee has equity interest in other companies, the Company has taken into account the investee's equity as presented in its consolidated financial statements prepared in accordance with the criteria set forth in the Spanish Code of Commerce and related implementing provisions.

Changes in value due to impairment losses and, where applicable, their reversals are recognized as an expense or income, respectively, in the Profit and Loss Account. Impairment shall only be reversed up to the limit of the carrying amount of the investment that would have been determined at the reversal date had impairment not been recognized.

#### e.4) Reclassification of financial assets

The Company may only reclassify a financial asset initially designated as held for trading or at fair value through profit or loss to other categories, or vice versa, when the asset qualifies for classification as an equity investment in group companies, jointly controlled entities or associates.

#### e.5) De-recognition of financial assets

A financial asset, or part of a financial asset, is derecognized when the contractual rights to the cash flows from the financial asset expire or have been transferred, provided that substantially all the risks and rewards of ownership have been transferred.

The gain or loss on derecognition of the financial asset shall be determined as the difference between the consideration received net of attributable transaction costs, including any new asset obtained less any liability assumed, and the carrying amount of the financial asset, plus any accumulated amount recognized directly in equity. The gain or loss shall be recognized in profit or loss for the reporting period in which it arises.

#### e.6) De-recognition of financial liabilities

Financial liabilities are derecognized when the obligations have been extinguished.

The difference between the carrying amount of the financial liability, or any part thereof, that has been de-recognized and the consideration paid, including any attributable transaction costs as well as any asset transferred other than cash or any assumed liability, is recognized in the Profit and Loss Account for the financial year in which this takes place.

#### e.7) Interest and dividends received on financial assets

Interest and dividends accruing on financial assets subsequently to the time of acquisition thereof are recognized as revenues in the Profit and Loss Account.

Interest on financial assets shall be recognized using the effective interest method whereas dividends shall be recognized upon declaration of the shareholder's entitlement. For this purpose, in the initial measurement of financial assets the amount of any explicit accrued interest and not due at that date, as well as the amount of the dividends agreed by the competent body at the acquisition date are separately recorded.

#### e.8) Guarantees extended

In the case of guarantees extended and received in operating leases and in the provision of services, the difference between their fair value and the amount paid over is recorded as an advance payment or collection for the lease or service provision. Current guarantees extended are measured at the amount disbursed.

Guarantees extended in operating leases are measured at fair value.

#### e.9) Impairment of financial assets

A financial asset or group of financial assets is impaired and has generated an impairment loss if there is objective evidence of impairment as a result of an event or events which have occurred subsequent to initial recognition of the asset, and where the event or events causing the loss have an impact on the estimated future cash flows from the asset or group of financial assets which can be reliably estimated.

The company's policy is to recognise the appropriate valuation adjustments for impairment of loans and receivables and debt instruments, where there has been a reduction or delay in estimated future cash flows.

An impairment loss is similarly recognised for equity instruments when the carrying amount thereof becomes non recoverable.

#### f) **Foreign currency balances, transactions and cash flows**

All foreign currency transactions are translated into euro by applying the spot exchange rate at the date of the transaction.

At the balance sheet date, non-monetary assets and liabilities measured at fair value are measured using the exchange rate prevailing at the fair value calculation date, i.e. at the balance sheet date. When gains or losses arising from changes in the valuation of a non-monetary item are directly recognized in net equity, any exchange component is also directly recognized in net equity. By contrast, when gains or losses arising from changes in the valuation of a non-monetary item are recognized in the Profit and Loss Account for the year, any exchange difference is recognized in the Profit or Loss Account.

At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are converted to Euro at the rates then prevailing, whereas non-monetary assets and liabilities measured at historical cost have been converted at the exchange rates prevailing at the relevant transaction dates.

Positive and negative differences arising from settlement of foreign currency transactions and from conversion to euros of monetary assets and liabilities denominated in foreign currency are recognised in profit or loss.

#### g) **Income Taxes**

From 2013, Group companies with registered address in Spain pay taxes under the Special Consolidated Tax Regime within the Group led by the Parent Company.

Income tax expense (income) is calculated as the sum of current tax expense (income) and deferred tax expense (income).

Current tax is the amount payable as a result of applying the tax rate to the tax base for the year. Tax credits and other tax benefits, excluding tax withholdings and pre-payments, and tax loss carry forwards from prior years effectively offset in the year, reduce the current tax expense.

On the other hand, deferred tax expense (income) relates to the recognition and settlement of



deferred tax assets arising from deductible temporary differences, from the offset of tax loss carryforwards from prior years and from unused tax credits and other tax reliefs pending application, as well as of deferred tax liabilities arising from taxable temporary differences.

Deferred tax assets and liabilities are measured at the rates expected to prevail upon their reversal.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that is not a business combination and affects neither taxable profit/(loss) nor accounting profit/(loss).

In accordance with the prudence principle, deferred tax assets shall only be recognised to the extent that it is probable that future taxable income will be available to enable their application. Nonetheless, a deferred tax asset shall not be recognised when the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affected neither accounting profit/(loss) nor taxable income/(loss).

Both current and deferred tax expense (income) are recognised in the Profit and Loss Account. However, current and deferred tax assets and liabilities relating to a transaction or event that was recognised directly in equity shall be accounted for with a debit or credit to the relevant equity line item.

Recognised deferred tax assets and liabilities are reassessed at each balance sheet date in order to ascertain their applicability and the appropriate adjustments are made. Similarly, the company reassesses both recognised and previously unrecognised deferred tax assets. The company then derecognises previously recorded deferred tax assets when recovery is no longer probable, or recognises a previously unrecorded deferred tax asset to the extent that it is probable that future taxable profit will enable its application.

#### **h) Income and expenses**

Revenues and expenses are recognized on an accrual basis, that is, when the actual flow of goods and services they represent occurs, regardless of when the resulting monetary or financial flow takes place.

Revenue from the sale of goods and services is measured at the fair value of the consideration received or receivable arising therefrom, which, barring evidence to the contrary, corresponds to the price agreed upon for those goods or services, deducted: the amount of any discounts in price or other similar items which the Company may grant and interest included in the face value of the loans.

Revenue from services is recognized when the outcome of the transaction can be estimated reliably, taking into consideration the percentage of completion at the close of the year. Revenue from the rendering of services shall only be recognized when all the following conditions have been satisfied:

- a) The amount of revenue can be measured reliably.
- b) It is probable that the Company receives the economic benefits or income derived from the transaction.

- c) The stage of completion of the transaction at the close of the year can be measured reliably , and
- d) The costs incurred for the transaction and the remaining costs to be completed can be measured reliably.

**i) Provisions and contingencies**

At the balance sheet date liabilities of uncertain timing or amount, arising from past events the settlement of which is expected to result in an outflow of resources embodying economic benefits, are recognized as provisions in the Balance Sheet and are measured at the present value of the best estimate of the amount required to settle the obligation or transfer it to a third party.

With regards to provisions and contingencies the Company applies the following:

**i.1) Provisions**

Credit balances covering present obligations arising from past events, being their cancellation probable to cause an outflow of resources, but uncertain as to its amount and/or time of occurrence.

**i.2) Contingent liabilities**

Possible obligations that arise from past events and whose future is contingent upon the occurrence or otherwise of one or more future events beyond the control of the Company.

Adjustments arising from the discounting of the provision are recognised as a finance expense when accrued. Provisions expiring within one year are not discounted where the financial effect is not material.

The compensation to be received from a third party at the time of settling the obligation is not deducted from the amount of the debt but is recognized as an asset, if there is no doubt that such reimbursement will be received.

**j) Environmental equity elements**

The Company, due to its line of business, has no environmental assets and has not incurred in any expenditure to minimize the environmental impact and to protect and improve the environment. Similarly, the Group does not have provisions for environmental risks and expenses or contingent liabilities related to environmental protection and improvement.

**k) Business combinations**

For business combinations arising from the acquisition of shares in the capital of a company, the investor shall, in its individual financial statements, initially measure equity investments in group companies at cost, which shall be equivalent to the fair value of the consideration given plus directly attributable transaction costs.

**l) Transactions between related parties**

As a general rule, items involved in a transaction with related parties are initially measured at fair value. If the agreed transaction price were not the fair value, the difference shall be recognized based on the economic reality of the transaction. Subsequent measurement is performed in accordance with the applicable standards.

**m) Equity instruments-based payments**

The Company operates a remuneration plan for its Management consisting in the delivery of share options in Antevenio that can only be settled in shares.

These plans are initially measured at fair value at grant date, applying a generally accepted financial calculation method that takes into account, inter alia, the option exercise price, the volatility, the time frame for exercising the options, the expected dividends and the risk-free interest rate.

Options are recognised as a personnel expense in the Profit and Loss Account as vested over the period defined as the minimum required time in the Company's employ for the exercise of the option, and are also recognised directly in equity without reassessing the initial measurement thereof. However, at each Balance Sheet date the Company reassess its initial estimates on the number of options expected to become exercisable and, where appropriate, recognises the impact of this reassessment in the Profit and Loss Account and makes the relevant adjustment in equity.

**n) Statement of cash flows**

In cash flows statements the following terms are used with the meanings specified:

Cash or cash equivalents: Cash comprises both cash at hand and demand deposits at banks. Cash equivalents are financial instruments financial instruments that are convertible to cash and have a maturity of three months or less from the date of acquisition, provided that there is no significant risk of changes in value and that they form part of the Company's usual cash management policy.

Cash flows: inflows or outflows of cash or cash equivalents, the latter being short-term highly liquid investments subject to a low risk of changes in value.

Operating activities are the principal revenue-producing activities of the Company and other activities that are not investing or financing activities.

Investing activities are the acquisition, sale or disposal of non-current assets and other investments not included in cash and cash equivalents.

Financing activities are activities that result in changes in the size and composition of the equity and financial liabilities.

## 5. PROPERTY, PLANT AND EQUIPMENT

In 2015 and 2014, the balances and movements of gross values, accumulated depreciation and impairment are as follows:

	31/12/2013	Recognition / depreciation charge	Derecognitions	31/12/2014	Recognition / depreciation charge	31/12/2015
<b>Cost:</b>						
Other installations, equipment y furniture	53,921	660	-	54,581	13,581	68,162
Information technology equipment	296,945	-	(240,577)	56,368	69,866	126,234
Other property, plant and equipment	208,855	-	-	208,855	14,283	223,138
	<b>559,721</b>	<b>660</b>	<b>(240,577)</b>	<b>319,804</b>	<b>97,730</b>	<b>417,534</b>
<b>Accumulated Amortisation:</b>						
Other installations, equipment y furniture	(37,172)	(3,024)	-	(40,196)	(3,654)	(43,850)
Information technology equipment	(258,280)	(15,464)	240,577	(33,167)	(21,261)	(54,428)
Other property, plant and equipment	(179,098)	(17,617)	-	(196,715)	(7,950)	(204,665)
	<b>(474,550)</b>	<b>(36,105)</b>	<b>240,577</b>	<b>(270,078)</b>	<b>(32,865)</b>	<b>(302,943)</b>
Impairment	(4,144)	-	-	(4,144)	-	(4,144)
<b>Net property, plant and equipment</b>	<b>81,027</b>	<b>(35,445)</b>	<b>-</b>	<b>45,582</b>	<b>64,866</b>	<b>110,448</b>

### Fully depreciated items of property, plant and equipment in use

The breakdown by headings of fully depreciated assets in use is shown below, indicating their cost value:

	31/12/2015	31/12/2014
Other installations	5,012	2,241
Furniture	29,475	29,475
Computer Equipment	29,437	-
Other property, plant and equipment	200,393	151,805
<b>Total</b>	<b>264,317</b>	<b>183,521</b>

### Additional disclosures

At 31 December 2015 and 2014, the Company had no tangible fixed assets acquired from group companies or any tangible assets outside Spanish territory.

At 31 December 2015 and 2014, there were no firm purchase commitments for the acquisition of

items of property, plant and equipment.

At 31 December 2015 and 2014, the assets of the Company were secured by an insurance policy. The managers of the Company consider that the policy adequately cover the risks associated with these assets.

## 6. INTANGIBLE ASSETS

In 2015 and 2014, the balances and movements of gross values, accumulated amortisation and impairment are as follows:

	31/12/2013	Registrations / endowments	De- recognitions / Withdrawals	31/12/2014	Registrations / endowments	Transfers	31/12/2015
<b>Cost:</b>							
Industrial Property	-	132,670	-	(132,670)	-	-	-
Computer software	-	557,051	64,591	(514,356)	107,286	-	107,286
	<b>689,721</b>	<b>64,591</b>	<b>(647,026)</b>	<b>107,286</b>	<b>-</b>	<b>-</b>	<b>107,286</b>
<b>Accumulated Amortisation:</b>							
Industrial Property	-	(122,743)	-	124,393	1,650	(1,650)	-
Computer software	-	(437,064)	(12,802)	416,569	(33,297)	(20,824)	(54,121)
	<b>(559,807)</b>	<b>(12,802)</b>	<b>540,962</b>	<b>(31,647)</b>	<b>(20,824)</b>	<b>(1,650)</b>	<b>(54,121)</b>
Impairment	-	(117,029)	-	106,064	(10,965)	1,650	(9,315)
<b>Net Intangible Assets</b>	<b>-</b>	<b>12,885</b>	<b>51,788</b>	<b>-</b>	<b>64,673</b>	<b>(20,824)</b>	<b>43,849</b>

### Fully depreciated items of property, plant and equipment in use

The breakdown by headings of fully depreciated assets in use is shown below, indicating their cost value:

	31/12/2015	31/12/2014
Computer software	25,090	24,042
<b>Total</b>	<b>25,090</b>	<b>24,042</b>

### Additional disclosures

At 31 December 2015 and 2014, the Company had no intangible assets acquired from Group companies or any fixed assets outside Spanish territory.

On 31 December 2015 and 2014, there were no firm purchase commitments for the acquisition of intangible assets.

## 7. LEASES AND OTHER TRANSACTIONS OF SIMILAR NATURE

### 7.1) Operating leases (Company as lessee)

The charge to the income of the years 2015 and 2014 in respect of operating leases amounted to 233,274 Euros and 223,892 Euros, respectively.

The Company has several office floors leased in Madrid (Marqués de Riscal Street nº 11), where it operates.

At 31 December 2015, there are no future minimum payments under non-cancellable lease agreements.

## 8. FINANCIAL INSTRUMENTS

The Company classifies financial instruments in the following categories or portfolios based on the Company's intention for them:

### 8.1) Financial Assets

The breakdown of non-current financial assets at 31 December 2015 and 2014, except for equity investments in group companies, jointly controlled entities and associates that are shown in Note 9, is as follows:

	Loans, Derivatives and others		Total	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Loans and receivables (Note 8.1.1)	1,569,499	1,656,519	1,569,499	1,656,519
<b>Total</b>	<b>1,569,499</b>	<b>1,656,519</b>	<b>1,569,499</b>	<b>1,656,519</b>

The breakdown of current financial assets at 31 December 2015 and 2014 is as follows:

	Loans, Derivatives and others		Total	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Cash and cash equivalents (Note 8.1.a)	752,826	735,816	752,826	735,816
Loans and receivables (Note 8.1.1)	2,363,598	1,708,928	2,363,598	1,708,928
<b>Total</b>	<b>3,116,424</b>	<b>2,444,744</b>	<b>3,116,424</b>	<b>2,444,744</b>

**a) Cash and cash equivalents**

The breakdown of “Cash and cash equivalents” at 31 December 2015 and 2014 is as follows:

	Balance at 31/12/15	Balance at 31/12/14
Highly liquid investments (a)	626,000	100,000
Current accounts y treasury	126,826	635,816
<b>Total</b>	<b>752,826</b>	<b>735,816</b>

(a) This applies to bank deposits in various banks. These deposits are available and payable on a day margin from cancellation.

**8.1.1) Loans and receivables**

At 31 December 2015 and 2014, the breakdown of this heading is as follows:

	Balance at 31/12/2015		Balance at 31/12/2014	
	Non-current	Current	Non-current	Current
<b>Trade receivables</b>				
Trade receivables, Group companies (Note 20)	-	1,679,719	-	1,637,927
Third-party receivables	-	12,995	-	55,202
Advances for staff	-	1,528	-	11,124
<b>Total credits from commercial operations</b>	<b>-</b>	<b>1,694,242</b>	<b>-</b>	<b>1,704,253</b>
<b>Credits from non-commercial operations</b>				
Loans and interest receivable, Group companies (Note 20)	1,512,000	-	1,598,000	-
Current account balances with Group companies (Nota 20)	-	613,102	-	2,653
Dividend receivable from group company (note 20)	-	-	-	798
Debt securities	-	55,903	-	874
Loans to third parties	29,991	-	29,991	-
Guarantees and deposits	27,508	350	28,528	350
<b>Total credits from non-commercial operations</b>	<b>1,569,499</b>	<b>669,355</b>	<b>1,656,519</b>	<b>4,675</b>
<b>Total</b>	<b>1,569,499</b>	<b>2,363,598</b>	<b>1,656,519</b>	<b>1,708,928</b>

Trade and other receivables include impairment caused by default risk, according to the following breakdown:

Impairment	Balance at 31/12/2013	Impairment reversal	Application of the provision	Balance at 31/12/2014	Impairment loss	Impairment reversal	Application of the provision	Balance at 31/12/2015
Trade receivables	(281,500)	122,649	6,707	(152,144)	(15,000)	47,958	(7,304)	(126,490)
<b>Total</b>	<b>(281,500)</b>	<b>122,649</b>	<b>6,707</b>	<b>(152,144)</b>	<b>(15,000)</b>	<b>47,958</b>	<b>(7,304)</b>	<b>(126,490)</b>

### 8.1.2) Other information relating to financial assets

#### a) Reclassifications

No financial instruments were reclassified during the year.

#### b) Classification by maturity

At 31 December 2015 and 2014 non-current financial assets have maturity at over five years.

Current financial assets include loans to Group companies the maturity of which is extended on an annual basis unless otherwise claimed by the Company.

#### c) Assets pledged as security

The Company has no assets or liabilities pledged as security.

### 8.2) Financial Liabilities

At 31 December 2015 non-current payables, amounting to 1,252,709 euro (1,474,696 euro at 31 December 2014), relates to the debt resulting from the agreement with the Management Team of Antevenio Publicité (see note 17), as adjusted using financial criteria based on the expected date of payment of the registered bonds.

The breakdown of current financial liabilities at 31 December 2015 and 2014 is as follows:

	Notes payable		Other		Total	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Debts and payables (Note 8.2.1)	7,902	3,900	1,838,682	1,525,287	1,846,584	1,529,187
<b>Total</b>	<b>7,902</b>	<b>3,900</b>	<b>1,838,682</b>	<b>1,525,287</b>	<b>1,846,584</b>	<b>1,529,187</b>



**8.2.1) Debits and payables**

At 31 December 2015 and 2014 the breakdown of “Debts and payables” is as follows:

	31.12.15	31.12.14
<b>Trade payables</b>		
Suppliers	625,323	789,923
Trade payables, Group companies and associates (Note 20)	397,660	148,712
Sundry accounts payable	256,187	448,331
<b>Total trade payables</b>	<b>1,279,170</b>	<b>1,386,966</b>
<b>Non-trade payables</b>		
Bank borrowings	7,902	3,900
Finance lease payables	35,530	-
Other financial liabilities	234,754	2,570
<b>Loans and other payables</b>	<b>278,186</b>	<b>6,470</b>
Personnel (remuneration payable)	192,655	126,680
Customer advances	96,573	9,071
<b>Total non-trade payables</b>	<b>289,228</b>	<b>135,751</b>
<b>Total Debts and payables</b>	<b>1,846,584</b>	<b>1,529,187</b>

**8.2.2) Additional disclosures related to financial liabilities****a) Classification by maturity**

At the close of 2015, the breakdown by maturity of non-current financial liabilities, with either fixed or determinable maturity, is as follows:

	2017	2018	2019	2020	2021 Hereinafter	Total
<b>Non-current liabilities</b>						
Other financial liabilities	1,252,709	-	-	-	-	1,252,709
<b>Total</b>	<b>1,252,709</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,252,709</b>

At 31 December 2015, the balance of “Other non-current financial liabilities” relates to debt arising from the agreement entered into with Antevenio Publicité’s management team, financially adjusted to the expected date of payment of the registered obligations. In 2015, the expense recognised thereon amounted to 10,481 euros (82,966 euros at 31 December 2014).

At year-end 2014, the classification by maturity of the different non-current financial liabilities with

fixed or determinable maturity is as follows:

	2016	2017	2018	2019	2020 Hereinafter	Total
<b>Non-current liabilities</b>						
Other financial liabilities	230,506	1,244,190	-	-	-	1,474,696
<b>Total</b>	<b>230,506</b>	<b>1,244,190</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,474,696</b>

## 9. GROUP COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATES

At 31 December 2015, the breakdown of the Company's interests in Group Companies and Associates was as follows:

	Part. % Direct Interest %	% Direct Voting Rights	Value of Investment	Amount of impairment charge	Net carrying amount of particip.
<b>Group Companies</b>					
Europemission, S.L	49.68	49.68	1,520	(627)	893
Antevenio S.R.L. (*)	100	100	5,027,487	-	5,027,487
Mamvo Performance, S.L. (**)	100	100	1,577,382	-	1,577,382
Marketing Manager Servicios de Marketing, S.L. (**)	100	100	199,932	-	199,932
Antevenio Mexico SA de CV (**)	100	100	1,908	-	1,908
Antevenio ESP, S.L.U. (**)	100	100	27,437	-	27,437
Antevenio Francia, S.R.L.	100	100	2,000	-	2,000
Antevenio Publicité, S.A.S.U. (*)	100	100	3,191,312	-	3,191,312
Antevenio Rich & Reach, S.L. (**)	100	100	3,000	-	3,000
			<b>10,031,977</b>	<b>(627)</b>	<b>10,031,350</b>

(\*) Companies audited

(\*\*) Companies whose financial statements have been subject to limited review.

At 31 December 2014, the breakdown of the Company's interests in Group Companies and Associates was as follows:

	Part. % Direct Interest %	% Direct Voting Rights	Value of Investment	Amount of impairment charge	Net carrying amount of particip.
<b>Group Companies</b>					
Europermission, S.L	49.68	49.68	1,520	(627)	893
Antevenio S.R.L. (*)	100	100	5,027,487	-	5,027,487
Mamvo Performance, S.L. (**)	100	100	1,577,382	-	1,577,382
Marketing Manager Servicios de Marketing, S.L. (**)	100	100	199,932	-	199,932
Antevenio Mexico SA de CV (**)	100	100	1,908	-	1,908
Antevenio ESP, S.L.U. (**)	100	100	27,437	-	27,437
Antevenio Francia, S.R.L.	100	100	2,000	-	2,000
Antevenio Publicité, S.A.S.U. (*)	100	100	3,191,312	-	3,191,312
Antevenio Rich & Reach, S.L. (**)	100	100	3,000	-	3,000
			<b>10,031,977</b>	<b>(627)</b>	<b>10,031,350</b>

(\*) Companies audited

(\*\*) Companies whose financial statements have been subject to limited review.

At 31 December 2014, the Company reversed the provision, amounting to 1,347,905 euros, for the impairment of the interest in Mamvo Performance, S.L. as Directors considered the value of the investment to be recoverable, taking into account the estimate of its share in the cash flows from ordinary activities expected to be generated by the investee.

None of the companies invested is quoted in the Stock Exchange.

At 31 December 2015, the Company's directors believe the net carrying amount of interests in subsidiaries is recoverable, taking into account the estimates of its share in the cash flows from ordinary activities expected to be generated by investee companies. The assumptions on which the Management has based its projections of cash flows, to support the recoverable value of the investments, have been:

- 5-year projections of cash flows, based on the business plans provided for by the Company's management.
- The rate of growth used for the following years depends on each company and each geographical market.
- The discount rate applied was approximately 12%.

The following is the corporate objective and address of the investee companies:

**Europermission, S.L.** Its corporate purpose consists in the development and marketing databases for commercial purposes. Its registered office is at C/Marqués de Riscal, 11, Madrid.

**Mamvo Performance, S.L. (Single-member)** Its objective is online advertising and direct marketing for the generation of useful contacts. Its registered office is at C/Marqués de Riscal, 11, Madrid. This company changed its name by means of a public deed dated 28 December 2011.

**Marketing Manager Servicios de Marketing, S.L. (Single-member).** Its purpose is to provide counseling related to commercial communication companies. Its registered office is at C/Marqués de Riscal, 11, Madrid.

**Antevenio S.R.L. (Single-member),** its purpose is to provide online marketing and internet advertising services. Its registered office is at Viale Abruzzi 13/A20131. Milan (Italy).

**Antevenio ESP, S.L. (Single-member),** formerly **Diálogo Media, S.L. (Single-member),** and **Antevenio Mobile, S.L.U.** Its objective is to provide advertising services and online advertising and e-commerce operations by electronic means. Its registered office is at C/Marqués de Riscal, 11, Madrid.

This company changed its name by means of a public deed dated 13 January 2014.

**Antevenio France, S.R.L. (Single-member)** Its corporate purpose consists in the provision of advertising and promotional services on the Internet; the study, dissemination and provision of services in the field of advertising and marketing on the Internet. Its registered office is at 120, Avenue Du General Leclerc, Paris, France

**Antevenio México, S.A. de CV.** Its corporate purpose is to provide other Advertising services. The company has its registered offices in Mexico. Its registered address is at Mariano Escobedo, No. 373 Int. 101, Chapultepec Morales, Miguel Hidalgo, 11570 México D.F.

**Antevenio Publicite SARL, formerly Clash Media SARL.** Its corporate purpose consists in the provision of advertising and promotional services on the Internet; the study, dissemination and provision of services in the field of advertising and marketing on the Internet. Its registered office is at 32 Rue de Londres, 75009 Paris.

**Antevenio Rich & Reach S.L. (Single-member).** The company was incorporated in 2013. Its corporate purpose is the provision of Internet services, particularly in the field of online advertising; the provision of digital advertising and marketing services; the operation and sale of advertising spaces, the operation of social media and web environments. Its registered office is at C/Marqués de Riscal, 11, Madrid.

At 31 December 2015, the breakdown of the equity, in euros, of the subsidiaries included in the scope of consolidation is as follows:

	Share capital	Reserves	Prior period's losses	Grants received	Profit/(loss) for the year	Net Equity
Europemission, S.L.	3,060	-	(2,205)	-	-	855
Antevenio, S.R.L.	10,000	2,974,745	-	-	(32,091)	2,952,654
Mamvo Performance, S.L.	33,967	3,118,867	(1,464,183)	52,675	14,669	1,755,996
Marketing Manager Servicios de Marketing S.L.	99,800	24,169	(197,007)	-	(367,360)	(440,398)
Antevenio Mexico	4,537	-	(283,758)	-	270,996	(8,225)
Antevenio ESP, S.L.U. (formerly Diálogo Media S.L.U)	3,010	343,070	(640,671)	-	1,044,775	750,183
Codigo Barras Network S.L.U.	4,639	730,055	(921,592)	-	(430,562)	(617,460)
Antevenio Francia, S.R.L.	2,000	-	(751,936)	-	(5,596)	(755,532)
Antevenio Publicité S.A.S.U.	101,913	1,387	(240,290)	-	659,462	522,473
Antevenio Rich & Reach S.L.	3,000	-	(193,443)	-	318,906	128,462

At 31 December 2014, the breakdown of the equity, in euros, of the subsidiaries included in the scope of consolidation was as follows:

	Share capital	Reserves	Prior period's losses	Pofit/(loss) for the year	Net Equity
Europemission, S.L.	3,060	-	(2,204)	-	856
Antevenio, S.R.L.	10,000	3,768,141	-	216,604	3,994,745
Mamvo Performance, S.L.	33,967	2,913,776	(1,464,183)	205,090	1,688,651
Marketing Manager Servicios de Marketing S.L.	99,800	24,169	103,375	(197,007)	30,337
Antevenio Mexico	4,537	-	(134,253)	(152,787)	(282,504)
Antevenio ESP, S.L.U. (formerly Diálogo Media S.L.U)	3,010	187,543	(640,671)	155,527	(294,592)
Codigo Barras Network S.L.U.	4,639	730,055	(753,295)	(189,222)	(207,823)
Antevenio Francia, S.R.L.	2,000	-	(744,615)	(7,320)	(749,935)
Antevenio Publicité S.A.S.U.	101,913	1,387	-	(240,289)	(136,989)
Antevenio Rich & Reach S.L.	3,000	-	(26,240)	(167,204)	(190,443)

On 19 June 2014, Antevenio Publicité approved a capital reduction and increase through the capitalisation of loans granted by, and its current debt with Antevenio S.A., resulting in an increase of Antevenio S.A. investment by 1,603,582 euros.

On 14 February 2014, all the shares in the company Codigo Barras Networks, S.L. Unipersonal were sold to Antevenio Rich & Reach, S.L. Unipersonal, at a price of 31.34 euro each, for a total transaction amount of 145,385 euros.

On 22 December 2014, Antevenio S.A. entered into an agreement to sell its investment in

Antevenio Ltd (50%). Under the above said agreement, the sale of Antevenio S.A. investment in Antevenio Ltd took place in two phases: during the first phase, Antevenio S.A. cancelled any trade receivables from Antevenio Ltd. The above said cancellation was performed by writing-off the relevant outstanding balances in the accounting records. During the second phase, once the above said receivables had been cancelled, Antevenio S.A. sold its 50% stake in Antevenio Ltd. The sale was concluded by way of a bank transfer.

## **10. INFORMATION ON THE NATURE AND LEVEL OF RISK FROM FINANCIAL INSTRUMENTS**

The Company's activities are exposed to different financial risks, particularly to credit and market risk.

### **10.1.1) Credit Risk**

The principal financial assets of the Company are cash, cash balances and loans to group companies, trade and other receivables, and investments, which represent the Company's maximum exposure to credit risk in relation to financial assets.

The credit risk of the Company is primarily attributable to its trade receivables and the recovery of receivables from group companies. The amounts are presented in the balance sheet with the net of provisions for bad debts, estimated by the Company's management on the basis of previous years' experience and their assessment of the current economic environment.

### **10.1.2) Exposure to liquidity risk**

The Company's liquidity policy consists in keeping the available balances on accounts in order to ensure payments for the development of the activity itself.

### **10.1.3) Exchange rate risk**

The Company is not exposed to significant exchange rate risk, so it carries out no transactions with financial hedging instruments.

## 11. EQUITY

### 11.1) Equity Capital

At 31 December 2015 and 2014, the social capital of the Parent Company is comprised by 4,207,495 securities at 0.055 Euros each, fully subscribed and paid. All shares have the same voting and dividend rights.

	31/12/2015	
	No. of Shares	Holding %
Aliada Investment BV	1,185,672	28.18%
Joshua David Novick	500,271	11.89%
Inversiones y Servicios Publicitarios, S.A.	785,539	18.67%
Nextstage	648,375	15.41%
Other	1,087,638	25.85%
<b>Total</b>	<b>4,207,495</b>	<b>100.00%</b>

### 11.2) Reserves

At 31 December 2015 and 2014 the breakdown of Reserves is follows:

Reserves	31/12/2015	31/12/2014
Legal reserve	46,282	46,282
Voluntary reserves	2,685,546	1,721,364
Share premium	8,189,787	8,189,787
<b>Total</b>	<b>10,921,615</b>	<b>9,957,433</b>

#### a) Legal reserve

The legal reserve has restrictions of use, which is subject to several legal provisions. Under the Spanish Law on Corporations Act, 10% of any profit made each year must be transferred to the legal reserve. These provisions must be made until the legal reserve reaches 20% of the share capital. The legal reserve may only be used to offset losses; for capital increases, in the 10% portion exceeding the increased capital; and, for distribution to shareholders upon liquidation. At 31 December 2015, the legal reserve was fully allocated.

**b) Dividends**

At 31 December 2015 and 2014, the distribution of dividends had not been approved by the Extraordinary and Universal General Shareholders' Meeting.

**c) Share Premium**

This reserve originated as a result of the capital increase of 2007. Share premium is subject to the same restrictions and may be used for the same purposes as the voluntary reserves, including conversion into share capital.

**d) Own Shares**

The Extraordinary General Meeting of Shareholders of the Company authorized on 25 June 2014 the acquisition of up to 10% of the Company's share capital in own shares at a minimum price of 1 euro per share and a maximum price of 15 euro per share; the authorization was granted for a period of 18 months as from the date of the resolution.

On 29 January 2015, the Company purchased 190,000 own shares at a unit price of 2.59 euros.

At the reporting date, the Company holds 198,348 shares representing 4.7% of share capital (8,348 shares representing 0.19% share capital at 31 December 2014). These treasury shares amount to 513,804 euros (21,705 euros at 31 December 2014).

In 2014 the Company did not execute any transaction with treasury shares.

The breakdown of own shares at 31 December 2015 and 2014 is as follows:

Value	Balance 31.12.2015		Balance 31.12.2014	
	No. of Shares	Cost	No. of Shares	Cost
Antevenio S.A.	198,348	513,805	8,348	21,704
	<b>198,348</b>	<b>513,805</b>	<b>8,348</b>	<b>21,705</b>



## 12. INFORMATION ON DEFERRED PAYMENTS TO SUPPLIERS. THIRD ADDITIONAL PROVISION, "DISCLOSURE OBLIGATION", OF LAW 15/2010, OF 5 JULY

In compliance with Law 15/2010, of 5 July, amending Law 3/2004, of 29 December, establishing measures to combat late payment in commercial transactions, details of the average period for payment to suppliers, the ratio of transactions paid and transactions pending payment, the total number of payments made and payments pending payment are set out below:

	2015
	Days
Average period of time for payment to suppliers	34.90
Percentage of paid transactions	36.41
Percentage of transactions pending payment	26.96
	Amount (euro)
Total payments made	952,351
Total payments pending	180,535

The financial statements for 2015 do not include any comparative information for this new disclosure obligation; to these sole purposes, the accompanying financial statements are classified as initial financial statements with regards to the application of the principle of consistency and the comparability requirement, in compliance with the provisions of Resolution, of 29 January 2016, of the Spanish Institute of Accounting and Accounts Auditing, on the disclosures on deferred payment to suppliers in commercial transactions to be included in the notes to the financial statements.

## 13. FOREIGN CURRENCY

At 31 December 2015 and 2014 the amount of exchange differences recognized in profit or loss is as follows:

Exchange differences	31/12/2015	31/12/2014
<b>Positive exchange differences:</b>		
In the current period	31,378	13,265
<b>Negative exchange differences:</b>		
In the current period	(18,293)	(32,537)
<b>Total</b>	<b>13,085</b>	<b>(19,272)</b>

Assets and liabilities denominated in foreign currency relate to debit balances, credit balances and treasury, all of which are part of current assets and liabilities.

Transactions in foreign currency executed in 2015 and 2014 are immaterial for the financial statements.

#### 14. TAXATION

The breakdown of the balances with Public Entities at 31 December 2015 and 2014 is as follows:

	31/12/2015		31/12/2014	
	Receivables	Payables	Receivables	Payables
<b>Current</b>				
Value Added Tax	-	(228,784)	-	(28,445)
Deferred tax assets (*)	6,392	-	6,392	-
Withholdings and payments on account of Income Tax	324	-	4,866	-
Public Treasury, debtor tax returns	181,946	-	-	-
Taxation Authorities, taxes payable	-	(5,973)	-	(5,973)
Withholdings for Personal Income Tax	-	(41,020)	-	(44,026)
Income tax expense	-	(28,404)	-	(28,404)
Social Security payables	-	(13,256)	-	(12,074)
	<b>188,662</b>	<b>(317,437)</b>	<b>11,258</b>	<b>(118,921)</b>

(\*) Classified in the Balance Sheet under non-current assets.

(\*\*) The Company files consolidated Value Added Tax returns. The balance of the receivables of the various companies in the taxation group is recorded under current account with Group companies (Note 8.1.1).

Under the provisions of Article 39 of Law 27/2014, of 27 November, on Corporate Income Tax, in 2015, the Company has monetized through its taxation group R&D&I tax credits amounting to 170,427 euros that have been recorded under "Taxation Authorities, recoverable taxes".

#### Taxation

Under current legislation, tax settlements cannot be regarded as definitive until the returns have been inspected by the tax authorities or the statute of limitations period of four years has elapsed. Accordingly, as a result of eventual tax inspections new tax liabilities may arise in addition to the ones recognised by the Company. Nevertheless, the Company's directors believe that these tax liabilities, should they materialise, would not be material compared with the Company's own funds and annual profits.

At the close of 2015, the Company had 2011 and subsequent years open for review by the tax authorities for Income Tax and 2012 and subsequent years for the main taxes applicable to it.

## Income Tax

The reconciliation of net income and expenses of the year with taxable income tax is as follows:

	31/12/2015			31/12/2014		
	Profit and Loss Account			Profit and Loss Account		
Profit/(loss) for the period (after tax)	929,898			964,182		
	<i>Increases</i>	<i>Decreases</i>	<i>Net effect</i>	<i>Increases</i>	<i>Decreases</i>	<i>Net effect</i>
Income Tax (2)		(7,288)	(7,288)	-	(6,392)	(6,392)
Permanent differences		(50,637)	(50,637)	322,180	-	322,180
Temporary differences		(87,950)	(87,950)	(1,337,073)	-	(1,337,073)
Exemption for double international taxation	-	(1,000,000)	(1,000,000)	-	-	-
Taxable profit (tax loss)			(215,977)			(57,103)
Tax credits for R&D&I			-			(988)
Net tax payable			-			-
Withholdings and payments on account			(324)			(4,866)
Recoverable tax (1)			(324)			(4,866)

- (1) The Company files consolidated income tax returns.
- (2) In 2015 Income Tax income relates to the monetization of tax credits for R&D&I of the Company.

The breakdown of recognised deferred tax assets is as follows:

	At 31.12.15	At 31.12.14
	Amount	Amount
Tax-loss carryforwards	6,392	6,392
Total deferred tax assets	6,392	6,392

The aforementioned deferred tax assets have been recognised in the balance sheet because the Company's Directors consider that, based on their best estimate of the Company's future earnings, including certain tax planning measures, it is likely that said assets will be recovered.

**15. INCOME AND EXPENSES****a) Supplies**

The entire balance under this heading of the accompanying Profit and Loss Account, amounting to 51,289 euro in 2015 (193,107 euro in 2014), relates to cost of sales.

**b) Employee benefit expense**

The detail of this heading in the attached Consolidated Statement of Changes in Equity is as follows:

	31/12/2015	31/12/2014
Social Security paid by the company	(100,622)	(116,801)
Employee benefits expense	(25,278)	(28,682)
<b>Employee benefit expense</b>	<b>(125,900)</b>	<b>(145,483)</b>

**c) Financial results**

The detail of this heading in the attached Consolidated Statement of Changes in Equity is as follows:

	31/12/2015	31/12/2014
<b>Income:</b>		
Income from equity participations in group and associated companies	1,000,000	-
Income from loans to Group companies	55,107	2,653
Other finance income	13,849	49,738
<b>Total finance income</b>	<b>1,068,957</b>	<b>52,391</b>
<b>Expenses</b>		
Other finance expense	(7,468)	-
Debt adjustment	(10,481)	(82,996)
<b>Total finance expense</b>	<b>(17,948)</b>	<b>(82,996)</b>

**d) Other extraordinary gains/(losses) from disposal of Group's own equity instruments**

On 22 December 2014, Antevenio S.A. entered into an agreement to sell its investment in Antevenio Ltd. (50 %). Under the above said agreement, the sale of Antevenio S.A. investment in Antevenio Ltd took place in two phases: during the first phase, Antevenio S.A. cancelled any trade receivables from Antevenio Ltd (see Note 9). The above said cancellation was performed by writing-off the relevant outstanding balances in the accounting records. The above said balances

writing-off resulted in an extraordinary expense amounting to 316,657 euro and an extraordinary income amounting to 316,657 euro for Antevenio Ltd.

During the second phase, once the above said receivables had been cancelled, Antevenio S.A. sold its 50% stake in Antevenio Ltd., causing losses for 60,127 euro in 2014. The sale was concluded by way of a bank transfer.

## **16. ENVIRONMENTAL INFORMATION**

The Company has no assets and has not incurred in any expenditure to minimize the environmental impact and protect and improve the environment. Similarly, the Group does not have provisions for environmental risks and expenses or contingent liabilities related to environmental protection and improvement.

## **17. BUSINESS COMBINATIONS**

On 1 August 2012, the Company acquired 100% of the share capital of Antevenio Publicité S.A.S.U., formerly Clash Media SARL, a company established in France. Simultaneously, Antevenio S.A. acquired the software "swordtail" owned by the investee.

As a condition precedent for the execution of the "Master Agreement" (agreement for the purchase of Clash Media by Antevenio S.A.), an agreement between Antevenio and the management team was entered into on 31 July 2012 that was subsequently amended by another agreement entered into on 31 October 2013 .

In this latest "Agreement" with the Management Team, the Managers receive certain rights to be executed by Antevenio S.A., subject to the permanence of the Management Team in Clash Media during the years 2013 to 2017, and by virtue of which the Management Team is to obtain 12% of the value of the company in equity instruments or equivalent means linked to the value of the shares, in the terms described below.

In 2016, the Management Team will receive 30% of the value in equity instruments of the investee or equivalent means, said percentage resulting by multiplying 10 times the net income of 2015 by the above mentioned 12% fixed rate.

Similarly, in year 2017 the Management Team will receive, in equity instruments or equivalent means of the investee, the remaining 70% of the value resulting from multiplying Outcome by 10 the net income of 2016 by the above stated 12%.

The maximum amount payable will be of 1,500,000 Euros.

At 31 December 2015 and 2014, the Company has recorded the maximum future payment commitment as higher cost of investment, considering that the conditions of the signed agreement (see Note 8.2) shall be met.

**18. GUARANTEES AND WARRANTIES**

At 31 December 2015 and 2014, the Company provided guarantees, as follows:

<b>Guarantees</b>	<b>31/12/2015</b>	<b>31/12/2014</b>
Lessor of Headquarters	52,377	52,377
<b>Total</b>	<b>52,377</b>	<b>52,377</b>

**19. EVENTS AFTER THE BALANCE SHEET DATE**

Subsequent to 31 December 2015, there have been no significant events affecting the financial statements of the Company as of that date.

**20. RELATED PARTY TRANSACTIONS****20.1) Related party balances**

At 31 December 2015 the breakdown of balances with related parties is as follows:

RELATED PARTY BALANCES	Mamvo Performance S.L.U.	Europemission	Marketing Manager S.L.U.	Código de Barras Network S.L.U.	Antevenio ESP S.L.U	Antevenio Francia S.R.L.U	Antevenio México	Antevenio Argentina S.R.L	Antevenio Italia S.R.L.U.	Antevenio Publicité S.A.S.U.	Antevenio Rich & Reach S.L.U.	Total
<b>A) NON-CURRENT ASSETS</b>	<b>100,000</b>	-	-	<b>250,000</b>	<b>600,000</b>	<b>262,000</b>	-	-	-	-	<b>300,000</b>	<b>1,512,000</b>
1. Non-current investments in companies	-	-	-	-	-	-	-	-	-	-	-	-
a) Loans to companies (1)	100,000	-	-	250,000	600,000	262,000	-	-	-	-	300,000	1,512,000
<b>Total Non Current</b>	<b>100,000</b>	-	-	<b>250,000</b>	<b>600,000</b>	<b>262,000</b>	-	-	-	-	<b>300,000</b>	<b>1,512,000</b>
<b>B) CURRENT ASSETS</b>	<b>95,698</b>	<b>31,464</b>	<b>167,760</b>	<b>26,173</b>	<b>292,287</b>	<b>210,102</b>	<b>274,784</b>	<b>294,908</b>	<b>214,886</b>	<b>23,403</b>	<b>716,715</b>	<b>2,348,180</b>
1. Trade and other receivables	28,639	29,318	213,285	-	144,561	169,723	274,784	294,908	214,886	23,403	286,213	1,679,719
a) Receivables from short-term sales and services	28,639	29,318	213,285	-	144,561	169,723	274,784	294,908	214,886	23,403	286,213	1,679,719
b) Group company receivables	-	-	-	-	-	-	-	-	-	-	-	-
2. Current investments in group companies	67,059	2,147	(45,524)	26,173	147,725	40,379	-	-	-	-	430,502	668,461
a) Loans to companies	67,059	2,147	(45,524)	26,173	147,725	40,379	-	-	-	-	430,502	668,461
<b>C) CURRENT LIABILITIES</b>	<b>(146,918)</b>	<b>(46,431)</b>	-	-	<b>(190,910)</b>	-	-	<b>(7,401)</b>	<b>(6,000)</b>	-	-	<b>(397,660)</b>
1. Short term debts with group and associated companies	-	-	-	-	-	-	-	-	-	-	-	-
2. Trade and other payables	(146,918)	(46,431)	-	-	(190,910)	-	(7,401)	(6,000)	(6,000)	-	-	(397,660)
a) Short-term suppliers	(146,918)	(46,431)	-	-	(190,910)	-	(7,401)	(6,000)	(6,000)	-	-	(397,660)
<b>Total current</b>	<b>(51,219)</b>	<b>(14,967)</b>	<b>167,760</b>	<b>26,173</b>	<b>101,377</b>	<b>210,102</b>	<b>274,784</b>	<b>287,507</b>	<b>208,886</b>	<b>23,403</b>	<b>716,715</b>	<b>1,950,520</b>

(1) Tacit annual renewals.

At 31 December 2014 the breakdown of balances with related parties was as follows:

	Mamvo Performance S.L.U	Europemission S.L.U	Marketing Manager S.L.U	Código de Barras Network S.L.U.	Antevenio ESP S.L.U	Antevenio Francia S.R.L.U	Antevenio México	Antevenio Argentina S.R.L	Antevenio Italia S.R.L.U.	Antevenio Publicité S.A.S.U.	Antevenio Rich & Reach S.L.U.	Total
<b>A) NON-CURRENT ASSETS</b>	100,000	-	-	250,000	600,000	262,000	-	-	-	86,000	300,000	1,598,000
<b>1. Non-current investments in companies</b>	-	-	-	-	-	-	-	-	-	-	-	-
a) Loans to companies (1)	100,000	-	-	250,000	600,000	262,000	-	-	-	86,000	300,000	1,598,000
<b>Total Non Current</b>	<b>100,000</b>	<b>-</b>	<b>-</b>	<b>250,000</b>	<b>600,000</b>	<b>262,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>86,000</b>	<b>300,000</b>	<b>1,598,000</b>
<b>B) CURRENT ASSETS</b>	8,203	31,464	229,937	33,848	94,380	205,102	410,018	273,629	214,054	222,829	(82,085)	1,641,378
<b>1. Trade and other receivables</b>	-	29,318	229,937	30,422	57,998	169,723	410,018	273,629	214,054	222,829	-	1,637,927
a) Receivables from short-term sales and services	-	29,318	229,937	30,422	57,998	169,723	410,018	273,629	214,054	222,829	-	1,637,927
b) Group company receivables	-	-	-	-	-	-	-	-	-	-	-	-
<b>2. Current investments in group companies</b>	8,203	2,147	-	3,426	36,382	35,379	-	-	-	-	(82,085)	3,451
a) Loans to companies	8,203	2,147	-	3,426	36,382	35,379	-	-	-	-	(82,085)	3,451
<b>C) CURRENT LIABILITIES</b>	16,566	(46,431)	-	-	67,827	-	(149,569)	(7,105)	(30,000)	-	-	(148,712)
<b>1. Short term debts with group and associated companies</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>2. Trade and other payables</b>	16,566	(46,431)	-	-	67,827	-	(149,569)	(7,105)	(30,000)	-	-	(148,712)
a) Short-term suppliers	16,566	(46,431)	-	-	67,827	-	(149,569)	(7,105)	(30,000)	-	-	(148,712)
<b>Total current</b>	<b>24,769</b>	<b>(14,967)</b>	<b>229,937</b>	<b>33,848</b>	<b>162,207</b>	<b>205,102</b>	<b>260,449</b>	<b>266,524</b>	<b>184,054</b>	<b>222,829</b>	<b>(82,085)</b>	<b>1,492,666</b>



## 20.2) Transactions between related parties

The amount of transactions during 2015 included in the accompanying Profit and Loss Account is as follows:

Transactions Performed	Services received	Sales and services rendered	Dividend received	Interests Paid
Mamvo Performance, S.L.U.	(289,062)	98,063	-	4,841
Marketing Manager	-	186,200	-	-
Código barras Networks	-	16,926	-	10,405
Antevenio ESP, S.L.U.	(194,462)	603,320	-	24,973
Antevenio Argentina	(7,401)	21,279	-	-
Antevenio S.R.L. (Italy)	(24,000)	500,970	1,000,000	-
Antevenio México	-	152,262	-	-
Antevenio Publicité	-	100,962	-	2,402
Antevenio Rich & Reach	(559)	411,251	-	12,486
	<b>(515,484)</b>	<b>2,091,230</b>	<b>1,000,000</b>	<b>55,107</b>

In 2015 the Company has received dividends amounting to 1,000,000.00 euros from Antevenio S.R.L (Italy).

The amount of transactions during 2014 included in the accompanying Profit and Loss Account was as follows:

Transactions Performed	Services received	Sales and services rendered	Interests Paid
Mamvo Performance, S.L.U.	(352,961)	20,925	1,210
Marketing Manager	-	245,204	-
Código barras Networks	-	37,773	314
Antevenio ESP, S.L.U.	(266,973)	586,725	753
Antevenio Argentina	-	34,609	-
Antevenio Italia	(30,000)	515,514	-
Antevenio México	(172,480)	186,172	-
Antevenio Publicité	-	212,766	-
Antevenio Rich & Reach	-	393,392	376
	<b>(822,414)</b>	<b>2,233,080</b>	<b>2,653</b>

## 20.3) Core shareholders

In 2015 and 2014 the Company has performed no significant transactions with core shareholders.

## 20.4) Balances and Transactions with Directors and High Management

Members who are part of the senior management personnel are, at the same time, members of the Management Board.

At 31 December 2015 and 2014 the breakdown of the amounts received by the Board of Directors or by members of senior management is as follows:

	High Management		Other Directors	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Wages and salaries	445,102	352,400	5,000	7,000
<b>Total</b>	<b>445,102</b>	<b>352,400</b>	<b>5,000</b>	<b>7,000</b>

At 31 December 2015 and 2014, there are no commitments for pension supplements, loans or advances granted to Directors nor guarantees or sureties extended to Directors.

### Other disclosures related to the Board of Directors

In compliance with the provisions of Section 229 of the Spanish Corporations Law, Directors and the related parties referred to in Section 231 of the Spanish Corporations Law, have been asked about any conflicting interests, direct or otherwise, between Directors and their respective related parties and the Company.

The positions held by Directors and disclosed to Antevenio S.A. are as follows:

Manager	Company	Position	Direct Holding %	Indirect Holding %
Mr. David Rodés	Inversiones y Servicios Publicitarios, SL	General Director	--	--
Mr. David Rodés	Acceso Group, SL	Director	--	--
Mr. David Rodés	Acceso Panamá SA	Chairman	--	--
Mr. David Rodés	Digilant SA de CV	Legal representative and Sole Administrator	--	--
Mr. David Rodés	Digilant Marketing SL	Sole director	--	--
Mr. David Rodés	Digilant Media Limited	Sole director	--	--
Mr. David Rodés	Digilant Spain, SL	Sole director	--	--
Mr. David Rodés	Digilant, Inc	Joint and several Administrator	--	--
Mr. David Rodés	ISP Digital SL	Sole director	--	--
Mr. David Rodés	Shape Communication, SL	Joint and several Administrator	--	--
Mr. David Rodés	Smart Vía Media Inc	Joint and several Administrator	--	--
Mr. David Rodés	Digilant Marketing Ltd	Director (Administrator)	--	--
Mr. Donald Epperson	Integral Ad Science, Inc.	Director	1%	--
Mr. Donald Epperson	Enervee Corporation	Director	20%	--
Mr. Donald Epperson	Digilant, Inc	Director	--	--
Mr. Donald Epperson	ISP Digital	CEO		
Mr. Donald Epperson	Simpli.fi	--	10%	

## 21. SHARE-BASED PAYMENT TRANSACTIONS

On 25 June 2015 the Annual General Meeting approved a remuneration plan consisting in remuneration system, linked to the value of the Company's shares, for certain Executive Directors and Managers and Employees of the Company.

The following terms were approved:

- (i) the maximum number of shares that can be granted cannot exceed 190,000 shares;
- (ii) the exercise or delivery price or the calculation method for exercise or delivery shall be the market value of the share on the day of exercise or delivery;
- (iii) the value of the shares shall be 2.59 euro per share; and
- (iv) the deadline of this plan would be two years and six months at the most, the beneficiaries needing to have rendered their services actively and without interruption for the Parent Company and/or any affiliate of the Group for the entire indicated period.

Additionally, the AGM delegated to the Board of Directors the development, settlement, clarification and interpretation of the terms of the remuneration plan. The Plan was approved by the Board of Directors on 16 December 2015.

Changes in existing options were as follows:

	2015	
	Number	Weighed average price
Granted options (+)	190,000	2.59
Options at the end of the year	190,000	2.59

At 31 December 2015, options are recognised as a personnel expense in the Profit and Loss Account as vested over the period defined as the minimum required time in the Company's employ for the exercise of the option, and are also recognised directly in equity without reassessing the initial measurement thereof amounting to 69,540 euro.

## 22. OTHER INFORMATION

The average number of persons employed by the Group during 2015 and 2014 is as follows:

	2015	2014
Management	3.00	2.00
Administrative	6.07	6.35
Technical	0.00	1.00
Marketing	0.00	1.19
	<b>9.07</b>	<b>10.55</b>

The number of Directors and persons employed by the Company at year-end 2015 and 2014, by professional category, is as follows:

Professional Category	At 31.12.15		At 31.12.14	
	Men	Women	Men	Women
Senior executives	3	-	2	-
Administrative	2	5	2	4
Marketing	-	-	1	-
Technical	-	-	1	-
	<b>5</b>	<b>5</b>	<b>6</b>	<b>4</b>

The amount of the fees incurred for the audit services of the both individual annual and consolidated financial statements for the year ended on 31 December 2015 is of 57,000 Euros. (57,000 Euros for the year ended 31 December 2014).

### 23. SEGMENT REPORTING

In 2015 and 2014 the distribution of the net turnover from the ordinary activities of the Company, by categories of activities, is as follows:

Description of the activity	31/12/2015		31/12/2014	
	Euros	%	Euros	%
Marketing and online advertising	27,888	1	390,492	15
Provision of services (Fees)	2,188,368	99	2,178,541	85
<b>Total</b>	<b>2,216,256</b>	<b>100</b>	<b>2,569,033</b>	<b>100</b>

Geographic segmentation	31/12/2015		31/12/2014	
	Euros	%	Euros	%
Domestic	1,427,410	65	1,520,462	68
Europe	601,931	27	827,789	29
International (excl. Europe)	186,915	8	220,782	2
<b>Total</b>	<b>2,216,256</b>	<b>100</b>	<b>2,569,033</b>	<b>100</b>

## **SITUATION OF THE ACTIVITY AND RESULTS OF ANTEVENIO, S.A. DURING THE YEAR ENDED 31 DECEMBER 2015**

### **1. Turnover and Results of Antevenio S.A. during the year 2015**

During 2015, turnover reached a total of 2.2 million Euros representing a 15.3% decrease on 2014 revenue (2.6 million Euros).

From July 2013, all the activity performed as Exclusive Advertising Network was transferred to Antevenio Rich & Reach, S.L.U., a 100% subsidiary of Antevenio S.A.. From 2014 Antevenio S.A. is mostly engaged in the provision of corporate services to its subsidiaries and other units in the Group.

Profit for the year amounted to 930 thousand Euros, compared to 964 thousand Euros for the year 2014.

In 2015 Antevenio S.A. has received income from equity instruments of Antevenio Srl., in dividends amounting to 1 million Euros.

### **2. Turnover of Antevenio S.A. subsidiaries in 2015**

#### **In thousands of Euros**

#### **Turnover**

Mamvo Performance, S.L.U.	2,043
Europemission, S.L. (i)	-
Antevenio, S.R.L.	6,712
Marketing Manager de Servicios de Marketing, S.L.U	1,318
Antevenio ESP S.L.U	4,917
Código Barras Networks, S.L.U	211
Antevenio Argentina S.R.L.	278
Antevenio France, S.R.L.	-
Antevenio Publicite S.R.L.	3,325
Antevenio Mexico, S.A de C.V	2,483
Antevenio SA	2,216
Antevenio, Rich & Reach, S.L.U.	5,100

(i) consolidated using the equity method

There have been no sales of any investee company.

### **3. Significant events during 2015**

In 2015 the Antevenio Group has maintained the upward trend that began in 2014, registering a 12% increase versus 2014 turnover.

In 2015, investments and new activities initiated in prior years have consolidated, strengthening the leading position of Antevenio in the markets where it operates.

On 29 January 2015, the Company purchased 190,000 own shares, representing 4.5% of its share capital, in the Alternext market where the Company's shares are traded. The acquisition cost amounted to 492,100 Euros.

### **PROSPECTS**

Antevenio faces 2016 with an upward trend in its global operations. The Company expects that growth rates registered in all markets where the Company operates will continue next year, as it has all the resources, related both to finances and production, to face a 2016 where growth shall be coupled with profitability. Our financial strength, with a treasury position larger than the one we had at the beginning of 2015, our range of products and the investments made in prior years lead us to expect a strengthening of our leadership and further gains in the market share.

### **ADDITIONS OF INTANGIBLE FIXED ASSETS**

Additions of items of property, plant and equipment amounted to 98 thousand Euros in 2015 and relate mainly to information technology equipment. During 2015 there were no additions of intangible assets.

### **RESEARCH AND DEVELOPMENT ACTIVITIES**

In 2015, the Company has performed no activities related to Research and Development.

### **RISKS**

The principal risks and uncertainties that the Antevenio Group could face are the following:

#### **Competition Risk**

In an industry constantly evolving and offering high growth rates, new players have entered the markets where Antevenio operates. However, given the experience of over fifteen years in this market, the position and visibility of Antevenio and the quality of our services, Directors believe the Company will continue to occupy a leading position.

### **Customer and Supplier Dependency Risk**

The risk of dependency on customers and suppliers is limited because none bears significant weight in the turnover of Antevenio, S.A.

### **“Key-Person” Risk**

We believe that one of Antevenio’s main assets lies in having been able to assemble a team of managers and key executives in the company’s strategic positions.

### **Personal Data Processing Risk**

The Antevenio Group deals with personal data in order to provide its customers with direct marketing services, as well as the corresponding treatments expected in every company: workers, suppliers, customers, etc.

Therefore, it is subject to the following legislation:

(1) Directive 97/7/EC on the protection of customers in respect of distance contracts and on the adaptation of local regulations to several European Directives.

(2) Directive 2000/31/EC of the European Parliament and of the Council, dated 8 June, on certain legal aspects of the services of the information society, in particular about electronic commerce in the internal market (Directive on Electronic Commerce).

(3) Directive 2002/58/EC of the European Parliament and of the Council, dated 12 July, concerning the processing of personal data and the protection of privacy in the electronic communications sector (Directive on Privacy and Electronic Communications).

Processing of personal data in order to provide direct marketing services is not without risks, accordingly Antevenio has a contract with the company INT55 in order to exercise constant vigilance on the evolution of the law and its application by Antevenio.

**PERSONNEL**

In 2015 the average number of employees of the Company was 9 (11 in 2014).

**SHAREHOLDING STRUCTURE**

Companies with direct or indirect shares equal to or greater than 5% of the social capital at 31 December 2015 were as follows:

	31/12/2015	
	No. of Shares	Holding %
Aliada Investment BV	849,072	20.18%
Joshua David Novick	500,271	11.89%
Inversiones y Servicios Publicitarios, S.A.	785,539	18.67%
Nextstage	648,375	15.41%
Other	1,424,237	33.85%
<b>Total</b>	<b>4,207,495</b>	<b>100.00%</b>

**TREASURY SHARES**

The company has a contract with the Gilbert Dupont company, with the purpose of, without interfering with the normal development of the market and in strict compliance with the securities markets regulations, increasing the liquidity of transactions involving shares, the consistency of share prices and avoiding fluctuations not caused by the market trend itself. Antevenio, whose shares are traded in the Alternex market, has complied with the regulations of this market in relation to operations performed under the contract.

**Information on the authorization to acquire treasury shares**

The Annual General Meeting approved the entire revocation of the authorisation granted to the Board of directors for the acquisition of own shares by the Annual General Meeting held on 25 June 2014 and, pursuant to the provisions of Articles 146 and sequitur of the Spanish law on Corporations, authorised and empowered the Board of Directors to acquire, either directly or through any of the Company's subsidiaries, own shares, at any time and as many times as deemed appropriate, thereto using any legally admitted means, including profit for the year and/or unrestricted reserves, on the following terms:

- (a) The treasury shares may be directly acquired by the Company or indirectly acquired through subsidiaries under the terms of the resolution.
- (b) Treasury shares may be acquired through purchase, swap or any other legally permitted transaction.
- (c) The sum of the nominal value of treasury shares directly or indirectly acquired by



the company and the nominal value of any treasury shares already held by the acquiring company and its subsidiaries and, where applicable, the Parent Company and its subsidiaries, shall not exceed ten percent of the Company's share capital.

(d) Treasury shares may not be acquired at a price above 15 euro or at a price below 1 euro.

(e) The authorization shall be valid for a maximum period of eighteen (18) months as from the date of its approval.

(f) In compliance with the provisions of Section 146.1b) of the Spanish Corporations Law, as a result of the acquisition of treasury shares, including treasury shares previously acquired by the Company or by any person acting on its own name but on behalf of the Company, the resulting equity shall not be reduced below the Company's share capital plus legal or statutorily restricted reserves.

The resolution expressly states that any shares acquired under this authorisation may be used to: (i) implement remuneration systems provided for in paragraph 3 of letter a) of Article 146.1 of the Spanish law on Corporations, and to develop schemes to promote shareholding in the capital of companies, such as granting shares or options on shares, or remuneration packages linked to share or similar instruments price, to be directly delivered to employees or directors of the company, or as a result of the exercise of any rights they might be entitled to; (ii) to ensure share liquidity, through a "liquidity contract" with investment service provider.