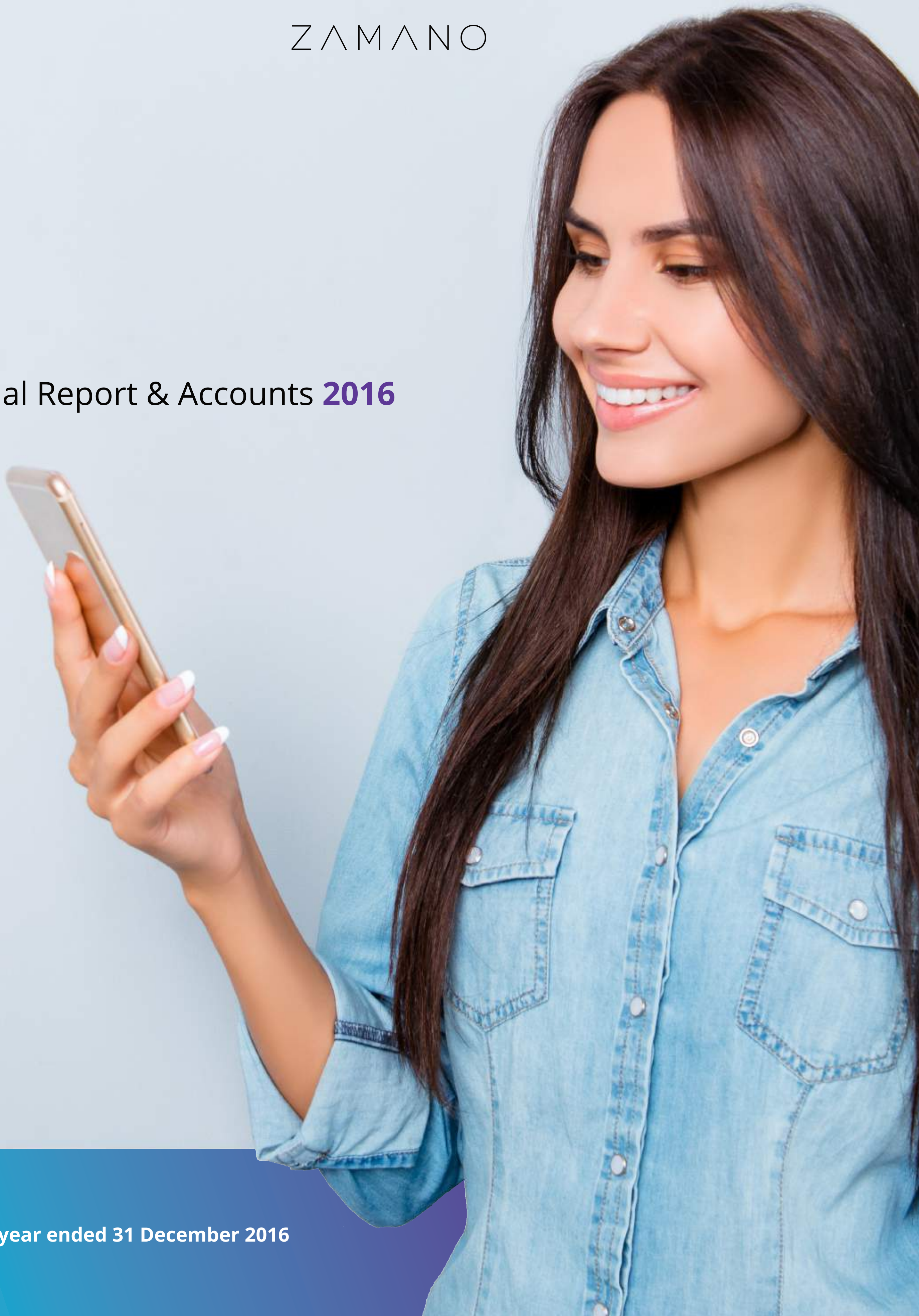
ZAMANO

Annual Report & Accounts **2016**



For the year ended 31 December 2016

ZAMANO

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

Contents

2016 Highlights

Revenue €32.1M

Revenue of €32.1M (up 32.2% on revenue of €24.3M, 2015)

Adjusted EBITDA €1.7M

Adjusted EBITDA of €1.7M (down 44.2% on Adjusted EBITDA of €3.0M, 2015)

Pre-tax Loss €5.2M

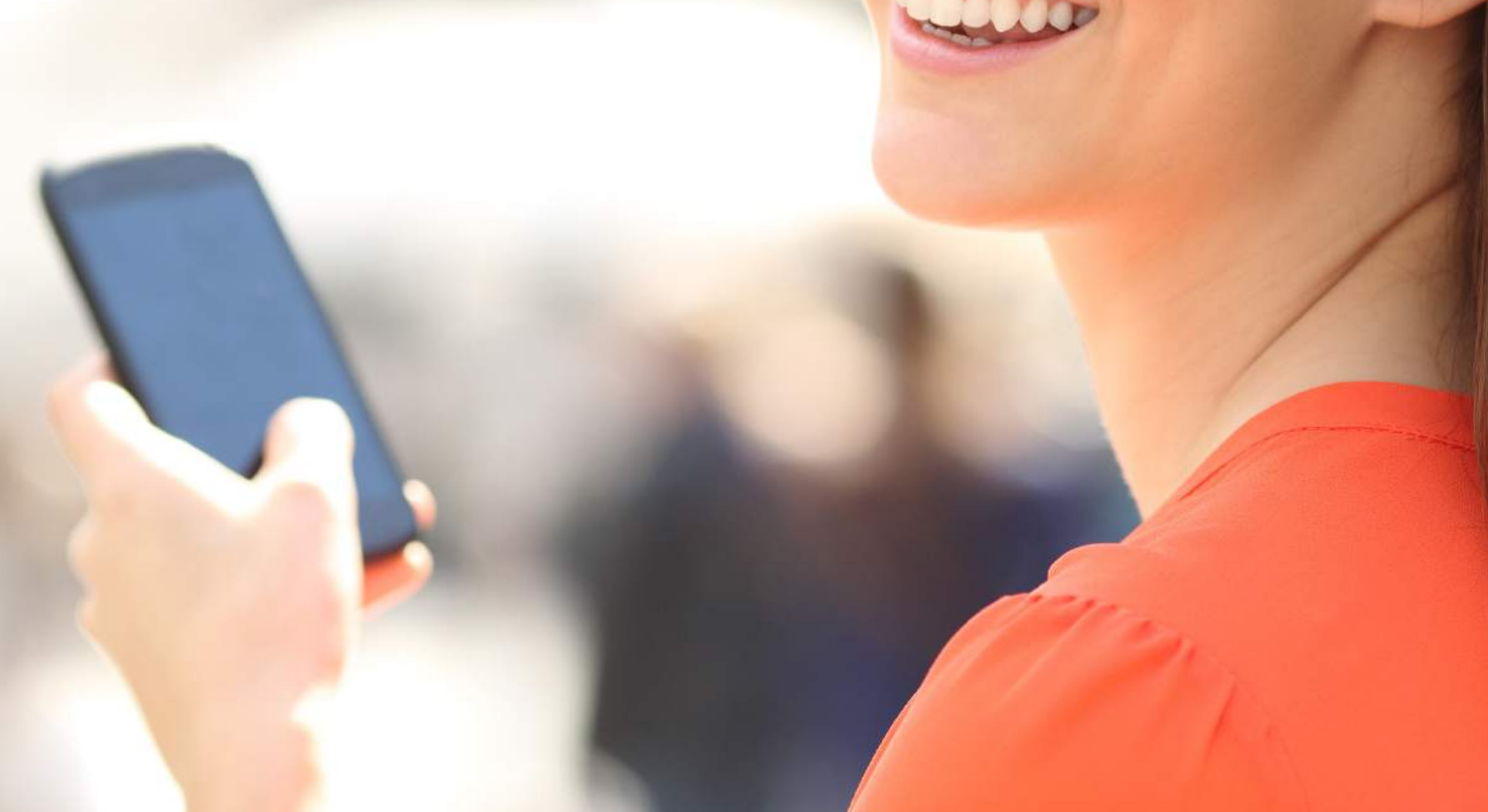
Pre-tax loss, including €6.4M impairment, of €5.2M (pre-tax profit of €2.5M, 2015)

Post-tax Profit €1.0M

Post-tax profit, excluding €6.4M impairment, of €1.0M (2015, €2.1M)

Net Cash €7.2M

Significant improvement in net cash during 2016 to €7.2M at 31 December 2016 (€6.3M at 31 December 2015).



Acting Chairman's Statement

> Zamano's UK operation, which is largely comprised of web and mobile digital entertainment products and B2B services, performed strongly from a revenue generation perspective in 2016.

Colin Tucker
Acting Chairman

It was noted in zamano's outlook for 2016 that revenue growth was maintained from 2013 to 2016, despite the continuing challenging regulatory and market environment in its key markets of the UK and Ireland, but that PayForIt, a UK Mobile Network Operators joint initiative to further regulate mobile payments, would significantly impact on the Group and the industry in general once fully implemented. PayForIt was mandated by all UK Mobile Network Operators on 1 November 2016, and since its introduction, the Group has seen a significant negative impact on business performance.

In this regard, since its implementation on 1 November 2016, zamano has seen a reduction in performance across all its business lines and, to date, the Group has not secured any replacement revenue through new subscriber acquisitions in the UK since PayForIt's implementation.

In Ireland, certain MNOs are also now requiring service and payment flows to use similar rules to PayForIt in the UK. The Group anticipates that these changes, once fully implemented, will also significantly impact the Group's ability to acquire new customers in Ireland.

In November 2016, the Group, as a result of the impact of PayForIt in the UK, took steps to reduce the cost base of the business. This included the implementation of a redundancy programme across all divisions, reducing payroll and related costs by approximately €330,000 on an annualised basis. A number of other cost saving measures were also evaluated and implemented which included reducing the number of Directors and streamlining IT and customer service costs.

Despite taking these actions, which achieved material cost reductions, it is increasingly likely that the impact of regulatory changes across zamano's business lines will prevent the Group from maintaining a cashflow positive trading position going forward. As a consequence of this outlook, goodwill and intangible assets were reduced to zero by an impairment charge of €6.4 million.

In light of this, the Group took the decision in early February 2017 to formally wind down the existing business lines in order to protect the cash position on the balance sheet. The wind down of the existing business lines is ongoing and the Board is currently considering alternative strategic options. The Group will update the market further in due course on this matter. In the absence of a timely strategic alternative, the Group will look to maximise its cash position and make a distribution back to shareholders.

2016 Financial Review

As in previous years, the UK and Irish business were the mainstay of the Group's financial performance in the year ended 31 December 2016. Group sales at €32.1 million were 32% ahead of the €24.3 million recorded in 2015. UK sales in 2016 at €28.2 million were 37% ahead of the 2015 outcome of €20.5 million. Irish sales, however, failed to match that of the UK where revenue of €2.8 million in 2016 was down 10% on 2015.

Gross profit for the year at €4.1 million was 19% behind the corresponding figure of €5.1 million recorded in 2015. The gross profit margin fell from 21% in 2015 to 13% in 2016 due to the continued revenue shift towards UK business-to-business (B2B) sales which carry lower margins than zamano's direct-to- consumer (D2C) services.

Taking into account the decision to wind down the existing business lines, goodwill and intangible assets have been written down by €6.4 million. Goodwill and intangible assets are now recorded at €Nil on the balance sheet.

Pre-tax loss for the year was €5.2 million *(2015: profit €2.5 million)* whilst the after tax loss outcome was €5.4 million *(2015: profit €2.1 million)*. However, excluding the impairment of goodwill and intangibles charge of €6.4 million, *(2015: €Nil)* the Group earned an after tax profit of €1.0 million *(2015: €2.1 million)*.

This profit after tax, excluding the impairment charge, led to a further improvement in the Group's net cash position. At 31 December 2016, net cash was €7.2 million, an increase of €0.9 million over the 31 December 2015 net cash figure of €6.3 million.

Market Review

Zamano's UK operation, which is largely comprised of web and mobile digital entertainment products and B2B services, performed strongly from a revenue generation perspective in 2016. Revenues in the UK at €28.2 million were 37% ahead of 2015 (€20.5 million).

The Irish business, which also focuses on web and mobile digital products and B2B services, continued to operate in an extremely challenging environment. Sales for 2016 were €2.8 million, down by 10% on the equivalent figure for 2015 of €3.1 million. This was a result of increased competition for advertising as new service providers entered the Irish market after exiting the UK.

Our sales performance in other locations during 2016 showed an increase on 2015. Sales at €1.1 million were 57% up on the corresponding figure of €0.7 million in 2015.

Outlook

The zamano Board is focused on conserving the Group's strong cash position by optimising our withdrawal from our existing business lines. The wind down of the existing business lines is ongoing. However, there is as yet no conclusion on strategic options. In the absence of concluding a transaction which shareholders approve, we will focus on how best to return the maximum amount of cash possible to shareholders.

The Group remains fully committed to supporting its clients and providing a high level of customer experience and service during the wind down process.

Further announcements will be made in due course as appropriate.

Colin Tucker
Acting Chairman

Board of Directors

Colin Tucker

Non-Executive Acting Chairman (appointed 4 August 2016)
Colin was Deputy Chairman of Hutchison 3G Europe between 2003 and 2007. He was a founding main Board Director of Orange plc and Managing Director of Hutchison 3G UK (trading as 3) between 2000 and 2003.

Fergal Scully

Non-Executive Director (appointed 16 February 2016)
Fergal is currently Managing Director of Heritage Capital Limited, a privately owned investment business and CFO of Investi, an Irish property investment company. He has extensive experience in portfolio management and corporate finance having worked with Barclays Capital, Deephaven Capital Management, Merrill Lynch, Goodbody and Pageant Holdings over the past 18 years. He holds a BComm and MBS in Financial Services from UCD Dublin and is also a Chartered Tax Adviser in Ireland.

Director Changes

In accordance with the Company's articles of association, at its annual general meeting on 4 August 2016, Colin Tucker and Fergal Scully retired by rotation and were re-elected to the Board. On 9 February 2016, Peter Furlong resigned as a Non-Executive Director. On 16 February 2016, Fergal Scully was appointed as a Non-Executive Director. On 31 March 2016, John Rockett resigned as Chairman. On 9 May 2016, Ross Conlon resigned as Chief Executive Officer. On 4 August 2016, Edmond Murphy was appointed as Non-Executive Director. On 25 November 2016, Pat Landy and Edmond Murphy resigned as Non-Executive Directors.

See page 40 for changes to the Board of Directors since the reporting date of 29 March 2017.

Directors' Report

The directors present the annual report and consolidated financial statements of zamano plc ("the Company" or "zamano") for the year ended 31 December 2016.

Principal Activities

zamano plc and its subsidiaries ("the Group") are involved in the provision of mobile data services and technology in the United Kingdom, Ireland, Australia and Eastern Europe. The Company itself is an investment holding Company. Its shares are publicly traded on the Alternative Investment Market ("AIM") in the United Kingdom and the Enterprise Securities Market ("ESM") in Ireland. The financial information presents the results and position of the Group for the year ended 31 December 2016. The financial information for each of the periods presented has been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

Post Balance Sheet Events, Future Developments and Going Concern

Detrimental regulatory changes introduced during late 2016 have impacted both the Group's performance in the short term and the ability of the Group to sustain profitability going forward. In light of these changes, in February 2017, the Board took the decision to formally wind down existing business lines over the course of 2017. The Board is currently considering alternative options for the Group beyond the cessation period for existing operations, one of which includes a liquidation and distribution of the Group's net assets to its shareholders. No decision has yet been made by the Board over the Group's strategic options; however a decision is expected to be made and announced during H1 2017.

In the absence of such a decision formally being made, having regard to the Group's bank and cash balance at the balance sheet date and at the date of approval of the financial statements together with the projected financial performance of the Group over the next 12 months from the date of approval of these financial statements (taking into account of the impact of the wind down of the existing business of the Group), the Board considers that it is appropriate to prepare the consolidated financial statements of the Group on a going concern basis.

Principal Risks and Uncertainties

Details of the Group's financial risk management objectives and policies are set out at note 24 of the consolidated financial statements. Principal risks and uncertainties of the Group for the period were:

- **Impact of New and Evolving Technology** – the Group makes assumptions over the adoption of new and evolving mobile technology and the Group's ability to deliver solutions to meet the changing demands of mobile technology. There is a risk that the Group will not succeed in adapting to new technology with a resulting negative impact on the business or that the market evolves differently from expectations. This risk is partly mitigated by the planning process undertaken by key management and directors and their assumptions are based on their years of experience of the mobile industry.
- **Recruitment and Retention** – technological and marketing competence and innovation is critical to the Group's business and depends on the expertise of the directors and key employees. The Group has incentive plans such as share option schemes, performace related bonus structures, contractual arrangements and competitive reward packages in place to secure the services of these directors and employees, however, the retention of their services is not guaranteed. The market for these skills is competitive and the Group may not be able to attract and retain these employees.
- **Economic Climate** – the Group is subject to the general risks to which all companies operating in the same market are subject, including the general macro economic climate. The risk is partly mitigated by the range of territories in which the Group operates.

The directors are currently assessing the prospective risks and uncertainties that the Group will face going forward as part of the strategic assessment period discussed above.

Directors' Report
(continued)

Key Performance Indicators

The key performance indicators focused on by management are revenue, gross margin, earnings before interest, tax, depreciation and amortisation ("EBITDA") and adjusted EBITDA which are discussed in notes 6, 12 and 13 to the consolidated financial statements.

Financial Risk Management Policies

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

Results for the Year and Dividends

Group turnover increased to €32.1 million *(2015: €24.3 million)* and the Group's operating loss was €5.2 million *(2015: operating profit of €2.5 million)*. Further details of the financial performance have been set out in the Acting Chairman's statement. The directors do not propose the payment of a dividend *(2015: €Nil)*.

Political Donations

The Group and Company did not make any donations during the year disclosable in accordance with the Electoral Act 1997 (*2015: €Nil*).

Research and Development

Research expenditure is charged to the income statement in the period in which it is incurred. Development costs on specific projects are capitalised when they meet certain criteria as described in note 3 to the financial statements, when recoverability can be assessed with reasonable certainty and are amortised in line with the expected contribution arising from the projects. All other development costs are written off as incurred. Investment in research and development in the year was €0.3 million *(2015: €0.9 million)* of which an amount of €0.3 million *(2015: €0.3 million)* was capitalised. This was primarily focused on the continued development of zamano's platform for mobile applications and content.

Accounting Records

The directors believe that they have complied with the requirements of Section 281 to 285 of the Companies Act 2014 with regard to maintaining adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at the Company's premises at 3rd Floor, Hospitality House, 16-20 South Cumberland Street, Dublin 2.

Relevant Audit Information

The directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Group's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Group's statutory auditors are unaware.

Directors' Report
(continued)

Corporate Governance Statement

Introduction

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

Board of Directors

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

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

There is a clear division of responsibilities between the roles of Chairman and Chief Financial Officer.

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

Audit Committee

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

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

Remuneration Committee

The remuneration committee consists of the non-executive directors with Colin Tucker as chairman. The remuneration committee reviews and determines, on behalf of the Board and shareholders of the Company, the pay, benefits and other terms of service of the executive director and the broad pay strategy with respect to senior company employees.

Directors and Secretary

The directors and secretary are set out on page 44. In accordance with the Company's articles of association, at its annual general meeting on 4 August 2016, Colin Tucker and Fergal Scully retired by rotation and were re-elected to the Board. On 9 February 2016, Peter Furlong resigned as a Non-Executive Director. On 16 February 2016, Fergal Scully was appointed as a Non-Executive Director. On 31 March 2016, John Rockett resigned as Chairman. On 9 May 2016, Ross Conlon resigned as Chief Executive Officer. On 4 August 2016, Edmond Murphy was appointed as Non-Executive Director. On 25 November 2016, Pat Landy and Edmond Murphy resigned as Non-Executive Directors.

Directors' Report
(continued)

Directors' and Secretary's Interests in Shares

The interests of the directors and secretary who held office at 31 December 2016 in the issued share capital of the Company at the beginning and end of the year were as follows:

	31 December 2016			1 January 2016		
	Ordinary Shares	**Share Options**	**Exercise Price**	Ordinary Shares	Share Options	Exercise Price
Director						
Colin Tucker	**83,333**	**-**	**-**	83,333	-	-
Company Secretary						
Michael Connolly	**-**	**1,400,000**	**€0.0595**	-	1,400,000	€0.0595

Directors' Remuneration

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

	2016					2015				
	Salary €	**Fees €**	**Pension €**	**Settlement of Share Options €**	**Total €**	Salary €	Fees €	Pension €	Share-based Payment Compensation €	Total €
Director										
Colin Tucker	**-**	**24,000**	**-**	**-**	**24,000**	-	24,000	-	-	24,000
Fergal Scully	**-**	**20,952**	**-**	**-**	**20,952**	-	-	-	-	-
Ross Conlon	**80,727**	**-**	**2,875**	**85,000**	**168,602**	156,000	-	6,900	18,013	181,003
Peter Furlong	**-**	**2,667**	**-**	**-**	**2,667**	-	24,000	-	-	24,000
Pat Landy	**-**	**24,000**	**-**	**-**	**24,000**	-	24,000	-	12,867	36,867
John Rockett	**-**	**7,500**	**-**	**-**	**7,500**	-	30,000	-	-	30,000
Total	**80,727**	**79,119**	**2,875**	**85,000**	**247,721**	156,000	102,000	6,900	30,880	295,870

The Company's share price was €0.058 *(2015: €0.133)* per ordinary share at the reporting date.

Directors' Compliance Statement

The directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Group's compliance with certain obligations specified in that section arising from the Companies Act 2014, the Market Abuse (Directive 2003/6/EC) Regulations 2005, the Prospectus (Directive 2003/71/EC) Regulations 2005, the Transparency (Directive 2004/109EC) Regulations 2007, and Tax laws ('relevant obligations'). The directors confirm that:

- a compliance policy statement has been drawn up setting out the Company's policies that in their opinion are appropriate with regard to such compliance;
- appropriate arrangements and structures have been put in place that, in their opinion, are designed to provide reasonable assurance of compliance in all material respects with those relevant obligations; and
- a review has been conducted, during the financial year, of those arrangements and structures.

Auditor

In accordance with Section 383(2) of the Companies Act 2014, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the Board

Colin Tucker
Director

Fergal Scully
Director

29 March 2017

Statement of Directors' Responsibilities in Respect of The Directors' Report and Financial Statements

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

Company law requires the directors to prepare Group and Company financial statements for each financial year. In accordance with AIM/ESM Rules, the Directors are required to prepare the Group financial statements in accordance with IFRS as adopted by the EU and applicable law and have elected to prepare the Company financial statements in accordance with FRS 101 *Reduced Disclosure Framework.*

Under company law the directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the Group's and Company's profit or loss for that year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Group and which enable them to ensure that the financial statements of the Group are prepared in accordance with applicable IFRS, as adopted by the EU and comply with the provisions of the Companies Act 2014. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and Company to prevent and detect fraud and other irregularities. Under applicable law, the directors are also responsible for preparing a directors' report that complies with the Companies Act 2014.

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

On behalf of the Board

Colin Tucker	Fergal Scully
Director	**Director**

Independent Auditor's Report to the Members of zamano plc

We have audited the Group and Company financial statements ("financial statements") of zamano plc for the year ended 31 December 2016 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated and Company balance sheets, the consolidated and Company statement of changes in equity, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in the preparation of the consolidated financial statements is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union. The Company financial statements have been prepared in accordance with Irish law and FRS 101 *Reduced Disclosure Framework*. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK and Ireland).

Opinions and Conclusions Arising from our Audit

1 Our opinion on the financial statements is unmodified

In our opinion:

- the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2016 and of its loss for the year then ended;
- the Company balance sheet gives a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2016;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with FRS 101 Reduced Disclosure Framework; and
- the Group financial statements and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

2 Our opinion on the financial statements is accompanied by an emphasis of matter – Board review of strategic options

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2(b) to the consolidated financial statements concerning the review being undertaken by the directors regarding the future strategic options of the Group as at the date of approval of the financial statements. The directors continue to assess the future strategic options of the Group and in the absence of any related decisions formally being made, the directors consider that no material uncertainty exists regarding the ability of the Group to continue as a going concern.

3 Our conclusions on other matters on which we are required to report by the Companies Act 2014 are set out below

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records. In our opinion the information given in the directors' report is consistent with the financial statements.

4 We have nothing to report in respect of matters on which we are required to report by exception

ISAs (UK and Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading. In addition, the Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made.

Basis of our Report, Responsibilities and Restrictions on Use

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Independent Auditor's Report to the Members of zamano plc (continued)

An audit undertaken in accordance with International Standards on Auditing (UK and Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group and Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK and Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Eamonn Russell
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St Stephen's Green
Dublin 2
29 March 2017

Consolidated Income Statement

for the year ended 31 December 2016

	Note	2016 €'000	2015 €'000
Revenue	6	**32,101**	24,289
Cost of sales		**(27,986)**	(19,179)
Gross profit		**4,115**	5,110
Other administrative expenses		**(2,553)**	(2,191)
Amortisation of intangible assets		**(352)**	(368)
Depreciation		**(79)**	(78)
Impairment of goodwill and intangible assets	15, 16	**(6,350)**	-
Total administrative expenses		**(9,334)**	(2,637)
Operating (loss)/profit	7	**(5,219)**	2,473
Finance income	9	**9**	11
Finance expense	9	**(12)**	(27)
(Loss)/profit before income tax		**(5,222)**	2,457
Income tax expense	10	**(131)**	(319)
(Loss)/profit for the year attributable to equity holders of the parent		**(5,353)**	2,138
(Loss)/earnings per share			
- basic	12	**€(0.054)**	€0.022
- diluted	12	**€(0.054)**	€0.021

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2016

	2016 €'000	2015 €'000
(Loss)/profit for the year	**(5,353)**	2,138
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustment	**(17)**	4
Total comprehensive (loss)/income attributable to equity holders of the parent	**(5,370)**	2,142

Consolidated Balance Sheet
as at 31 December 2016

	Note	2016 €'000	2015 €'000
Assets			
Non-current assets			
Property, plant and equipment	*14*	**105**	142
Goodwill and intangible assets	*15, 16*	**-**	6,428
Deferred tax asset	*10*	**-**	107
Total non-current assets		**105**	6,677
Current assets			
Trade and other receivables	*17*	**2,936**	4,407
Cash and cash equivalents	*18*	**7,157**	6,322
Total current assets		**10,093**	10,729
Total assets		**10,198**	17,406
Equity			
Equity share capital	*19*	**99**	99
Share premium	*19*	**13,538**	13,538
Undenominated capital	*19*	**1**	1
Foreign currency translation reserve	*19*	**(77)**	(60)
Share-based payment and warrant reserve	*19*	**205**	438
Retained loss	*19*	**(7,602)**	(2,412)
Total equity		**6,164**	11,604
Liabilities			
Current liabilities			
Trade and other payables	*20*	**4,034**	5,562
Loans and borrowings	*21*	**-**	71
Current tax liabilities		**-**	169
Total current liabilities		**4,034**	5,802
Total liabilities		**4,034**	5,802
Total equity and liabilities		**10,198**	17,406

On behalf of the Board

Colin Tucker
Director

Fergal Scully
Director

Consolidated Statement of Changes in Equity
for the year ended 31 December 2016

	Equity share capital €'000	Share premium €'000	Undenominated capital €'000	Retained earnings €'000	Currency translation reserve €'000	Share based payment reserve €'000	Total Equity €'000
At 1 January 2016	99	13,538	1	(2,413)	(60)	438	11,603
Loss for the year	-	-	-	(5,353)	-	-	(5,353)
Other comprehensive income:							
Currency translation adjustment	-	-	-	-	(17)	-	(17)
Total comprehensive income for the year	**99**	**13,538**	**1**	**(7,766)**	**(77)**	**438**	**6,233**
Transactions in equity							
Settlement of share options	-	-	-	(31)	-	(54)	(85)
Share based payment expense	-	-	-	-	-	16	16
Transfer from share based payment reserve	-	-	-	195	-	(195)	-
At 31 December 2016	**99**	**13,538**	**1**	**(7,602)**	**(77)**	**205**	**6,164**
At 1 January 2015	99	13,538	1	(4,551)	(64)	362	9,385
Profit for the year	-	-	-	2,138	-	-	2,138
Other comprehensive income:							
Currency translation adjustment	-	-	-	-	4	-	4
Total comprehensive income for the year	-	-	-	2,138	4	-	2,142
Transactions in equity							
Share based payment expense	-	-	-	-	-	76	76
At 31 December 2015	**99**	**13,538**	**1**	**(2,413)**	**(60)**	**438**	**11,603**

Consolidated Cash Flow Statement

for the year ended 31 December 2016

	2016 €'000	2015 €'000
Cash flows from operating activities		
(Loss)/profit after tax	**(5,353)**	2,138
Adjustments to reconcile (loss)/profit for the year to net cash inflow from operating activities:		
Income tax expense	**131**	319
Depreciation	**79**	78
Amortisation of intangible assets	**352**	368
Impairment of goodwill and intangible assets	**6,350**	-
Share-based payments expense	**16**	76
Decrease/(increase) in trade and other receivables	**1,463**	(1,337)
(Decrease)/increase in trade and other payables	**(1,545)**	801
Finance income	**(9)**	(11)
Finance expense	**12**	27
Cash generated from operations	**1,496**	2,459
Interest paid	**(12)**	(27)
Income tax paid	**(187)**	(394)
Net cash inflow from operating activities	**1,297**	2,038
Cash flows from investing activities		
Purchase of property, plant and equipment	**(42)**	(95)
Capitalisation of internally generated intangible assets	**(275)**	(306)
Interest received	**9**	11
Net cash outflow from investing activities	**(308)**	(390)
Cash flows from financing activities		
Settlement of share options	**(85)**	-
Repayment of debt	**(71)**	(276)
Net cash outflow from financing activities	**(156)**	(276)
Net increase in cash and cash equivalents	**833**	1,372
Cash and cash equivalents at 1 January	**6,322**	4,950
Cash and cash equivalents at 31 December	**7,155**	6,322

Notes
forming part of the financial statements

1 Reporting Entity

zamano plc ('the Company") is a company domiciled in the Republic of Ireland. The address of the Company's registered office is 3rd Floor, Hospitality House, 16-20 South Cumberland Street, Dublin 2. The consolidated financial statements of the Company as at and for the year ended 31 December 2016 comprise of the financial statements of the Company and its subsidiaries ("the Group").

The Company's shares are publicly traded on the London Alternative Investment Market ("AIM") and the Enterprise Securities Market ("ESM") in Dublin. The principal activities of the Group are the provision of mobile data services and technology.

2 Basis of Preparation

(a) Statement of Compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the EU. A summary of pronouncements that came into effect after that date and the likely impact of these on the Group are set out in note 4. The consolidated financial statements were authorised for issue by the board of directors on 29 March 2017.

(b) Going Concern

As explained in the Directors' Report, detrimental regulatory changes introduced during late 2016 have impacted both the Group's performance in the short term and the ability of the Group to sustain profitability going forward. In light of these changes, in February 2017, the Board took the decision to formally wind down existing business lines over the course of 2017. The Board is currently considering alternative strategic options for the Group beyond the cessation period for existing operations, one of which includes a liquidation and distribution of the Group's net assets to its shareholders. No decision has yet been made over the Group's strategic options however a decision is expected to be made during H1 2017.

The Group had net assets of €6.2 million at 31 December 2016 *(2015: €11.6 million)* which includes cash and cash equivalents of €7.2 million *(2015: €6.3 million)*. In the absence of a decision on the strategic options of the Group having been formally made by the Board, having regard to the Group's bank and cash balance at the balance sheet date and at the date of approval of the financial statements together with the projected financial performance of the Group over the next 12 months from the date of approval of these financial statements (taking into account of the impact of the wind down of the existing business of the Group), the Board considers that it is appropriate to prepare the consolidated financial statements of the Group on a going concern basis.

(c) Basis of Measurement

The consolidated financial statements for the year ended 31 December 2016 have been prepared on an historical cost basis, with the exception of share-based payments, which are stated at grant date fair value.

(d) Functional and Presentation Currency

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

(e) Basis of Consolidation

All subsidiaries have a financial year end of 31 December.

Business combinations are accounted for using the acquisition method as at the acquisition date, i.e. when control is transferred to the Group. The consolidated financial statements consolidate the financial statements of zamano plc and all its subsidiaries up to 31 December 2016.

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

Notes

forming part of the financial statements (continued)

3 Summary of Significant Accounting Policies

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

Intangible Assets other than Goodwill

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

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

Impairment

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

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

Goodwill

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

Impairment of Goodwill

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

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

Revenue Recognition

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

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

Government Grants

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

Notes

forming part of the financial statements (continued)

3 Summary of Significant Accounting Policies *(continued)*

Research and Development Expenditure

Expenditure on research (or the research phase of an internal project) is recognised in the income statement as incurred.

An intangible asset arising from development expenditure on an individual project is recognised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefit, the availability of resources to complete and the ability to measure reliably the expenditure during the development. Any expenditure carried forward is amortised over the asset's useful life. Development costs not meeting the criteria for capitalisation are expensed as incurred.

Pension Costs

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

Current Income Tax

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

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

Deferred Tax

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

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

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

Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

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

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

Notes

forming part of the financial statements (continued)

3 Summary of Significant Accounting Policies *(continued)*
The carrying values of property, plant and equipment are tested for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

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

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

Rentals payable under operating leases are charged in the income statement on a straight line basis over the lease term.

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

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

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

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

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

Notes
forming part of the financial statements (continued)

3 Summary of Significant Accounting Policies *(continued)*

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

Trade and Other Receivables

Trade receivables, which generally have 30-60 day terms, are recognised and carried at the lower of their original invoiced value, which approximates fair value, and recoverable amount. An impairment is made when there is objective evidence that the Group may not be able to recover balances in full. The amount of the impairment is recognised in the income statement. Balances are written off the gross receivable and the related provision is eliminated when the probability of recovery is assessed as being unlikely.

Cash and Cash Equivalents

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

Segmental Reporting

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

4 New Standards and Interpretations

Below is a list of standards and interpretations that were required to be applied for the year ended 31 December 2016. There was no material impact to the financial statements in the period from these standards:

- Amendments to *IAS 1 Disclosure initiative*
- Amendments to *IAS 16* and *IAS 38 Clarification of acceptable methods of depreciation and amortisation*
- Amendments to *IAS 27 Equity method in Separate Financial Statements*
- Amendments to *IAS 16 Property, Plant and Equipment and IAS 41 Bearer Plants*
- Amendments to *IFRS 11 Accounting for Acquisitions of Interests in Joint Operations*
- *Annual improvements to IFRSs 2012 – 2014 Cycle;* and
- Amendments to *IFRS 10, IFRS 12 and IAS 28: Investment entities – exception to consolidation.*

A number of new standards, amendments to standards and interpretations are effective for future annual reporting periods of the Group, and have not been applied in preparing the consolidated financial statements. The upcoming standards are set out below and the Group is currently assessing their potential impact. The Group does not plan to early-adopt these standards.

Standards and interpretations not yet adopted	Effective date
Amendments to *IAS 7: Disclosure Initiative*	1 January 2017
Amendments to *IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses*	1 January 2017
IFRS 15: Revenue from Contracts with Customers (and certain subsequent amendments and clarifications)	1 January 2018
IFRS 9: Financial Instruments (2009, and subsequent amendments in 2010,2013 and 2014)	1 January 2018
IFRS 16: Leases	1 January 2019
Amendments to IFRS 2: Classification and measurement of share-based payment transactions	1 January 2018
Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with insurance contracts	1 January 2018

Notes

forming part of the financial statements (continued)

5 Significant Account Judgements, Estimates and Assumptions

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

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

Impairment of Goodwill and Intangible Assets

Goodwill arising from business combinations in prior years was tested for impairment at 31 December 2016. Based on this test, the directors have determined that an impairment charge of €6,350,000 *(2015: €Nil)* is required in the year in respect of goodwill and intangible assets. The net book value of goodwill and intangibles at 31 December 2016 is €Nil *(2015: €6,428,000)*. Further details are provided in notes 15 and 16.

Measurement of Revenue

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

Where the Group acts as a service provider to third parties, turnover is recorded before the deduction of revenue share payments to network providers but net of revenue share payments to third parties. The Group receives net revenue from mobile network operators and then recalculates gross revenue based on estimates derived from available reporting information.

6 Operating Segments

The Group is managed based on two primary reportable segments which are defined based on geographical markets as follows: Republic of Ireland "ROI" and United Kingdom "UK". It also has sales in other jurisdictions but these are not deemed to be standalone reportable segments under the requirements of IFRS 8 and are classified as "other locations" in the table below.

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

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

Notes

forming part of the financial statements (continued)

6 Operating Segments *(continued)*

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

Year ended 31 December 2016

	ROI €'000	UK €'000	Other locations €'000	**Total €'000**
External revenue	2,782	28,193	1,126	**32,101**
Gross profit	670	3,287	158	**4,115**
Impairment expense	572	5,588	190	**(6,350)**
Unallocated expenses	-	-	-	**(2,984)**
Operating loss				**(5,219)**
Net finance expense				**(3)**
Loss before income tax				**(5,222)**
Income tax expense				**(131)**
Loss for year				**(5,353)**

Unallocated expenses include the following non cash items;

	€'000
Depreciation	79
Amortisation	352
Share based payment expense	16

Unallocated expenses also include central overhead and payroll costs which are not allocated to individual reporting segments.

As at 31 December 2016

	ROI €'000	UK €'000	Other locations €'000	**Total €'000**
Segment assets	264	2,585	87	**2,936**
Unallocated assets	-	-	-	**7,262**
Total assets				**10,198**
Segment liabilities	(363)	(3,550)	(121)	**(4,034)**
Total liabilities				**(4,034)**

Other information	Unallocated €'000	**Total €'000**
Capital expenditure		
Property, plant and equipment	42	**42**

Unallocated assets are assets that cannot be attributed to a specific segment and comprise property, plant and equipment, software, deferred tax and cash and cash equivalents.

Notes

forming part of the financial statements (continued)

6 Operating Segments *(continued)*

Year ended 31 December 2015

	ROI €'000	UK €'000	Other locations €'000	**Total €'000**
External revenue	3,076	20,540	673	**24,289**
Gross profit	915	4,028	167	**5,110**
Unallocated expenses				**(2,637)**
Operating profit				**2,473**
Net finance expense				**(16)**
Profit before income tax				**2,457**
Income tax expense				**(319)**
Profit for year				**2,138**

Unallocated expenses include the following non cash items;

	€'000
Depreciation	78
Amortisation	368
Share based payment expense	76

Unallocated expenses also include central overhead and payroll costs which are not allocated to individual reporting segments.

As at 31 December 2015

	ROI €'000	UK €'000	Other locations €'000	**Total €'000**
Segment assets	1,369	8,844	316	**10,528**
Unallocated assets				**6,878**
Total assets				**17,406**
Segment liabilities	(723)	(4,672)	(167)	**(5,562)**
Unallocated liabilities				**(109)**
Total liabilities				**(5,671)**

Other information	Unallocated €'000	**Total €'000**
Capital expenditure		
Property, plant and equipment	95	**95**
Intangible assets	306	**306**

Unallocated assets are assets that cannot be attributed to a specific segment and comprise property, plant and equipment, software, deferred tax and cash and cash equivalents. Unallocated liabilities comprise borrowings and corporation tax payable.

7 Operating (Loss)/Profit

	2016 €'000	2015 €'000
This is arrived at after charging/(crediting)		
Directors' remuneration:		
- emoluments	**81**	156
- fees	**79**	102
- pension contributions	**3**	7
- social insurance	**9**	15
- share option charge	**16**	31
Depreciation	**79**	78
Amortisation of intangible assets	**352**	368
Impairment of goodwill and intangible assets	**6,350**	-
Auditor's remuneration:		
- Audit fees including expenses [1]	**56**	49
- Other assurance fees [2]	**14**	10
Research and development expenditure	**302**	934
Operating lease rentals – premises	**98**	92
Research and development tax credit	**-**	(79)

[1] Audit fees include financial statement audit work performed in respect of the consolidated financial statements. €56,000 *(2015: €54,000)* relates to audit services provided to the Company.
[2] Other assurance fees includes review of the Group's half year results of €11,200 *(2015: €9,750).*

Employees and Remuneration

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

	2016 No. of employees	2015 No. of employees
Sales and marketing	**8**	9
Research and development	**8**	9
Management and administration	**3**	4
	19	22

Staff costs comprise:	2016 €'000	2015 €'000
Wages and salaries	**1,315**	1,435
Social welfare	**131**	144
Pension costs	**39**	44
Healthcare	**33**	42
Other staff costs	**96**	69
Share-based payments expense	**16**	76
Redundancy costs	**52**	-
	1,682	1,810

Notes
forming part of the financial statements (continued)

8 Share-based Payments

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

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

The share-based payment expense for the year was €16,000 *(2015: €76,000)* and this has been recorded as part of payroll costs. The expiration of 200,000 *(2015: €Nil)* share options in the current year resulted in a recycling of €195,000 *(2015: €Nil)* as recorded in equity. No new options were granted during the period *(31 December 2015: Nil).*

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

	2016		2015	
	Shares	**Weighted average exercise price**	Shares	Weighted average exercise price
Outstanding at 1 January	**6,118,972**	**€0.063**	6,118,972	€0.063
Expired during the year	**(200,000)**	**€0.160**	-	-
Settlement of share options (note 23)	**(1,400,000)**	**€0.059**	-	-
Outstanding at 31 December	**4,518,972**	**€0.059**	6,118,972	€0.063

The following table sets out the grant date, number of and exercise price of share options exercisable at the reporting date.

	2016		2015	
Date(s) of grant	**Shares**	**Exercise price**	Shares	Exercise price
March 2009	**-**	**-**	200,000	€0.160
March 2013	**4,518,972**	**€0.059**	5,918,972	€0.059
	4,518,972		6,118,972	
Exercisable at 31 December	**4,518,972**		200,000	
Weighted average remaining life	**3.2 years**		4.07 years	

The Company's share price was €0.058 *(2015: €0.133)* per ordinary share at the reporting date.

9 Finance Income and Finance Expense

	2016 €'000	2015 €'000
Finance income		
Bank interest receivable	**9**	11
Total finance income	**9**	11
Finance expense		
Bank interest and charges	**11**	13
Interest on long term borrowings	**1**	14
Total finance expenses	**12**	27

10 Income Taxes

a) Analysis of charge for the year:

	2016 €'000	2015 €'000
Current tax expense:		
Current year	**24**	319
	24	319
Deferred tax expense:		
Derecognition of deferred tax asset	**107**	-
Total tax expense	**131**	319

(b) Reconciliation of effective tax rate

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

	2016 €'000	2015 €'000
(Loss)/profit for the year before taxation	**(5,222)**	2,457
(Loss)/profit for the year multiplied by the standard rate of corporation tax in the Republic of Ireland of 12.5%	**(653)**	307
Effects of:		
Impairment of goodwill and intangible assets	**794**	-
Other expenses not deductible	**2**	13
Acceleration of capital allowances	**(127)**	-
Derecognition of deferred tax asset	**107**	-
Income not taxable	**(2)**	(11)
Other timing differences	**10**	10
Total tax expense	**131**	319

(c) Movement in deferred tax balances

Deferred tax at 31 December relates to the following:

	Consolidated balance sheet		Consolidated income statement	
	2016 €'000	2015 €'000	**2016 €'000**	2015 €'000
Deferred tax asset arising on:				
Property, plant and equipment and intangible assets	**-**	107	**107**	-

There were no unrecognised deferred tax assets or liabilities at 31 December 2016 *(2015: €Nil).*

Notes
forming part of the financial statements (continued)

11 (Loss)/Profit for the Financial Year in the Parent Entity Holding Company

	2016 €'000	2015 €'000
(Loss)/profit after tax in the parent entity holding company amounted to:	**(6,049)**	15

The Company is availing of the exemption set out in Section 304 of the Companies Act 2014 from presenting its individual profit and loss account.

12 (Loss)/Earnings Per Share

Basic (loss)/earnings per share amounts are calculated by dividing net (loss)/profit for the year attributable to ordinary equity holders of the parent by the weighed average number of ordinary shares outstanding during the year. Diluted earnings per share amounts are calculated by dividing the net (loss)/profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares if the effect is not accretive.

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

	2016	2015
Basic EPS	**(€0.054)**	€0.022
Diluted EPS	**(€0.054)**	€0.021

The potential ordinary shares are antidilutive in the current year given the performance as disclosed below. Consequently Diluted EPS is equivalent to Basic EPS for the year ended 31 December 2016.

	2016 €'000	2015 €'000
Net (loss)/profit attributable to equity holders of the parent	**(5,353)**	2,138

	2016 Numbers in thousands	2015 Numbers in thousands
Basic weighted average number of shares	**99,451**	99,451
Dilutive potential ordinary shares:		
Employee share options (a)	**-**	1,187
Diluted weighted average number of shares	**99,451**	100,638

(a) The impact of exercising share options had it not being antidilutive would be to increase the weighted average outstanding number of ordinary shares by approximately 805,000 shares.

13 Adjusted Earnings Per Ordinary Share

	2016	2015
Adjusted basic EPS	**€0.013**	€0.025
Adjusted diluted EPS	**€0.013**	€0.025

Notes

forming part of the financial statements (continued)

13 Adjusted Earnings Per Ordinary Share (continued)

Adjusted net income is calculated as:

	2016 €'000	2015 €'000
(Loss)/profit after tax	**(5,353)**	2,138
Addback:		
Impairment of goodwill and intangible assets	**6,350**	-
Share-based payments expense	**16**	76
Amortisation, net of tax	**308**	322
Adjusted net income	**1,321**	2,536

Reconciliation of reported operating profit across all segments to earnings before interest, tax, depreciation and amortisation ("EBITDA"), as adjusted for non-cash and non-recurring items ("adjusted EBITDA") is as follows:

	2016 €'000	2015 €'000
Reported operating (loss)/profit	**(5,219)**	2,473
Depreciation	**79**	78
Share-based payment expense	**16**	76
Amortisation of intangible assets	**352**	368
Impairment of goodwill and intangible assets (note 16)	**6,350**	-
Redundancy costs	**52**	-
Non-recurring professional fees (note 23)	**41**	-
Adjusted EBITDA	**1,671**	2,995

14 Property, Plant and Equipment

	Computer equipment €'000	Leased equipment €'000	Fixtures and fittings €'000	**Total €'000**
Cost				
At 1 January 2015	1,091	80	83	**1,254**
Additions	95	-	-	**95**
At 1 January 2016	1,186	80	83	**1,349**
Additions	42	-	-	**42**
At 31 December 2016	**1,228**	**80**	**83**	**1,391**
Depreciation				
At 1 January 2015	966	80	83	**1,129**
Charge	78	-	-	**78**
At 1 January 2016	1,044	80	83	**1,207**
Charge	79	-	-	**79**
At 31 December 2016	**1,123**	**80**	**83**	**1,286**
Net book value				
At 31 December 2016	**105**	**-**	**-**	**105**
At 31 December 2015	142	-	-	**142**

Notes

forming part of the financial statements (continued)

15 Intangible Assets

	Goodwill €'000	Software €'000	Other €'000	**Total €'000**
Cost				
At 1 January 2015	18,735	2,385	5,814	**26,934**
Additions	-	306	-	**306**
At 1 January 2016	18,735	2,691	5,814	**27,240**
Additions	-	275	-	**275**
Impairment charge	(18,735)	(2,966)	(5,814)	**(27,515)**
At 31 December 2016	**-**	**-**	**-**	**-**
Amortisation and impairment				
At 1 January 2015	12,670	1,960	5,814	**20,444**
Charge during year	-	368	-	**368**
At 1 January 2016	12,670	2,328	5,814	**20,812**
Charge during year	-	352	-	**352**
Impairment charge	(12,670)	(2,680)	(5,814)	**(21,165)**
At 31 December 2016	**-**	**-**	**-**	**-**
Carrying Value				
At 31 December 2016	**-**	**-**	**-**	**-**
At 31 December 2015	6,065	363	-	**6,428**

16 Impairment of Goodwill and Intangible Assets

Consistent with events described in note 2(b), goodwill arising from business combinations in prior years and intangible assets were tested for impairment at 31 December 2016. Based on the assessment performed, the directors have determined that an impairment charge of €6,350,000 *(2015: €Nil)* is required in the year. The net book value of goodwill and intangibles at 31 December 2016 is €Nil *(2015: €6,428,000).*

17 Trade and Other Receivables

	2016 €'000	2015 €'000
Trade receivables (a)	**2,722**	4,210
Prepayments	**86**	63
Corporation tax receivable	**128**	-
Research and development tax credits receivable	**-**	134
	2,936	4,407

Notes

forming part of the financial statements (continued)

17 Trade and Other Receivables (continued)

(a) Trade Receivables

Trade receivables are non-interest bearing and are generally on 30-60 day terms. The amounts above represent the maximum credit exposure of the Group to customers.

As at 31 December 2016, there was an impairment provision of €114,000 *(2015: €114,000)* in respect of the trade receivable balance. Movements in the provision for impairment of receivables were as follows:

	2016 €'000	2015 €'000
At 1 January	**114**	114
Written off	**-**	-
Provided for during year	**-**	-
At 31 December	**114**	114

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

			Past due but not impaired			
	Total €'000	**Neither past due nor impaired €'000**	**< 30 days €'000**	**30-60 days €'000**	**60-90 days €'000**	**> 90 days €'000**
2016	**2,722**	**1,986**	**-**	**361**	**274**	**101**
2015	4,210	3,802	-	177	61	170

18 Cash and Cash Equivalents

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

	2016 €'000	2015 €'000
Cash at bank and deposits of less than 3 months maturity	**7,157**	6,322

The above cash balances are held with Irish financial institutions, which had a Standard & Poor's credit rating of BBB- and A+ as at 31 December 2016.

19 Equity

Share Capital	**2016 €'000**	2015 €'000
Authorised		
3,600,000,000 Ordinary shares of €0.001 each	**3,600**	3,600

	€'000	€'000
Issued and fully paid		
99,451,244 Ordinary shares of €0.001 each	**99**	99

Notes
forming part of the financial statements (continued)

19 Equity (continued)

Share Premium

The share premium account represents the premium paid over the nominal or par value of Ordinary Share on new share issues.

Undenominated Capital

This is a capital conversion reserve and represents reserves created in respect of previously converted Ordinary Shares of €0.01 each.

Currency Translation Reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Share-based Payment Reserve

The share-based payment reserve comprises the cumulative expense of equity settled transactions with employees and directors of the Group.

Retained Loss

Retained loss represents accumulated comprehensive loss for the financial year and prior financial years plus share-based payments adjustments.

20 Trade and Other Payables

	2016 €'000	2015 €'000
Trade payables and accruals	**3,691**	5,209
PAYE/PRSI	**45**	74
VAT	**298**	279
	4,034	5,562

In the opinion of the directors the carrying value of the trade and other payables balances approximate their fair value at both 31 December 2016 and 31 December 2015.

21 Loans and Borrowings

	2016			2015		
	Effective interest rate %	**Maturity**	**Loan balance €'000**	Effective interest rate %	Maturity	Loan balance €'000
Current	**-**	**-**	**-**	5.77%	2016	71

22 Commitments

The Group and Company, leases its premises under a non cancellable lease agreement which expires in September 2018. The future minimum rental commitments are as follows:

	2016 €'000	2015 €'000
Due:		
In less than one year	**86**	86
Between one and five years	**151**	237
	237	323

Notes
forming part of the financial statements (continued)

23 Related Party Disclosures

Compensation of Key Management

	2016 €'000	2015 €'000
Short-term employee benefits	**408**	569
Share-based payments	**16**	54
Pension benefits	**14**	18
Settlement of share options	**85**	-
	523	641

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, and includes the executive and non-executive directors and certain members of senior management. Key management personnel received total compensation of €523,000 *(2015: €641,000)* during the year ended 31 December 2016, including €85,000 in settlement of outstanding share options owned by the former Chief Executive Officer which resulted in the utilisation of €54,000 from the share based payment reserve. Total remuneration is included in other administrative expenses.

During the year, the Group incurred professional service fees of €41,000 *(2015: €Nil)* payable on an arms length basis to a company which employs a former non-executive director of the Group, Edmond Murphy. Amounts payable remain outstanding as at the balance sheet date.

There were no other related party transactions in the period under review.

24 Financial Risk Management Objectives and Policies

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

Foreign Currency Risk

As a result of its activities, the Group's operations can be affected by movements in the GBP/EUR exchange rates. The Group does not consider the impact of other relevant currencies, such as USD and AUD to be significant. The Group also has transactional currency exposures arising from sales or purchases in currencies other than the Group's presentation currency. To minimise this exposure, costs and the related revenue are incurred in the same currency, where this is practical.

As at 31 December 2016 and 31 December 2015, the GBP/EUR exposure was as follows:

	31 December 2016				31 December 2015			
	Trade receivables €'000	**Cash €'000**	**Trade payables €'000**	**Total €'000**	Trade receivables €'000	Cash €'000	Trade payables €'000	Total €'000
GBP	**1,416**	**1,369**	**(2,251)**	**534**	3,201	1,956	(3,501)	1,657

Notes

forming part of the financial statements (continued)

24 Financial Risk Management Objectives and Policies (continued)

The following table demonstrates the sensitivity to a reasonably possible change in the GBP/EUR exchange rates, with all other variables held constant, of the Group's (loss)/profit before tax and equity:

	Increase/decrease in GBP rate	Effect on profit/ (loss) before tax	Effect on equity
	+10%	**(49)**	**(49)**
2016	**-10%**	**59**	**59**
	+10%	(151)	(151)
2015	-10%	184	184

Credit Risk

Credit exposures for the Group's financial assets are detailed in notes 17 and 18.

Liquidity Risk

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

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

At 31 December 2016

	On demand €'000	**Less than 12 months €'000**	**1 to 2 years €'000**	**Total €'000**
Trade and other payables	**4,034**	**-**	**-**	**4,034**
	4,034	**-**	**-**	**4,034**

At 31 December 2015

	On demand €'000	Less than 12 months €'000	1 to 2 years €'000	Total €'000
Interest bearing loans and borrowings	-	71	-	71
Trade and other payables	5,562	-	-	5,562
	5,562	71	-	5,633

Fair Value

The Group's trade receivables, cash and trade payables amounts, because of their short term nature, are considered to approximate fair value.

Capital Management

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

24 Financial Risk Management Objectives and Policies (continued)

At 31 December 2016, the net cash ratio was 116% *(2015: 54%)*.

	2016 €'000	2015 €'000
Loans and borrowings	**-**	(71)
Cash and cash equivalents	**7,157**	6,322
Net cash	**7,157**	6,251
Equity	**6,164**	11,604
Net cash ratio (net cash/equity)	**116%**	54%

25 Litigation

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

26 Post Balance Sheet Events

Detrimental regulatory changes introduced during late 2016 have both impacted the Group's performance in the short term and the ability for the Group to sustain profitability going forward. In light of these changes, in February 2017, the Board took the decision to formally wind down existing business lines over the course of 2017. Refer to note 2(b) for further details.

27 Approval of Consolidated Financial Statements

The consolidated financial statements were approved and authorised for issue by the board of directors on 29 March 2017.

Company Balance Sheet

as at 31 December 2016

	Note	2016 €'000	2015 €'000
Fixed assets			
Financial assets	2	**6,205**	12,254
Current assets			
Debtors:			
- *trade and other receivables*	3	**19**	-
- *amount due from subsidiary undertaking*	3	**6,018**	6,005
		6,037	6,005
Creditors: amounts falling due within one year			
- *trade and other payables*	4	**(82)**	(192)
- *amounts due to subsidiary undertakings*	4	**(19,648)**	(19,506)
		(19,730)	(19,698)
Net current liabilities		**(13,693)**	(13,693)
Total assets less current liabilities		**(7,488)**	(1,439)
Net liabilities		**(7,488)**	(1,439)
Capital and reserves			
Called up share capital		**99**	99
Share premium		**13,538**	13,538
Undenominated capital		**1**	1
Profit and loss account		**(21,595)**	(15,530)
Share-based payment reserve		**469**	453
Shareholders' deficit		**(7,488)**	(1,439)

On behalf of the Board

Colin Tucker
Director

Fergal Scully
Director

Company Statement of Changes in Equity

For the year ended 31 December 2016

	Called up share capital €'000	Share premium €'000	Undenominated capital €'000	Profit and loss account €'000	Share-based payment reserve €'000	Total Equity €'000
At 1 January 2016	99	13,538	1	(15,530)	453	(1,439)
Total comprehensive loss for the year						
Loss for the year	-	-	-	(6,065)	-	(6,065)
Total comprehensive loss for the year	-	-	-	(6,065)	-	(6,065)
Other transactions						
Share based payment expense	-	-	-	-	16	16
At 31 December 2016	**99**	**13,538**	**1**	**(21,595)**	**469**	**(7,488)**
At 1 January 2015	99	13,538	1	(15,545)	377	(1,530)
Total comprehensive profit for the year						
Profit for the year	-	-	-	15	-	15
Total comprehensive income for the year	-	-	-	15	-	15
Other transactions						
Issue of equity share capital	-	-	-	-	-	-
Share based payment expense	-	-	-	-	76	76
At 31 December 2015	**99**	**13,538**	**1**	**(15,530)**	**453**	**(1,439)**

Notes to the Company Balance Sheet

1 Accounting Policies

Basis of Preparation

(a) Statement of Compliance

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

These financial statements are prepared on the historical cost basis and were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") as issued in August 2014.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2014 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs.

As the consolidated financial statements of zamano plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Disclosures in respect of the compensation of Key Management Personnel.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared in euro and are rounded to the nearest thousand.

(b) Going Concern

The Company has net liabilities of €7.49 million *(2015: €1.44 million)* at the reporting date which include amounts owed to wholly owned subsidiary undertakings of €19.65 million *(2015: €19.51 million)*. As the directors are satisfied that the amounts owed at the reporting date will not be called for repayment for a period of at least twelve months from the date of approval of these financial statements, and for reasons as set out in note 2(b) to the consolidated financial statements, the financial statements of the Company have been prepared on a going concern basis.

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

Investments in Subsidiaries

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

Notes to the Company Balance Sheet
(continued)

1 Accounting Policies (continued)

Foreign Currencies

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

Taxation

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

Current taxation is provided on the Company's taxable profits at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses of taxable profits in periods different from those in which they are recognised in the financial statements.

Share-based Payments

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

2 Financial Fixed Assets

	2016 €'000	2015 €'000
Investments in subsidiary undertakings:		
As at 1 January	**12,254**	12,178
Share option charge in relation to employees of subsidiaries	**16**	76
Impairment charge (a)	**(6,065)**	-
As at 31 December	**6,205**	12,254

(a) Refer to note 16 of the consolidated financial statements.

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

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

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

Notes to the Company Balance Sheet
(continued)

3 Debtors

	2016 €'000	2015 €'000
Prepayments	**19**	-
Amounts due from subsidiary undertaking	**6,018**	6,005
	6,037	6,005

Amounts owed by the subsidiary undertaking are interest free and repayable on demand.

4 Creditors: Amounts Due Within One Year

	2016 €'000	2015 €'000
Trade creditors and accruals	**82**	107
Borrowings	**-**	71
Corporation tax payable	**-**	14
Amounts owed to subsidiary undertakings	**19,648**	19,506
	19,730	19,698

Amounts owed to subsidiary undertakings are interest free and repayable on demand.

5 Commitments, Contingencies and Related Parties

Details of Company related commitments and contingencies are set out in note 22 to the consolidated financial statements. Related party transactions are set out in notes 3 and 4 to the Company balance sheet, the directors' report and note 23 to the consolidated Group financial statements.

6 Approval of Financial Statements

The Company financial statements were approved and authorised for issue by the board of directors on 29 March 2017.

Changes to Board of Directors since reporting date of 29 March 2017

On 12 April 2017, Pat Landy was appointed as Non-Executive Director.
On 13 April 2017, Fergal Scully resigned as Non-Executive Director.

Business at the Annual General Meeting of zamano plc to be held on 9 August 2017

Ordinary Business

Resolution 1 – Financial Statements

The Directors' report and financial statements for the year ended 31 December 2016 accompany this notice of meeting.

Resolution 2 – Directors Appointment

Colin Tucker is to retire by rotation under the Articles of Association as a Director and he has put himself forward for re-election as a Director.

Resolution 3 – Directors Appointment

Pat Landy was appointed as a Director since the last AGM and in accordance with the Articles of Association his re-appointment as a Director requires to be approved.

Resolutions 4 and 5 – Auditors' Reappointment and Remuneration

The resolutions relating to auditors' reappointment and remuneration are usual business for the Annual General Meeting.

Annual General Meeting

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

Recommendation

The Board consider that each of the Resolutions is in the best interests of the Company and they unanimously recommend to Shareholders that they should vote in favour of each of them, as the Directors intend to do in respect of their beneficial shareholdings and in respect of those shares that can be voted by them (save where they are restricted from voting in respect of their own reappointment), which together amount to 83,333 ordinary shares comprising 0.08% of the issued ordinary share capital of the Company.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of zamano plc will be held at 11.00am on 9 August 2017 at the Conrad Hotel, Earlsfort Terrace, Dublin 2 to consider and, if thought fit, pass ordinary resolutions 1 to 5.

1. To receive and adopt the financial statements for the year ended 31 December 2016 and the reports of the Directors and auditors thereon.
2. To re-elect as a Director, Colin Tucker, who retires in accordance with article 84 of the Articles of Association.
3. To elect as a Director, Pat Landy, who retires in accordance with article 87 (b) of the Articles of Association.
4. To reappoint KPMG as auditors of the Company.
5. To authorise the Directors to fix the remuneration of the auditors.

By order of the Board

Michael Connolly
Company Secretary

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

27 June 2017

Notice of Annual General Meeting
(continued)

1. A member entitled to attend, speak and vote is entitled to appoint a proxy to attend, speak and vote on his/her behalf. A proxy need not be a member of the Company.
2. Forms of Proxy, together with any Power of Attorney or other authority under which they are executed or a notarially certified copy thereof, must be completed and, to be valid, must reach the Registrar of the Company at the address given on the Form of Proxy not less than 48 hours before the time appointed for the holding of the meeting.
3. The appointment of a proxy does not preclude a member from attending and voting at the meeting.
4. If the appointor is a corporation, the Form of Proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
5. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote of the other registered holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members of the Company.
6. If you wish to appoint as proxy someone other than the Chairman of the Meeting, please delete the words 'the Chairman of the Meeting' from the Form of Proxy and insert the name and address of the person you wish to appoint in the space provided. A proxy need not be a member.
7. Pursuant to Section 1095 of the Companies Act, 2014, only those shareholders on the Register of Members at 6.00pm on 7 August 2017 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. If the meeting is adjourned by more than 48 hours, then to be so entitled, shareholders must be entered on the Company's Register of Members at the time which is 48 hours before the time appointed for holding the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in that notice.
8. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST Sponsored Members, and those CREST Members who have appointed a voting service provider(s), should refer to their CREST Sponsor or voting service provider(s), who will be able to take appropriate action on their behalf.
9. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK and Ireland (EUI)'s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by Capita Asset Services, Shareholder Solutions (Ireland), as issuer's agent (ID 7RA08) by the latest time(s) for receipt of proxy appointments specified in this notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
10. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member or Sponsored Member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Directors and Other Information

Directors

Colin Tucker (Acting Chairman)
Pat Landy (Non-Executive Director)

Secretary

Michael Connolly

Registered Office

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

Auditor

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

Bankers

Bank of Ireland

Solicitors

Eversheds Sutherland
1 Earlsfort Centre
Earlsfort Terrace
Dublin 2

Registered Number

329336

Nominated Advisor and Broker - AIM

Cenkos Securities plc
6.7.8 Tokenhouse Yard
London EC2R 6AS

Nominated Advisor and Broker - ESM

Investec
The Harcourt Building
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