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ANNUAL REPORT
CLIQ
DIGITAL
2015

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About CLIQ Digital

CLIQ Digital is a leading sales and marketing organization for digital products with it's own payment platform. The core business of the Group is the direct marketing and billing of its products to end-customers via online- and mobile-marketing channels. CLIQ Digital offers its customers attractive products and is a valuable strategic business partner for networks, developers, publishers and advertisers. The Group, based in Dusseldorf employs approximately 85 staff and is listed in the Entry Standard of the Frankfurt Stock Exchange (ISIN DE000A0HHJR3).
Visit CLIQ on: **www.cliqdigital.com**

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to our shareholders
LETTER TO OUR SHAREHOLDERS

Dear Shareholders,

The 2015 financial year was an exciting and above all successful year for CLIQ Digital AG. In the period under review, we managed to significantly increase our revenue and profits. Whereas the financial year 2014, in which important strategic decisions had to be taken for our company in order to secure sustainable growth, was still challenging, after the past financial year we can now ascertain that the decisions we made and implemented were absolutely right and are bearing fruit. In the following pages, we would like to present the developments in the reporting period to you in more detail.

Despite a rocky start, sound business performance in 2015

The daily lives of our customers are characterised by a large number of mobile phone activities. It is now easy to read the newspaper on a smartphone, films can be watched on a tablet PC via streaming services, and gaming, learning and cooking applications (apps), i.e. small programs for smartphones and tablets, make everyday life easier for our customers. According to the industry service and analyst company "App Annie", global revenue from apps amounted to USD 41.1 billion (EUR 36.88 billion) in 2015 and is forecast to reach USD 50.9 billion (EUR 45.68 billion) in the current year. And the market is expected to keep growing at this pace. By 2020, the analysts at App Annie anticipate that revenue from apps will amount to more than USD 100 billion. Smartphone users are expected to spend an average of USD 16 dollars each on applications in 2020. The development of app revenue and user figures goes hand in hand with an increasing penetration of mobile devices. Evidently, the market still is not saturated. While users currently download applications on 2.6 billion mobile devices worldwide, in four years this figure is expected to be more than twice as high. This accelerated growth could stem from customers more frequently accessing app store offers via smart TV devices, wearables (such as fitness trackers) and networked devices in cars and kitchens.

CLIQ Digital AG's figures and outlook should be understood in this context. We are confident that we can continue to profit from the dynamically growing market with software, apps, games and entertainment in the future. As we did in the 2015 financial year.

Thanks to increased marketing expenses, we succeeded in increasing our revenue by 17.7% year-on-year to EUR 55.7 million in the past financial year (2014: EUR 47.3 million). EBITDA rose significantly by 73.5% year-on-year to EUR 20.0 million in 2015 (2014: EUR 11.5 million). The net result posted an increase to EUR 1.4 million in 2015 as compared to EUR 1.0 million in 2014.

In order to understand and properly assess what a major success this represents, we would like to draw attention to two things. Firstly, the positive overall development of the Group shows that it was absolutely right to dramatically increase expenditure on marketing measures. A total of EUR 17.5 million was invested in this area, representing an increase of 28.3% as against 2014. Secondly, imponderables in the Mexico region led to the discontinuation of the Group's local business activities. Our Service Provider in Mexico was disconnected by a major mobile operator in the first quarter of 2015. As a result, it was no longer possible for us to offer our products and services to our customers in Mexico for the remainder of the year. In order to live up to our claim of maximum transparency, we already communicated this adverse development at the beginning of 2015 when presenting the figures for 2014.

With our innovative products, we once again succeeded in impressing and inspiring our customers. Thanks to the restructuring efforts implemented at the end of 2014, with higher-margin marketing campaigns and a stronger focus on the European continent, where higher ARPU (average revenue per user) can be generated than on other continents, the profitability of the Group as a whole was increased significantly. Net revenue per user (ARPU) steadily increased over the financial year as a whole. Overall, our customers are increasingly using more CLIQ Digital products. This key indicator rose significantly to revenue of EUR 10.80 per customer in 2015. In the previous year, ARPU had amounted to EUR 5.91. With regard to costs per acquisition, the Group also recorded an increase from EUR 4.37 to EUR 7.74. However, the ARPU to CPA ratio, one of the key factors in assessing the profitability of new customer business, improved further from 1.35 in 2014 as a whole to 1.40 in 2015. At the same time, there was also an increase in the customer base value, an important figure for estimating the expected cash inflow on the basis of the current customer base. The customer base value amounted to EUR 19.2 million as at the 2015 balance sheet date as compared to EUR 15.0 million as at 31 December 2014, meaning that it climbed by 28.0% in the 2015 financial year.

With regard to the company's financing, a loan agreement with Commerzbank has been successfully restructured. The renegotiated agreement replaced the two existing Commerzbank loans, which ended in February 2016 with a final repayment totalling EUR 3 million. The final instalment was converted into a new loan agreement for a sum of EUR 3 million with an interest rate of 3.3%. The monthly repayment amounts to EUR 300 thousand, starting in March 2016 and ending in December 2016.

In addition, CLIQ Digital AG has concluded a new agreement with Commerzbank for the provision of an overdraft facility. The new facility has an overdraft limit of EUR 13 million with an interest rate of between 2.1% (plus Euribor) and 3.3% (plus Euribor). Its term ends on 28 February 2018.

As a result of the restructuring of its debt, the Group as a whole now benefits directly from the current low interest rates. The new credit facility with a flexible interbank interest rate in particular results in a further sustainable reduction in financing costs. In this way, CLIQ Digital will be able to continue persistently pursuing its ambitious expansion goals with the necessary financial foundations in the future.

Outlook: growing with and for our customers

The software market offers enormous potential and we intend to profit from this. According to the industry association Bitkom, revenues amounted to EUR 20.3 billion in Germany alone in 2015. The experts anticipate a figure of EUR 21.5 billion for the current year. This development reinforces our view that brand awareness of CLIQ Digital, who operates within this market with its innovative games, apps, software and entertainment products, must continue to grow. For this reason, we will keep our marketing expenditure at a high level again in the coming financial year. We have already followed up these words with actions. In the first quarter of 2016, we kept our expenditure at the level of the traditionally strong fourth quarter and thus considerably increased it in comparison to the first quarter of 2015.

The performance in the past financial year shows that the CLIQ Digital Group has the right product set and financial structure to enable double digit growth, but is also capable of dealing with temporary setbacks such as the loss of the network connection in Mexico. This gives us confidence with regard to the further development of the Group. For the current financial year, we once again anticipate double-digit growth rates for revenue and profits.

Dear shareholders, we would like to take you with us on our exciting journey into the digital future. We are convinced that the pace of growth of the overall market is eminently accelerating. Already today, smart phones, tablet PCs or wearables have become indispensable. The number of networked devices will increase incessantly. At this development, we want to participate as a group and we want our shareholders to participate. We hope that you will continue to offer us your support and trust.

In addition to its shareholders, the employees of CLIQ Digital AG are just as crucial to its development. We would therefore like to thank them for their strong commitment and the loyalty they have shown, and hope that we will take the opportunities and tackle the challenges ahead with the same energy and ambition.

Düsseldorf, June 2016

The Management Board of CLIQ Digital AG

REPORT OF SUPERVISORY BOARD

Dear shareholders,

The following report of the Supervisory Board informs about its activities in the fiscal year 2015 and the results of the audit of the annual and consolidated financial statements 2015.

During the past reporting year 2015 the Supervisory Board of CLIQ Digital AG thoroughly fulfilled the tasks incumbent upon it according to the law, the company's articles of incorporation, and its rules of business procedure. The Supervisory Board continuously supervised the Management Board and advised the board on the strategic orientation and management of the company. The Supervisory Board was involved timely in all decisions that were of fundamental importance for the CLIQ Digital Group.

The Supervisory Board held a total of 6 meetings in 2015 of which were 4 regular meetings and 2 extraordinary meetings held as telephone conferences. The Supervisory Board was informed regularly by the Management Board about the company's situation and development, as well as about important business transactions. The mandatory reporting requirements pursuant to § 90 of the German Stock Corporation Act (AktG) were complied with in this context. The ordinary meetings in 2015 were held on 20 April, 29 May, 15 September and 11 December. The extraordinary telephone conferences took place on 19 February and 12 April, 2015. At all Supervisory Board meetings the members were present in the minimum number required for passing Supervisory Board resolutions pursuant to the articles of incorporation. As a consequence, at all times the Supervisory Board was able to act and take decisions, and to comply with the duties incumbent upon it according to the articles of incorporation and the law.

Additionally, outside the scope of these Supervisory Board meetings a regular and trusting dialogue between the Management and Supervisory Board occurred over the course of the 2015 financial year, mostly by telephone conference calls. The Management Board has complied with its obligations arising by law and the rules of business procedure and provided the Supervisory Board or its chairman regularly, in detail and promptly in both written and verbal form about all measures and events of relevance for the company. As a consequence, the Supervisory Board was constantly informed about the company's business position and business trends, its intended business policy, short- and medium-term business planning, including investment, financial and personal planning, as well as about the company's profitability, organizational measures and the group's overall position. A regular flow of information about the company's risk position and risk management was also part of the regular exchanges. Due to the structure and size of the company, the Supervisory Board formed no committees in 2015.

Focal points of the supervisory activity

At the 4 ordinary and the 2 extraordinary meetings the Supervisory Board conducted in-depth discussions of the reports with the Management Board members, and discussed commonly the company's position, revenue and earnings trends, as well as the financial position of the Group. Deviations from the plans and targets were explained by the Management Board and approved by the Supervisory Board.

In the 2015 financial year, the following significant items were also covered / approved during Supervisory Board meetings:

- Business planning, budgets and Group strategy, financial guidance
- Quarterly- and half-year figures 2015
- Financial status and financing of the company
- Renewal of the financing agreements with Commerzbank
- The agenda and date of the Annual General Meeting 2015
- Resignation of Cornelius Herman van der Steenstraten and appointment of Niels Walboomers as member of the Supervisory Board of CLIQ Digital AG
- Approval and adoption of the single entity financial statements for the 2014 financial year
- Approval of the consolidated financial statements for the 2014 financial year
- Disconnection of CLIQ Digital's Service Provider in Mexico
- Decide on the incorporation and liquidation of several entities of the Group.

Personal matters and composition of the Supervisory Board

In July 2015 Cornelius Herman van der Steenstraten announced that he would resign, for personal reasons, from the Supervisory Board. Niels Walboomers was re-introduced as member of the Supervisory Board, after he was appointed as such by the District Court of Dusseldorf on 4 August 2015. Already in 2013, Niels Walboomers contributed as a board member of CLIQ Digital. The Supervisory Board would like to thank Cornelius Herman van der Steenstraten for his valuable contributions and his commitment to the company during his term.

Single-entity and consolidated financial statements for 2015

The single-entity and consolidated financial statements as of 31 December 2015, as well as the group management report for the 2015 financial year were prepared by the Management Board and audited by the independent auditor Roever Broenner Susat Mazars GmbH & Co. KG Wirtschaftsprüfungsgesellschaft (Certified Accounting Firm), who was appointed by the Annual General Meeting and each received an unqualified audit opinion.

The Supervisory Board examined the single-entity and consolidated financial statements as of 31 December 2015 as well as the group management report for the 2015 financial year and the Management Board's proposal for the appropriation of retained earnings, taking into account the audit reports that were prepared by the auditor, and which were dispatched to the Supervisory members before the meeting.

At the Supervisory Board's meeting held on 29 June 2016, the Management Board explained the single-entity and consolidated financial statements as of 31 December 2015, the group management report for the 2015 financial year and the Management Board's proposal for the appropriation of retained earnings of CLIQ Digital AG. At this Supervisory Board's meeting, the auditor reported on the key results and principles of its audit, and that, following its audit, there were no significant weaknesses to the internal controlling and risk management system. The Supervisory Board then passed the following unanimous decisions at its meeting on 29 June 2016: The single entity financial statements as of 31 December 2015 as well as the consolidated financial statements as of 31 December 2015 are approved and as a consequence the single entity financial statements of CLIQ Digital AG are hereby, pursuant to § 172 of the German Stock Corporation Act (AktG), adopted.

The Supervisory Board concurred with the Management Board's proposal concerning the application of non-appropriated retained earnings of CLIQ Digital AG – to be carried forward to a new account.

Thanks and recognition

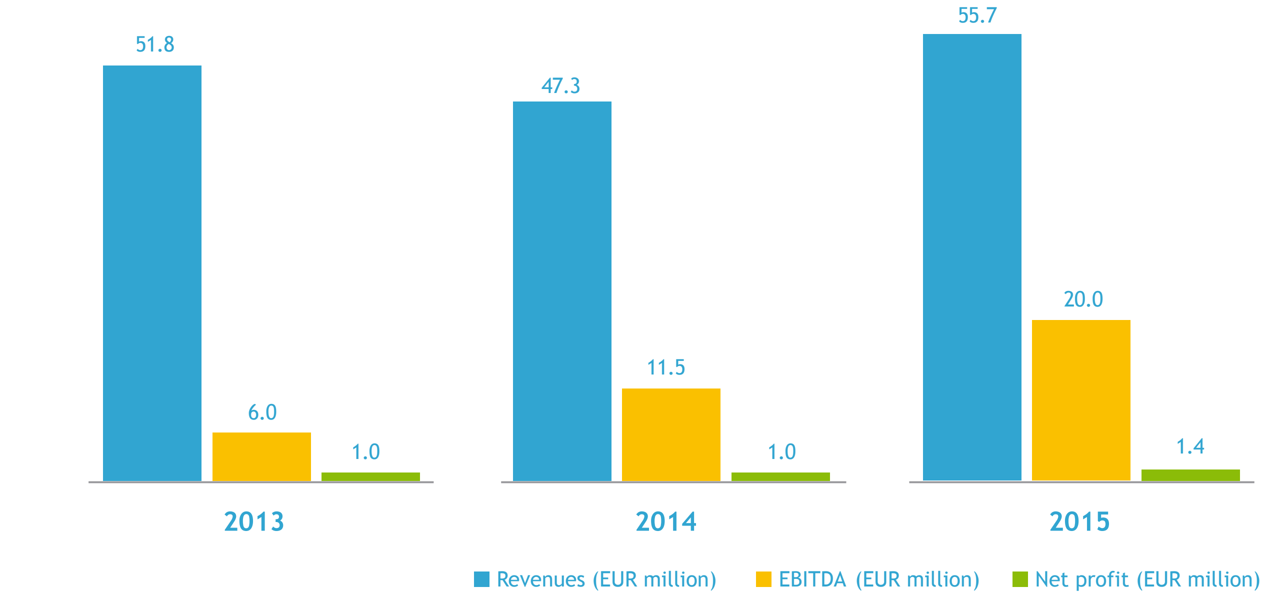
The Supervisory Boards thanks the Management Board as well as all employees for their continued good work in the past financial year. The Supervisory Board would like to thank the shareholders for their interest and confidence in CLIQ Digital.

Düsseldorf, June 2016

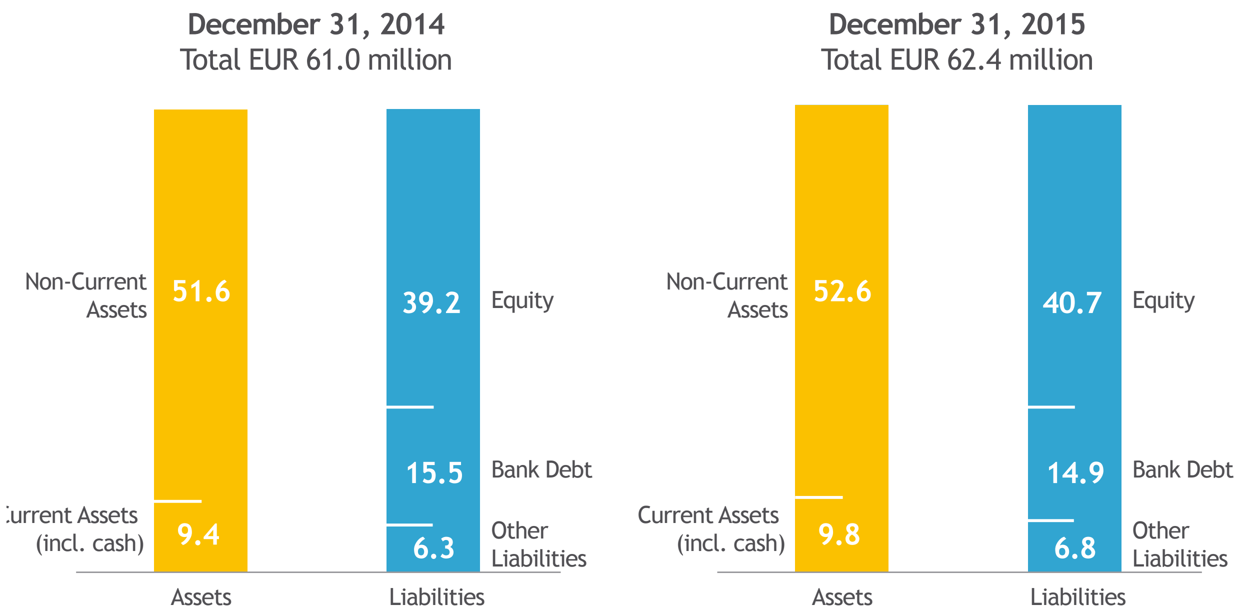
Dr. Mathias Schlichting
Chairman of the Supervisory Board

KEY FIGURES

PROFIT & LOSS



BALANCE SHEET



THE SHARE

The German DAX index recorded an increase of 8.9% in 2015. In the first half of the past year, the stock markets benefited from the prospects of a monetary easing program announced by the European Central Bank (ECB). However, the summer of 2015 was influenced by a crash in the Chinese stock markets and uncertainties regarding the future development of the global economy, followed by sharp sales of German and international equities. A new upward trend from September on ended abruptly in December, as the ECB fell short on expectations of monetary easing measures. The mid-cap index MDAX rose by 22.2% in the reporting year, the German SDAX index recorded a gain of 26.4% and the TecDAX technology index an increase of 33.5%. The Entry Standard Index, in which the share of the CLIQ Digital is listed showed an increase of 11.2% in the trading year 2015.

The share of the CLIQ Digital AG reported a moderate increase of 8.7% in the reporting year. After a year-end share price in 2014 of EUR 1.95, the shares started on January 2, 2015, at a price of EUR 2.09. The highest price of the CLIQ Digital-share was recorded on February 23, 2015, at EUR 4.40. Subsequently, the share price fell, what we think, due to profit takings. The CLIQ Digital-share reached its lowest level on August 25, 2015, at EUR 1.90. At the year-end on December 30, 2015, the share of the CLIQ Digital AG ended the trading at a price of EUR 2.12. The market capitalization of the CLIQ Digital AG at year-end 2015, on the basis of 6,188,714 shares outstanding and a closing price of EUR 2.12 amounted to EUR 13.1 million. At the balance sheet date 2014, the market capitalization was at EUR 12.1 million on the basis of 6,188,714 shares and a closing price of EUR 1.95. The average daily trading volume of CLIQ Digital shares on all German stock exchanges amounted to 10,688 units in the year under review compared to 2014 with 11,656 shares.

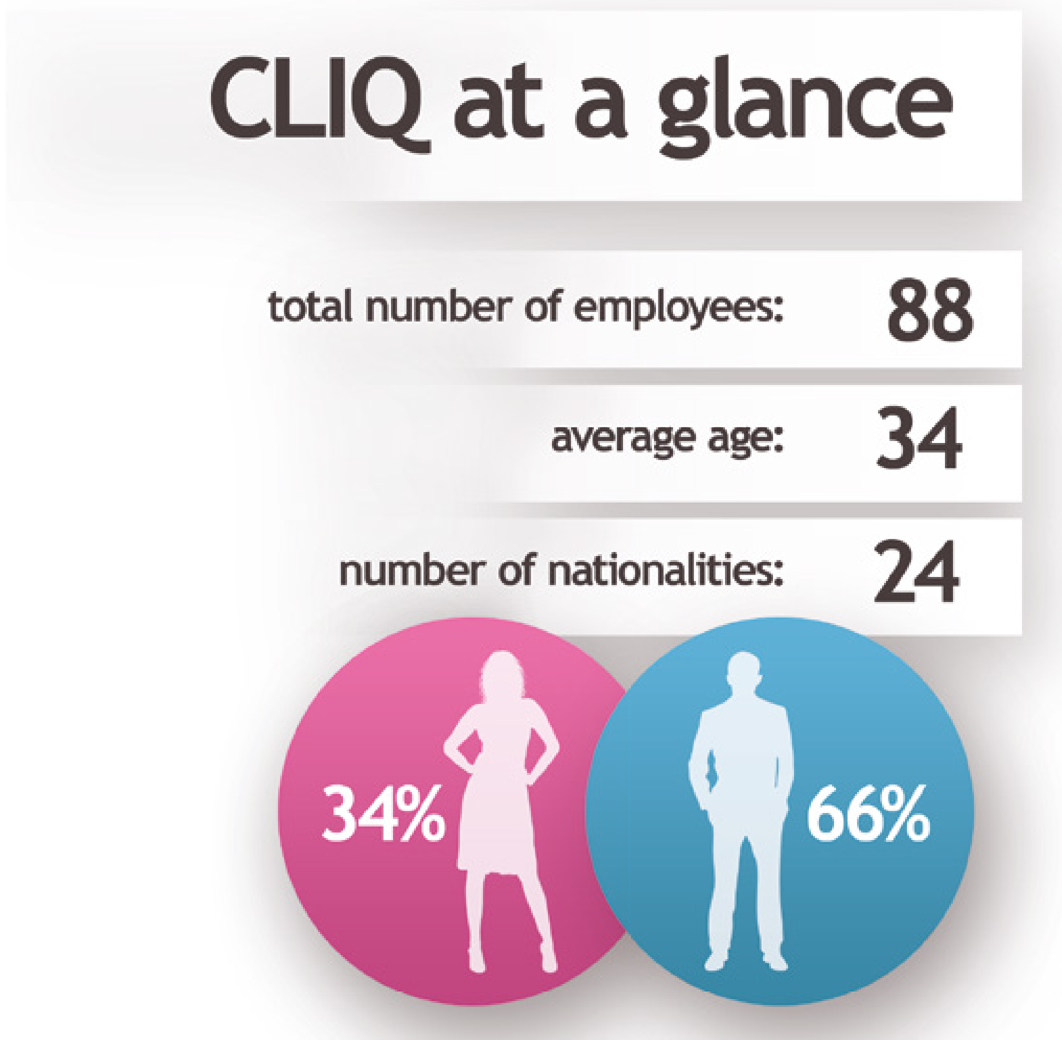
In the reporting year 2015, CLIQ Digital has continued its transparent communication with institutional investors, private investors and analysts. In addition, the company presented at the DVFA Spring Conference in May, 2015 in Frankfurt. The share of the CLIQ Digital AG is part of the Entry Standard (Open Market) of the Frankfurt Stock Exchange. Oddo Seydler Bank AG and Lang & Schwarz Broker GmbH are mandated as Designated Sponsors.

During the period January 4, 2016 and May 31, 2016 the Entry Standard Index showed an increase of 8.3%. (January 4, 2016: 366.6 points, May 31, 2016: 397.0 points). In comparison, the share of CLIQ Digital recorded a strong upward performance with a disproportionate increase of more than 40% in the same period. The shares started the trading year 2016 on January 4 at a price of EUR 2.14 and ended the first five months of 2016 on May 31 at a price of EUR 3.00. The market capitalization of CLIQ Digital amounted to EUR 18.6 million at the end of May 2016.

With Warburg Research GmbH, the CLIQ Digital stock is analysed and evaluated by a reputable research company. In the last research update from May 10, 2016 Warburg rated the CLIQ Digital stock with a price target of EUR 3.60 and a Buy recommendation, representing an upside potential of around 30% to the share price of around EUR 2.80 as of mid-May 2016. Current Research studies and more information is available on www.cliqdigital.com/front-IR/analysts/. In addition, interested shareholders may contact CLIQ Digital Investor relations via email (sh@crossalliance.de) or by phone (+49 (0) 89 898 27-227).

Key Data CLIQ Digital Share (as of December 31, 2015)

WKN	A0HHJR
ISIN	DE000A0HHJR3
Bloomberg ticker	CLIQ
Number and class of shares	6,188,714 no-par bearer shares
Amout of share capital	EUR 6,188,714.00
Market segment	Regulatet unofficial market
Transparency level	Entry Standard
Designated Sponsor	Lang & Schwarz AG Oddo Seydler Bank AG
End of the financial year	December 31



2 GROUP MANAGEMENT REPORT

group management report

I. BASICS OF THE GROUP

A. Overview

CLIQ Digital is a leading sales and marketing organization for digital products with its own payment platform. The core business of the Group is the direct marketing and billing of its products to end-customers via online- and mobile-marketing channels. CLIQ Digital offers its customers attractive products and is a valuable strategic business partner for networks, developers, publishers and advertisers. CLIQ Digital group employs 88 people (31 December 2015). CLIQ Digital AG, the parent company of the group, has its legal seat in Düsseldorf and is listed in the Entry Standard of the Frankfurt Stock Exchange (ISIN DE000A0HHJR3).

From its business activities in the past and its continuous market analysis CLIQ Digital concluded, that monetizing digital products by direct response marketing is for CLIQ Digital, the most effective type of marketing (as compared to, for instance, brand marketing or viral marketing). Direct response marketing comprises the placing of advertisements on (mobile) Internet websites, which aim at triggering a direct purchasing decision. For CLIQ Digital, it will continue to be the most dominant marketing method going forward. The largest part of CLIQ Digital's sales numbers is achieved via affiliate marketing, whereby the affiliate partner is rewarded for each customer that signs up for a CLIQ Digital service. Besides affiliate marketing, a growing number of customers is acquired via in-house media buying, whereby CLIQ Digital is responsible for the acquisition of internet traffic and conversion from visitor to customer.

As a result of targeted efforts, the product team at CLIQ Digital is able to provide its sales and marketing teams the latest and hottest products. In turn, sales and marketing sell the products directly, and highly efficiently, to consumers. The current product range breaks down into four groups:

ENTERTAINMENT

With the help of country-specific portals, the "Entertainment" product group sells digital premium products and services that provide consumers with local content, entertainment and information services. These include, for example, topical live streaming video portals, music, infotainment, images and more. CLIQ Digital rapidly responds to customers' changing preferences with new and innovative digital entertainment products.

The products are promoted through Internet banners. When customers click on a banner, they are redirected to the campaign landing page, where they can subscribe and access the content fulfilment portal. Each country has one or more customized content fulfilment portals.

GAMES

The "Games" group generates an important share of CLIQ Digital's revenue. The Games portfolio includes a range of high quality HTML5 games and special games for basic mobile phones. In addition, the games offering includes games as apps for iOS and Android devices. Overall consumers can be entertained on a variety of different devices. The "Games" products are offered in a similar way to the "Entertainment" products. In addition, "Games" are also offered via game portals and third-party digital shops. CLIQ Digital strengthened her portfolio in the product group "Games" by signing new distributor agreements with leading game publishers, including leading French games publisher Bulkypix.

APPS

CLIQ Digital buys its "Apps" offerings for Android as well as iOS devices worldwide with its own licensing team. These apps are available to consumers in different packages and individually. The "Apps" product group focuses on "fun" and applications that can only be downloaded on smartphones. The apps cover a wide range of genres, such as entertainment, dating, discovery, productivity, lifestyle, travel, sports and social media.

SOFTWARE

The "Software" product group comprises premium quality functional software applications for smartphones, laptops and desktops. The software applications were developed by co-operation partners, who partnered with CLIQ Digital to benefit from its specialized marketing abilities and to gain more customers in multiple markets. Examples of software applications in this category include security products, such as AVG, Kaspersky software, G DATA Internet Security or Bullguard, as well as utility apps and office applications. To give a further boost to the "Software" product group, CLIQ Digital developed her own Android AntiVirus Application, named McSecure.

For all four product groups CLIQ Digital is primarily offering her products to consumers via the subscription model, in which customers can enjoy unlimited access for a daily, weekly or monthly subscription fee. Only in exceptional cases CLIQ Digital is offering products for a one-off fee. Depending on the country, payments can be made through premium SMS, direct carrier billing (DCB), appstore billing, internet service provider billing (ISP Billing), credit card or PayPal.

For over 10 years, CLIQ Group has been marketing and selling its products and services in multiple countries on every continent. Before entering a new market, CLIQ Group analyses the market conditions as well as the legal environment of the relevant country. Furthermore, it repeatedly investigates the change of customers' preferences, changes in the legal situation and all other developments on such markets. In doing so, CLIQ Group has gained knowledge and strong experience in these countries, including in-depth knowledge of the local regulatory environment of online and mobile advertising and mobile payments. CLIQ Group therefore believes that, based on such knowledge and experience, it is in a good position to successfully compete with its competitors and to sustainably expand its business in these markets.

CLIQ Digital is developing core technology in-house to advertise, deliver and invoice its products. The company is working together with external partners on connections to mobile network operators and on implementing various invoicing methods. Product development (mobile services and games) occurs almost completely externally, partially commissioned by CLIQ Digital. Completed and almost completed products are predominately purchased and licensed.

The members of the Management Board Luc Voncken and Ben Bos indirectly hold approximately 9% of shares in CLIQ Digital AG as per December 31, 2015.

Until August 2015, the Supervisory Board of CLIQ Digital AG consisted of Dr. Mathias Schlichting (Chairman), Karel Gustaaf Tempelaar and Cornelius Herman van der Steenstraten. Niels Walboomers, because of his previous experience as a Supervisory Board member of CLIQ Digital in 2013, was re-introduced as member of the Supervisory Board, after Cornelius Herman van der Steenstraten announced in July that he would resign from the Supervisory Board.

B. Structure of the CLIQ Digital Group and Participations

The parent company of the group is CLIQ Digital AG, Dusseldorf, Germany. All the company's holding activities are managed from Dusseldorf. By centralizing the Group, the organization is able to exploit synergies within the entities as well as structure the group of companies more simply and effectively.

PARTICIPATIONS

	Equity interest in %
CLIQ Digital AG, Dusseldorf, Germany	
Bob Mobile Deutschland GmbH, Dusseldorf, Germany	100.00
Bob Mobile Hellas S.A., Attiki, Greece	100.00
Cructiq AG, Baar, Schwitzerland	100.00
Rheinkraft Production GmbH, Dusseldorf, Germany	100.00
Just A Game Hellas S.A., Attiki, Greece	100.00
Bluetiq GmbH (vormals Just A Game GmbH), Dusseldorf, Germany	100.00
Guerilla Mobile Asia Pacific Pte. Ltd, Singapore	100.00
CLIQ B.V., Amsterdam, The Netherlands	100.00
Artiq Mobile B.V., Amsterdam, The Netherlands	100.00
Blinck Mobile Ltd., Dublin, Ireland	100.00
TMG Singapore PTE Ltd., Singapore	100.00
The Mobile Generation Americas Inc., Toronto, Ontario, Canada	100.00
GIM Global Investments Munich GmbH, Munich, Germany	100.00
iDNA B.V., Amsterdam, The Netherlands	100.00
Grumbl Media B.V., Amsterdam, Niederlande	100,00

In 2015 the Brazilian entity Run the Red Ser. EM, Sao Paulo, Brazil, was terminated. The Dutch entity Grumbl Media B.V., Amsterdam, the Netherlands, was incorporated and added to the group. For more detailed information regarding the consolidation of entities see the section Consolidation Scope in the General Information of the Notes to the financial statementsments.

II. BUSINESS DEVELOPMENT

A. Highlights

- To further expand its market position in the anti-virus market, CLIQ Digital developed her own Android AntiVirus Application, named McSecure.
- CLIQ Digital strengthened her portfolio in the product group games by signing new distributor agreements with leading game publishers, including leading French games publisher Bulkypix.
- In March 2015 CLIQ Digital's Service Provider in Mexico was disconnected by a major mobile operator. The disconnection was a result of long lasting disagreements between this mobile operator and CLIQ Digital's service provider. Consequently, CLIQ Digital was no longer able to provide services to her customers.
- Geographically CLIQ Digital focused on regions with high ARPU (average net revenue per user) and good margins. In 2015 69% of overall revenue was generated in Europe, compared to 46% in 2014. Only 13% of CLIQ Digital's total revenue in 2015 was generated in the North American market, resulting from the disconnection of CLIQ Digital's service provider in Mexico.
- The ratio between ARPU and CPA (costs per acquisition), the so-called CLIQ-factor, an indication for the profitability of the new subscribers, improved from 1.35 in 2014 to 1.40 in 2015.
- The Customer Base Value, a measure for the expected cash inflow generated by the existing customer base, increased from EUR 15.0 million at 31 December 2014 to EUR 19.2 million at 31 December 2015.
- On September 30, 2015, CLIQ Digital signed a new overdraft facility agreement with Commerzbank AG. The new facility has an overdraft limit of up to EUR 13 million and a term until 28 February 2018.
- An agreement was concluded with Commerzbank to replace the former loan agreements, which would end in February 2016 with a final bullet payment of EUR 3 million. This bullet payment was converted into a new loan agreement with an amount of EUR 3 million and includes a monthly redemption of EUR 300k from March 2016 until December 2016.
- The CLIQ Digital Group generated revenue of EUR 55.7 million in 2015, an increase of 17.7% compared to previous year.
- The EBITDA of the CLIQ Digital Group rose to EUR 20.0 million in 2015, an increase of 73.5% compared to previous year.
- The CLIQ Digital Group generated a net profit in the year under review of EUR 1.4 million, an increase of 30.4% compared to previous year.

B. Economic Environment

1. MACRO-ECONOMIC TRENDS

The development of the global economy again remained subdued in 2015. While the recovery in the industrialized nations continued at a moderate level, growth rates in the emerging and developing countries declined for the fifth year in a row. In developed economies, the stabilization of growth rates was visible in the Eurozone and the return of Japan to a path of growth. Particularly the recovery in the United States proves to be robust. While the expected decline in the economic development in China took place faster than expected, uncertainties about the future economic growth of the Chinese economy through weaker trade, lower commodity prices and the increased volatility in the financial markets spilled over to other countries. The volatility was also marked by the negotiations around the debt of Greece and the sharp decline in the Chinese equity markets. In 2015, with 3.1 percent the world economy grew slower than the International Monetary Fund (IMF) expected at the start of the year with 3.5 percent. Production and trade were weak, not only because of developments in China but also due to globally lower demand and investing activities, particularly in the extractive industries. In addition, the significant decline in the imports in various emerging and developing countries impacted the world trade. The decline in commodity prices such as oil and metal had a negative impact on economic activity in commodity exporting nations. Russia and Brazil among others recorded a negative economic growth. Also, for the current year, the IMF corrected its growth forecasts for the global economy downwards. Thus, growth in 2015 should amount to only 3.2 percent, instead of the forecast made at the beginning of the year 3.4 percent.[1 2 3]

For the Eurozone, economists of the International Monetary Fund calculated a growth rate of 1.6 percent in the past year. Moderate growth rates in the Euro area are stabilising further. Due to the agreements of a financing programme for Greece, the systemic risks were reduced and the impact on the volatility in the financial markets remained limited. For 2016, the increase in the economy is expected to be at 1.5 percent. Inflation in the single currency area was, on average, in the range around 0.0 percent. For 2016, the International Monetary Fund expects an increase in inflation to 0.4 per cent, supported by the monetary program of the European Central Bank.[4 5]

In Germany economic performance in 2015 rose by 1.5 percent after a previously expected 1.7 percent and was characterized by a solid and steady growth. Specifically, high private consumption and government spending pushed the German economy in the past year. The export rates of German companies also developed positively. The decisive factor for the purchase desire of consumers besides lower energy prices and the low-interest rates was the ongoing improvement on the labour market. The inflation rate in 2015 was reduced to a mere 0.3 percent compared to the previous year.[8]

The development in the United States in 2015 was stable, in spite of manifest global risk and raised interest rates by the US Central Bank. According to the IMF, economic output in the reporting period to around 2.4 percent. This was due to the still favourable financing conditions and a recovery in labour and housing markets. The Dollar strength, however, strained the manufacturing industry and the low price of oil affected investments, especially in the mining sector. The IMF experts expect the economic performance of 2016 at previous year's level.[10]

The IMF estimated a performance of the world's second largest economy, China, around 6.9 percent in 2015, after 7.3 percent in the previous year. The decline in growth is predominantly due to a lower investment and export volume. For the current year, the IMF experts anticipate an increase in economic output of only 6.5 percent.[11]

2. TRENDS IN THE MOBILE CONTENT SECTOR

Around 40% of the world population has an internet connection today. In 1995, it was less than 1%. The number of internet users has increased tenfold from 1999 to 2014. According to Statista, Inc., in 2015, the number of internet users worldwide was 3.2 billion, up from 2.9 billion in the previous year. By the end of 2016 it will be 3.4 billion people.[12 13]

[1] http://www.imf.org/external/pubs/ft/weo/2015/update/01/
[2] http://www.imf.org/external/pubs/ft/weo/2015/02/pdf/text.pdf
[3] http://www.imf.org/external/pubs/ft/weo/2016/update/01/pdf/0116.pdf
[4] http://www.imf.org/external/pubs/ft/weo/2015/02/pdf/text.pdf
[5] http://de.statista.com/statistik/daten/studie/156285/umfrage/entwicklung-der-inflationsrate-in-der-eu-und-der-eurozone/
[6] https://www.destatis.de/DE/PresseService/Presse/Pressemitteilungen/2016/02/PD16_044_811.html
[7] http://www.spiegel.de/wirtschaft/soziales/bip-2015-deutsche-wirtschaft-waechst-um-1-7-prozent-a-1071946.html
[8] https://www.destatis.de/DE/PresseService/Presse/Pressemitteilungen/2016/01/PD16_002_611.html
[9] http://www.imf.org/external/pubs/ft/weo/2016/01/pdf/c1.pdf
[10] http://www.imf.org/external/pubs/ft/weo/2016/update/01/pdf/0116.pdf
[11] http://www.imf.org/external/pubs/ft/weo/2016/01/pdf/c1.pdf
[12] http://www.internetlivestats.com/internet-users/
[13] http://www.itu.int/net/pressoffice/press_releases/2015/57.aspx

However, the total number of Internet users will show single digit growth figures going forward, 7.5% in 2015. Still, developing and emerging countries like India and Bangladesh show growth rates above 10%. Mobile internet access has overtaken fixed internet access consequently, mainly due to the technical innovations and new applications of today's mobile devices. Therefore, global mobile data traffic grew by 74% in 2015.[15]

Globally, smart devices accounted for 89% of the mobile data traffic in 2015. According to wearesocial, mobile devices have changed connected behaviour, whether it was shifting social media habits to a more one-to-one, private conversation context, to accessing mobile-commerce in physical world stores, to paying for goods directly in physical stores and on public transport using mobile wallets. Meanwhile, mobile's share of global web traffic continued to grow as well, with mobile phones accounting for 39% of all web pages served to web browsers. And, 75% of Internet users went online via mobile devices at the end of 2015. By 2016, mobile devices are not only expected to be the most popular or commonly owned device, but also to surpass all other devices in terms of time spent online. Online mobile usage is growing fastest in areas where internet penetration is low, namely Latin America and the Middle East/Africa. Also, in India 85% of the digital population access the Internet via mobile. Eventually, the mobile content sector is approaching mobile tipping point: according to Global Web Index mobile usage will exceed all other devices combined in 2018.[17]

Hence, the internet remains the fastest growing medium for advertising globally and is expected to surpass traditional television by 2020, ZenithOptimedia estimates a global adspend growth of 4% to reach 531 billion U.S. dollars in 2015, and an acceleration to 5% growth in 2016, boosted by the 2016 Summer Olympics in Rio and the US Presidential elections. PricewaterhouseCooper expects a CAGR over the period until 2019 of 12% for internet advertising, and a CAGR of 23% for mobile advertising. As the segment captures an ever-larger portion of advertising budgets, it will exceed TV to become the largest single advertising category by 2019. Mobile advertising is the main driver of internet growth is and is expected to contribute 70% of all global adspend growth between 2014 and 2017. Also, Video remained a strong driver with a share 55% of total mobile data traffic.[20]

In 2015, the focus was on experimenting with creative subscription models. The move to mobile was another continuing trend in 2015. That shift caused publishers to scramble as they attempted to convert the average consumer viewing experience from a traditional desktop view to a tablet and mobile view. Experimentation seen among content publishers in 2015 is likely to continue in 2016, according to Subscription Insider. Therefore, Analytics will continue to be a critical area of focus as organizations attempt to find ways to best monetize their content. The move to mobile as well is not likely to diminish any time soon, as Statista, Inc. estimates the mobile content market will be worth USD 37,4 billion in 2019, after revising the forecast upwards compared to the previous year. [22]

The mobile content market comprises of mobile games, mobile music, and mobile video. In the overall mobile content market, mobile games were the largest market segment with a revenue share of 41% in 2015 and are envisaged to retain their dominating hold over the market by 2019 due to the availability of low-cost smartphones and tablets with high-end specifications.[23]

In 2015 revenues in the global mobile games market continued to grow up to USD 30 billion according to the international market research and consulting firm Newzoo, resulting in a year-on-year growth of 23%. The global mobile games revenues are estimated to reach USD 36 billion in 2016, USD 40 billion in 2017, USD 44 billion in 2018, and USD 52 billion in 2019. From 2016 onward a move away is expected from defining games by their platform toward models that allow game content to be played and, equally important, viewed everywhere.[24]

As the global games market approaches USD 100 billion in 2016, Newzoo expects mobile to account for 37% of revenues, revealing that mobile gaming, for the first time, is expected to take a larger share than PC gaming with USD 37 billion in revenues in 2016, up 21.3% overall. In Germany, the market for gaming apps grew by 31% in 2015 with revenues of EUR 315 million, driven mainly by virtual goods and in-app purchases.[26]

The biggest driver of mobile content going forward is the convergence of games and video on a global scale. This trend is transforming games into all-round entertainment franchises, opening up new ways of engagement and complementary revenue streams. According to the experts, the Latin American mobile games market is still the fastest growing in the world, with 20% growth from last year. The Western European mobile game market, was previously the fastest-growing market in years past, remains one of the slowest at 7% growth year-over-year.

Whilst according to the Mobile Ecosystem Forum, global carrier billing was responsible for just USD 3 billion of app store revenues in 2015, this figure is forecast to sky-rocket to more than USD 30 billion by 2020. An influencing factor is that content has begun to branch out beyond the traditional apps and games, it is possible to purchase everything from bus tickets to software or physical goods. And, the simplicity and security of carrier billing is set to be an essential payment method for app store content including apps, games, video and music. Recent years have seen the breadth of content categories grow, where carrier billing is a payment option.

Despite global carrier billing growth in revenue, OS app stores – Apple App Store, Google Play, Windows Phone Store, and BlackBerry World – have taken much of the limelight in carrier billing in recent years, but only represent 14% of the carrier billing revenue. However, ovum research expects it to be a growing segment taking over all other segments in revenue size in 2017.[27]

3. MARKET POSITION

The digital content market is characterized by a large number of different types of companies, each playing their own role in the digital content marketplace. Some companies focus on generating digital content, or mobile or online payment solutions, while other companies focus on the distribution of digital content, or, like CLIQ Digital, focus on the direct marketing of digital content. Compared to other companies involved in the direct marketing of digital content, CLIQ Digital considers itself one of the top players worldwide in this market; the main competitors are Buongiorno SpA, Acotel Group SpA, NeoMobile SpA, Zed Worldwide, S.A. and TIM W.E. SGPS, S.A.

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[15] http://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/mobile-white-paper-c11-520862.html
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[23] http://www.prnewswire.com/news-releases/global-mobile-content-market-2015-2019-300207448.html

[24] http://resources.newzoo.com/hubfs/Newzoo_Mobile_Games_Landscape_2015_Free_Report.pdf?t=1461671073547&utm_source=hs_automation&utm_medium=email&utm_content=24769574&_hsenc=p2ANqtz-_TPByvoui1mg-xyhkxhUyyvScd2AlzpIHdjqM2G_PIUO8mw22DlCnCqitiE5BCjTQXMoAyTiROZWrHTLNgpUDX0zRo-Q&_hsmi=24769574 [25] https://newzoo.com/insights/articles/global-games-market-reaches-99-6-billion-2016-mobile-generating-37/
[26] http://www.biu-online.de/de/presse/newsroom/newsroom-detail/datum/2016/04/19/markt-fuer-spiele-apps-waechst-in-deutschland-um-31-prozent.html
[27] http://www.neomobile-blog.com/wp-content/uploads/2015/05/Carrier-Billing_Whitepaper.pdf

C. Business Report

1. GENERAL DEVELOPMENT

Despite a difficult first quarter of 2015, in which CLIQ Digital's service provider was disconnected in Mexico, 2015 was overall a successful year for CLIQ Digital, in which revenue, EBITDA and net profit for the year all showed a double digit growth compared to the previous financial year. Driven by a substantial rise in the company's marketing spend (+28.3% compared to 2014), the CLIQ Digital Group generated revenue of EUR 55.7 million in 2015 (2014: EUR 47.3 million), an increase of 17.7%. The profitability of the Group as a whole was substantially increased thanks to restructuring efforts carried out late 2014, higher-margin marketing campaigns and an increased focus on the European continent, where the ARPU (Average Revenue per User) is higher than in other continents. EBITDA rose to EUR 20.0 million in the reporting period (2014: EUR 11.5 million). The CLIQ Digital Group generated a net profit in 2014 of EUR 1.4 million (2014: EUR 1.0 million).

During 2015, CLIQ Digital's short-term bank debt position was increased from EUR 4.8 million as of 31 December 2014 to EUR 7.9 million as of 31 December 2015. In 2016 CLIQ Digital will repay EUR 3.8 million, the remaining amount (EUR 4.1 million) is part of a standard borrowing base financing structure and thus presented as short term debt. The long-term bank debt position decreased to EUR 7.0 million (2014: EUR 10.7 million).

CLIQ Digital is using both financial and non-financial indicators to monitor and manage its business. Financial and non-financial performance indicators are measured continually and are part of the monthly reports to the Management Board. These reports include an analysis of actual figures and their variances from planned figures by country. Additional specific analyses are performed on an event-driven basis.

The financial performance indicators used to manage the business performance of CLIQ Digital are revenue and marketing spend. Furthermore, the average net revenue per user in the first six months (ARPU), the costs per acquisition (CPA), the ratio of ARPU to CPA (so-called CLIQ factor) and the customer base value (Net revenue that will be generated by the existing customers) are the most important KPIs. ARPU and CPA are the determining factors in the decision-making process as to whether to invest in certain products/markets. In the year under review CLIQ Digital increased its focus on high revenue countries and ARPU has risen to EUR 10.80 compared with EUR 5.91 in 2014, an increase of 83%. The CPA increased by 77% in the same period. The ratio of ARPU to CPA increased from 1.35 in 2014 to 1.40 in 2015, indicating an increase in customer profitability. The customer base value increased from EUR 15.0 million as of 31 December 2014 to EUR 19.2 million as of 31 December 2015.

Changes in important performance indicators in 2015:

	Full Year 2015	Full Year 2014
Number of Sales	2,263,852	3,123,901
ARPU (net-revenue per user for the first 6 months) in EUR	10.80	5.91
CPA (Cost per Acquisition) in EUR	7.74	4.37
ARPU/CPA (CLIQ-Factor)	1.40	1.35
Marketing spend in EUR million	17.53	13.66
Customer Value Base in EUR million	19.2	15.0
Revenue in EUR million	55.7	47.3

2. EMPLOYEES

The Group employed an average of 85 employees in the 2015 financial year (versus 89 employees in 2014). On the reporting date of December 31, 2015, the Group employed 72 employees on a full-time basis and 16 on a part-time basis, which corresponds to 88 employees in total.

Personnel costs amounted to EUR 6.4 million in 2015, compared to EUR 5.9 million in 2014. Personnel costs accounted for 12.0% of the total costs in the 2015 financial year (12.5% in 2014).

3. REPORT ON RESULTS OF OPERATIONS, NET ASSETS AND FINANCIAL POSITION

a) Results of Operations

(1) Revenue Development

The CLIQ Digital Group generated revenue of EUR 55.7 million in 2015 (2014: EUR 47.3 million), an increase in revenue of 17.7% compared to 2014. The disconnection of CLIQ Digital's service provider in Mexico in the first quarter resulted in a drop in revenue in the second quarter, but due to a shift in sales focus to other, mainly European, markets, CLIQ Digital has realized a quarter over quarter growth in revenue since the second quarter of 2015.

The revenue per continent is shown hereunder:

Territory	Revenue 2015 EUR million	% of Gross Revenue	Revenue 2014 EUR million	% of Gross Revenue
Europe	38.6	69%	21.6	46%
Asia	2.8	5%	5.9	12%
Austra	1.5	3%	1.8	4%
Africa	5.2	9%	1.6	3%
South America	0.4	1%	1.4	3%
North America	7.2	13%	15.0	32%
TOTAL	**55.7**	**100%**	**47.3**	**100%**

For more information regarding exchange risks associated with the international character of the CLIQ Digital business, see the section Currency Risks in note (19) Reporting on financial instruments.

(2) Earnings and Costs Trends

Earnings

Gross Earnings

EUR Million	2015	2014
Revenue	55.7	47.3
Marketing costs	-0.3	-0.3
Costs for technology, licenses and other COS	-26.8	-27.0
Gross Earnings	**28.6**	**20.0**

CLIQ Digital generated gross earnings in 2015 of EUR 28.6 million (2014: EUR 20.0 million). Most of the costs related to direct costs for technology, licenses, invoicing and content at EUR 26.8 million (EUR 27.0 million in 2014).

EBITDA (earnings before interest, tax, depreciation and amortization)

EBITDA improved considerably in 2015. EBITDA rose by 73.5% from EUR 11.5 million in 2014 to EUR 20.0 million in 2015.

Adjusted EBITDA

Adjusted EBITDA (EBITDA -/- Amortization and Impairment of Capitalized Customer Acquisition Costs) is a measure for CLIQ Digital's performance. The adjusted EBITDA increased from EUR 2.2 million in 2014 to EUR 4.6 million in 2015. Note that Adjusted EBITDA is not a measure of financial performance under IFRS and therefore should not be considered a substitute for operating income.

Profitability (EBIT and net income)

Consolidated EBIT in 2015 amounted to EUR 2.6 million (EUR 0.3 million in 2014). The CLIQ Digital Group generated net income in the year under review of EUR 1.4 million (2014: EUR 1.0 million).

Costs

Personnel costs amounted to EUR 6.4 million in 2015 compared to EUR 5.9 million in 2014, thereby accounting for 12.0% of total operating costs (12.5% in 2014).

Depreciation and amortization increased in 2015 to EUR 17.4 million (EUR 11.2 million in 2014), most of which reflects the increased amortization of intangible assets amounting to EUR 15.7 million (EUR 10.9 million in 2014). The noticeable rise in amortization is a direct result of the increased marketing spend in 2015 compared to 2014. In addition, current assets were depreciated for an amount of EUR 1.4 million resulting from provisions for income not yet invoiced and the issue in Mexico.

Other operating expenses, which came in at EUR 29.4 million (EUR 30.0 million in 2014), contain the following items in particular:

EUR million	2015	2014
Marketing costs	0.3	0.3
Costs for Invoicing, Technology and Licenses	26.8	27.1
Other non-operating expenses	2.3	2.6
Other operating expenses	**29.4**	**30.0**

Marketing costs

Efficient marketing is of great importance to CLIQ Digital. It comprises one of the most important variables for the acquisition of new customers and the efficiency of new customer acquisition and consequently for revenue growth and profitability within the Group. The utilization of mobile Internet advertising is becoming increasingly important. Available, efficient advertising volumes are becoming larger. Since 2014 the marketing spend for customer acquisition has been accounted for as an intangible asset and amortized over the customer's revenue lifecycle, which explains the level of the marketing costs in the current and past financial year.

Costs for Invoicing, Technology and Licenses

The costs for technology, mainly expenses for network operators and gateways that provide the technical connections with the network operators, are almost completely variable and vary significantly between countries. The share of end-customer revenue that goes to the network operators and gateways ranges from approximately 25% in some European markets to more than 70% in some other countries. In Europe the average network operators and gateway share was 39% in 2015 (2014: 40%), in North America the average network operators and gateway share was 64% in 2015 (2014: 65%). Due to the fact that CLIQ Digital generated a larger portion of her revenue in European countries (2015: 69%, 2014: 46%), with an opposite trend in North America (2015: 13%, 2014: 32%), a positive country mix effect resulted in a reduction of the costs for Invoicing, Technology and Licenses. Overall the costs for Invoicing, Technology and Licenses decreased with EUR 0.3 million, even though revenue increased by EUR 8.4 million.

Although a large part of CLIQ Digital's revenue is collected via mobile operators, a small share of the revenue is collected using alternative payment options such as credit card billing. The fees for credit card billing are significantly lower than for mobile operator billing.

The products that are marketed by CLIQ Digital are mainly licensed from third parties. A smaller number of products are developed in-house or by other companies commissioned by CLIQ Digital. A dedicated team within CLIQ Digital explores and investigates the digital mobile product market and is tasked with selecting and contracting parties who can deliver relevant mobile digital products for CLIQ Digital. As a result of licensing content as opposed to developing proprietary content, the licensing costs develop at the same pace as CLIQ Digital's revenue.

In addition to this, CLIQ Digital has other costs of sales, for instance for customer care. Customer satisfaction forms the focus of interest in this area. In this context, the company generally shows a lot of flexibility and goodwill where reimbursements are concerned. It is particularly important to take customers' wishes into account and to consider these when developing and licensing new products.

Financial Income and Expenses

The result from financial income and expenses decreased from EUR 1.4 million in 2014 to a negative result of EUR 0.9 million in 2015. In 2014 the financial income and expense were impacted by a one-time positive effect of EUR 2.0 million resulting from the restructuring of financing. In 2015 the financial income and expenses consisted mainly of interest and other financial expenses (2015: EUR 0.9 million; 2014 EUR 0.7 million).

Taxes on Income

The effective tax rate is impacted by the different national tax regulations of the countries in which CLIQ Digital's subsidiaries are located. Furthermore, the effective tax rate is impacted by tax loss carry forwards. Overall, the effective tax rate for 2015 amounts to 21.9% (2014: 37.9%). For a detailed analysis of the tax situation, see note (7) of the Financial Statements.

Currently a corporation and VAT-tax audit is conducted by the Dutch tax auditors regarding the business year 2013 on the Dutch fiscal units. Management does not expect any material impact of this audit.

b) Net Assets

(1) Intangible Assets

CLIQ Digital reported intangible assets of EUR 49.6 million as of 31 December 2015

(EUR 48.0 million in 2014). The most important component of intangible assets was goodwill (EUR 43.2 million), which was confirmed by an impairment test and remained unchanged from the previous year.

The intangible net assets specifically relating to marketing spend for customer acquisition amounted to EUR 5.8 million as at 31 December 2015 (2014: EUR 4.0 million).

Intangible assets created by the company itself decreased from EUR 0.7 million at 31 December 2014 to EUR 0.5 million at 31 December 2015. In 2015, the customer base resulting from the acquisition of CLIQ B.V. was amortized from EUR 0.1 million to EUR nil.

(2) Tangible Assets

The CLIQ Digital Group reported tangible fixed assets of EUR 0.5 million as of 31 December 2015 (EUR 0.7 million in 2014). These particularly comprise IT equipment. In the reporting year only EUR 33 thousand was invested in tangible assets (EUR 0.3 million in 2014). Depreciation amounted to EUR 0.2 million in 2015 (EUR 0.3 million in 2014).

(3) Deferred Tax Assets

At the 2015 balance sheet date, the deferred tax assets of CLIQ Digital amounted to EUR 2.5 million compared with EUR 2.9 million at 31 December 2014. The value of deferred tax was subjected to further detailed analysis in 2015. The analysis clarified the fact that the capitalized deferred tax can be utilized in the future. No deferred tax assets were formed based on tax losses for which carry forwards are uncertain.

(4) Trade Receivables

Trade receivables increased to EUR 4.7 million as of 31 December 2015 compared to EUR 2.0 million in the previous year. An improved invoicing process has led to this increase of trade receivables with an opposite effect on receivables arising from services that have not yet been invoiced, which decreased to EUR 3.9 million (2014: EUR 5.8 million). Other assets with maturities of less than one year, which include receivables arising from services that have not yet been invoiced, totaled EUR 5.1 million at 31 December 2015 (2014: EUR 7.2 million). Advance payments decreased to EUR 0.2 million (2014: EUR 0.9 million).

(5) Trade Receivables

Cash in hand and cash at banks amounted to EUR 66 thousand as of 31 December 2015 (2014: EUR 0.2 million).

c) Financial Position

(1) Principles and Objectives of Financial Management

The financial management of CLIQ is organized centrally at group level. The company pursues value-oriented financial principles in order to secure liquidity at all times and to be able to minimize any financial risks. CLIQ Digital also aims for a balanced profile in terms of due dates and maturities. Financing requirements are calculated using budgets and cash flow plans and are continually adjusted on the basis of current figures. Activities at CLIQ Digital currently focus on investments in growth and the core competencies.

(2) Cashflow

In 2015 CLIQ Digital generated a cash flow from its operating business of EUR 18.2 million (EUR 9.2 million in 2014). The increase in cash flow from operating activities is mainly caused by an increased EBITDA and an increase in Trade Payables and Other current liabilities. Cash flow from investing activities in 2015 amounted to EUR -17.3 million (EUR -13.9 million in 2014). This is primarily attributable to the substantial increase in investments in intangible assets amounting to EUR 17.3 million (EUR 13.5 million in 2014) as a result of an increase in marketing spend for customer acquisition, which is reported as an intangible asset. The cash flow from financing activities in 2015 amounted to EUR -4.8 million (EUR 0.8 million in 2014) and is the result of repayments of financial loans to Commerzbank.

The net cash flow for the year 2015 amounted to EUR -3.9 million (EUR -3.9 million in 2014). In the same period the utilized overdraft facility increased by EUR 3.7 million.

(3) Equity and Debt

Equity

CLIQ Digital reported consolidated equity of EUR 40.7 million as of 31 December 2015 (EUR 39.2 million in 2014). The company's share capital amounts to EUR 6,188,714.00, which consists of 6,188,714 listed shares.

The company held 4,000 treasury shares as of 31 December 2015 (previous year: 4,000 shares). The capital reserves rose by EUR 0.1 million during 2015 and currently stand at EUR 46.6 million (2014: EUR 46.5 million).

The negative consolidated retained earnings of EUR 13.5 million as of 31 December 2014 decreased to EUR 12.1 million as of 31 December 2015 as a result of the consolidated profit of EUR 1.4 million generated in 2015. No dividend was paid for the 2014 financial year. The dividend was waived due to increased marketing spend and debt repayments.

Debt Financing

Bank borrowings reported on 31 December 2015 correspond to two term loans provided by the Commerzbank AG of EUR 6.75 million (provided in February 2014) and EUR 3.50 million (provided in October 2014), with applicable interest rates of Euribor plus 3.45% and a final bullet payments of EUR 2.25 million and EUR 0.75 million in February 2016. The remaining part of the loans per 31 December 2015 is EUR 3.72 million.

In January 2016 CLIQ Digital signed a new loan agreement with Commerzbank AG to refinance the two final bullet payments of EUR 2.25 million and EUR 0.75 million as mentioned above. This new loan agreement with an original amount of EUR 3.00 million and an applicable interest rate of Euribor plus 2.85% includes a monthly redemption of EUR 0.30 million per month, started in March 2016 till December 2016. The Euribor of this loan has been fixed till the end of the contract date at 0.45% realized with an interest-swap contract.

Commerzbank AG also provided an overdraft facility with a fixed amount of EUR 7.00 million with an interest rate of Euribor plus 3.3% and a possibility to increase the overdraft facility to an amount of EUR 13.00 million based on borrowing base financing with an interest rate of Euribor plus 2.1%. Per 31 December 2015 the overdraft facility was utilized for an amount of EUR 11.20 million.

The financing agreements with Commerzbank contain financial covenants of a minimum equity ratio, an interest cover ratio and a net debt ratio. For the financial year 2015 all covenants are met.

Other liabilities amount to EUR 3.5 million (2014: EUR 3.2 million) and primarily consist of accruals for marketing costs and other COS.

(4) Investments in Intangible and Tangible Fixed Assets

The net financing requirement in the investment area amounted to EUR 17.3 million in 2015 (EUR 13.9 million in 2014). This almost completely comprised of the marketing spend for customer acquisition totaled EUR 17.2 million in 2014 (2014: EUR 13.4 million). An amount of EUR 0.1 million was invested in software for the provision and invoicing of services (intangible assets created by the company itself, amounting to EUR 0.2 million in 2014).

III FORECAST, OPPORTUNITIES AND RISK REPORT

A. Outlook

The Group is planning a substantial increase in marketing spend in the current financial year. As a result, CLIQ Digital is expecting a double-digit rise in its sales figures and double-digit percentage growth in revenue compared with the previous year. In the second part of 2016 CLIQ Digital expects that an increasing part of the revenues will be generated from outside Europe. Therefore CLIQ Digital expects that ARPU and CPA will decrease, whereby the ratio between ARPU and CPA can be kept at least at the 2015 level.

Development of key performance indicators

	2015	Target 2016
Number of Sales	2,263,852	Double digit percentage growth
ARPU (net-revenue per user for the first 6 months)	EUR 10.8	(Slight) decrease
CPA (costs per acquisition)	EUR 7.74	(Slight) decrease
ARPU/CPA (CLIQ-factor)	1.40	Stable
Marketing spend	EUR 17.53 Mio.	Double digit percentage growth
Customer Value Base	EUR 19.2 Mio.	Stable
Revenue	EUR 55.7 Mio.	Double digit percentage growth

B. Opportunities Report

USAGE OF SMARTPHONES

The market for mobile content is largely influenced by the technical capabilities of handsets/smartphones, the increase of the available bandwidth, and the ability for more and more people on the globe to be always online. As smartphones play an increasing role in many people's lives it is a huge opportunity for CLIQ Digital as a marketer and distributor of content and functional software for smartphones. CLIQ Digital pursues a strategy to obtain content from third-parties instead of being limited by a development team of its own. This enables CLIQ Digital to expand quickly and flexibly its product portfolio with a minimal time to market and without the need to build up in-depth knowledge required to develop successful products in new segments. The experience CLIQ Digital has in licensing third-party content makes CLIQ Digital a well-positioned party to enter a large variety of new areas.

AVAILABILITY OF CONTENT

CLIQ Digital's heterogeneous target market requires that CLIQ Digital offers a wide variety of products. Instead of building up a large creative and product development department, CLIQ Digital focuses on marketing and selling licensed content, and to a lesser extent on purchased content. A dedicated team within CLIQ Digital continuously explores and investigates the digital product market and is tasked to select and contract parties who can deliver relevant digital products for CLIQ Digital.

Especially due to the growing penetration of smartphones, CLIQ Digital expects an increased supply and demand for functional software applications for mobile devices. Therefore CLIQ Digital will, in its efforts to select and license the right content for its customers, increase its focus on this segment of the digital mobile products market.

INCREASING THE GLOBAL FOOTPRINT

In the last years, CLIQ Digital has gained a broad experience in successfully expanding to new markets. CLIQ Digital has developed well-established methods and instruments to reliably target, analyze, and successfully enter new markets. It will continue to use its experience to expand its business to other countries, which have a promising customer base for considerable profits.

Overall, CLIQ Digital sees sufficient opportunities for the profitable direct marketing of digital products in multiple geographical markets.

C. Report and Information in accordance with Section 315 (2) of the German Commercial Code (HGB)

The risk management methods and measures set up by CLIQ Digital aim to identify developments that jeopardize the company as a going concern at an early juncture. The reliability of the accounting and reporting systems as well as the compliance with the internal guidelines and legal regulations should be guaranteed by the internal control system which has been installed. A further target of the system is to increase the operating efficiency of the company.

RISK MANAGEMENT

CLIQ Digital organized the structure of the individual business units based upon the knowledge gained by the risk management evaluations made. Moreover, we have adapted the work processes to the knowledge obtained. For example, CLIQ Digital pays attention to a consistent separation of incompatible activities and in addition has introduced appropriate control ranges. Furthermore, CLIQ Digital places a high value on the non-overlapping of responsibilities. The clear allocation of responsibilities and controls when preparing the financial statements, and appropriate access regulations in the IT-systems of relevance to the financial statements, comprise key control elements in accounting. Simultaneously, CLIQ Digital has integrated controls into the work processes. The "4 eyes" principle ensures that no major process goes unchecked. With the addition of Ben Bos as a second member to the Management Board, this "4 eyes" principle is extended to Management Board level for decisions that need to be taken and sign off that needs to take place at this level.

CLIQ Digital has developed systems, methods and committees to implement and secure its business. These aim to allow the Managing Board to recognize any operating and financial risks at an early stage. It aims to ensure that critical information is passed on to the management directly and in good time. The CLIQ Digital Group prepares annual budgets and quarterly reforecasts based upon the experiences and forecasts of the managers responsible. Regular monthly comparisons of actual and target outcomes allows divergences to be calculated, and countermeasures to be taken where required. A similar approach is applied to liquidity planning. Risk management is based partly on internal financial accounting figures and partly on the Business Intelligence System (BIS). Risk management is also conducted on the basis of regular meetings and management reporting.

The aim of risk management is to generate an extensive overview of risks, as well as to identify them and correctly evaluate them at an early stage, in order to rapidly respond to them with appropriate measures.

The risk management system is based upon the following basic principles and objectives:

- Rapid overview of the actual risk situation within the Group
- Risk-oriented concentration on key business areas and processes, as well as requisite controls consistent disclosure and addressing of loopholes
- Implementation which is cost-aware and pragmatic, and which does not entail unnecessary bureaucracy
- Standardized perspective and approach for all controlling-relevant subareas

CLIQ Digital utilizes a management and controlling system to measure, monitor and control business growth and risks. Existing potential risks are monitored on an ongoing basis, and adequate activities to limit risks are put in place where possible. The daily measurement of efficiencies (media, products and technical efficiency) is very important for CLIQ Digital, since this serves as the basis for optimization, thereby allowing advertising measures and profitability to be managed.

DEALING WITH KEY POTENTIAL RISKS

CLIQ Digital's operational management is directly responsible for the early recognition, controlling and communication of risks. This allows the company to respond to potential risks both rapidly and comprehensively. The risk policy is geared to the aim of increasing the company's value in the long term.

D. Risks

MORE INTENSE COMPETITIVE ENVIRONMENT

The economic environment in the market of digital mobile products is highly competitive. CLIQ Digital faces various competitors in its entire business. It is exposed to the risk of increased competition by other companies who are currently active in associated markets and/or decide to expand to directly market digital mobile products due to the expected high growth rates of this market. It is possible that some of CLIQ Digital's competitors have significantly greater financial resources, better financing opportunities or higher technical resources and are therefore able to win market share from CLIQ Digital. In addition, it is possible that competitors source, develop and offer products or services which are superior to CLIQ Digital's products and services, or which may achieve greater market acceptance. Some competitors may also have more experience in marketing their products.

Furthermore, the barriers to entering the market of digital mobile products are low, since sourcing, developing and offering such products do not necessarily require voluminous investments or a complex technical infrastructure.

DEPENDENCY ON TECHNICAL DEVELOPMENTS

The market of digital products is a business subject to quick change. It is characterized by rapidly-changing technologies, frequent introductions of new or amended products and fast-changing customer demands. The success of CLIQ Digital highly depends on the Company's ability to duly anticipate and recognize new trends and developments in the use of digital products, to continuously improve its offered digital products to keep them attractive, to offer new products at the right time, to rapidly react on changing customer demands, and especially to attract and keep a considerable number of customers who are willing to pay for the products offered by CLIQ Digital. For this purpose, CLIQ Digital has to spend significant resources on market research and analysis, as well as on marketing to introduce new digital products. Decisions about these matters must often be made well in advance of product releases in order to timely implement them. CLIQ Digital's success therefore depends, in part, on unpredictable and volatile factors beyond its control, including consumer preferences, competing digital products, new mobile payment platforms and the availability of other entertainment activities. Furthermore, CLIQ Digital is dependent on developers and the quality of their products and their willingness and ability to continuously improve them.

DEPENDENCY ON NETWORK OPERATORS, TECHNICAL SERVICE-PROVIDERS AND INVOICING PARTNERS

When marketing its products, CLIQ Digital is dependent on external service providers. In particular, mobile network operators play an important role in the provision and invoicing of mobile and interactive services. The network operators' services include, to a certain extent, the billing of CLIQ Digital's digital products through telephone invoices and prepaid accounts, for which they receive a substantial part of the overall payments to be made by the end-customers. If such network providers change the technical framework or the financial terms of their services to the detriment of CLIQ Digital, CLIQ Digital may not be able to pass on such disadvantages to its customers. Additional risks arising from the co-operation with network operators are contractual penalties and temporary or structural failures of platforms, systems, data and settlement systems.

In addition, the involvement of technical service providers (for instance gateways which provide the connections to the network operators) always bears the risk of temporary or structural failures of platforms, systems, data and settlement systems. Further, the solvency of service providers themselves bears a separate risk which could affect, in particular, CLIQ Digital's ability to receive payments through the network operator's customer billing practice.

Besides mobile network providers, CLIQ Digital uses other payment methods and payment partners, e.g. PayPal, which also entail risks in connection with revenue losses or liability risks, for example due to settlement failures, hacker attacks or any failure of the service providers to meet their financial commitments towards CLIQ Digital.

TIGHTER LEGAL REQUIREMENTS AND REGULATION

CLIQ Digital is confronted with increasing requirements under telecommunication laws and regulations, as well as tighter regulations for marketing expressions, in particular an increasing level of laws for the protection of consumers. The markets for digital mobile products are young, characterized by permanent technical and commercial innovations and show strong growth. There is a tendency of certain governments, legislators, consumer protection associations, mobile network operators, data protection authorities and other authorities in some of the countries in which CLIQ Digital markets its products, to intensify regulations in certain areas that are relevant to CLIQ Digital's business activities. Here, the risk of overregulation exists, or even the discontinuation or banning of certain services or business models. Due to the advancing tightening of regulations, CLIQ Digital must respond to these changes, and partially adjust its own business model accordingly.

Shutdowns, fines or bans comprise particular risks in this respect. It is also important to respond quickly and adequately to such rapidly changing regulations.

DEPENDENCY ON END-CONSUMERS AND TRENDS

End-consumers, particularly young people, like to follow new trends. In other words, customers may no longer accept products that are popular today. This can have a negative effect on media efficiencies (e.g. the costs per new customer), price sensitivity, cancellation rates, prepaid credits, sales per customer, and products' market acceptance. The general economic situation can also strongly impact seasonality, price sensitivity, and target groups' purchasing power. Deterioration of the economic situation, for example through a widening of the financial crisis, or a collapse in consumer confidence, can have a negative effect on the company's revenue and profitability. The company can come under pressure due to a decline in customers' (potential) purchasing power. Consumers can also switch to other products or offerings due to technology convergence.

DEPENDENCY ON CONTENT PROVIDERS

Content-providers enjoy strong positions of power in certain areas, and can influence the business and its profitability. Particularly in the music area, in some countries differences of opinion prevail concerning the ownership of rights to the marketing of ring tones, and of music clips and music videos, and concerning different market participants (music publishers, the GEMA, recording industry companies, and aggregators). Mergers and international concentration are also occurring among content-providers. Some individual market participants own important and successful rights (e.g. games licenses, name rights, technical patents). Depending on the provider, price increases, minimum fees, or even restrictions or exclusions of particular providers can always occur. In the area of online games and mobile games, games are utilized which are licensed by third parties. License terms, cooperation, and, in particular, further technical developments represent important elements in this context, all of which can lead to complications.

DEPENDENCY ON MARKETING COMPANIES

The cooperation with marketing partners and the purchase of advertising space is very important to the business of CLIQ Digital. Legal or factual changes in the availability of media and advertising space (including through programming, broadcasters' orientation, regulation) could adversely influence CLIQ Digital's business. Also, CLIQ Digital must rely on the use of the marketing materials by its media partners being compliant with local laws, in order to avoid administrative fines, shutdowns or any other negative consequences. In addition, an increase in costs for advertising space could require that CLIQ Digital either increases its media and advertising budget or cuts back its media activities, which could result in a diminished visibility for customers. Also, intensified media and advertising activities of competitors could challenge CLIQ Digital's ability to defend its market position.

DEPENDENCY ON SOFTWARE, IT-SYSTEMS AND NETWORKS

Business operations, particularly the management of the range of services substantially relies on its in-house developed software and external software. It also relies on centralized, standardized information technology systems and networks to support business processes, as well as internal and external communication systems. Software, systems and networks are potentially vulnerable to errors, virus attacks, damages, interruptions and security threats from a variety of sources. The precautionary measures adopted by CLIQ Digital could prove insufficient to exclude the risks related to software, systems and network disruptions and threats, to outages in a data center and/or telecommunications networks utilized by CLIQ Digital's systems, to any security breaches or to any similar event.

DEPENDENCY ON MANAGERS AND STAFF

The future achievement of CLIQ Digital's strategic and operating goals depends on the ability to recruit qualified expert employees and executives and to retain them in the company in the long term. Intense competition in the market for digital mobile products has resulted in a shortage of qualified employees who have the necessary knowledge of the market, and the Company is in vigorous competition with its competitors for qualified employees.

RISKS RELATING TO ACQUISITIONS

CLIQ Digital intends to grow also by further acquisitions of businesses, companies and equity interests in companies. Such transactions, in particular the acquisition of entire enterprises, bear the risk that CLIQ Digital – despite a thorough due diligence exercise – overestimates the potential yield and synergies, but underestimates the transaction risks and, as a consequence, pays an excessive purchase price.

CASH FLOW RISK

CLIQ Digital operates in a capital-intensive market where sufficient media budgets are required to realize forecasted revenue growth. The forecasted operational cash flow is sufficient to make the redemption payments associated to the current loan agreements with Commerzbank, as well as to make the necessary investments in media. However, if, for whatever reason, the operational cash flow is lacking, the agreed redemption scheme with Commerzbank might limit CLIQ Digital in re-investing sufficient funds in marketing, which could impact the growth potential of CLIQ Digital.

RECEIVABLES DEFAULTS

Most of CLIQ Digital's receivables are due from a number of technical service-providers and network operators. The company could encounter financial shortfalls or problems if one of these partners encountered potential payment difficulties, or failed to pay for other reasons.

FINANCING WORKING CAPITAL THROUGH PREPAYMENTS

CLIQ Digital is generally required to pay media companies in advance. However, network operators, payment providers and technical service providers generally pay later. A part of this financing gap is financed through the borrowing base financing via the Commerzbank. The discontinuation of these prepayments without replacement funding, or the discontinuation of borrowing base financing, would make it more difficult to implement CLIQ Digital's growth strategy, and could have significant negative effects on the company's financial position and results of operations.

FOREIGN EXCHANGE RISKS

A significant part of the revenue of CLIQ Digital is denominated in a currency other than the base currency EURO. An adverse movement in the exchange rate of a local currency in relation to the EURO might impact the profitability of CLIQ Digital in the respective country.

BANK FINANCING

The business operations of CLIQ Digital are financed to a substantial degree through debt financing. Therefore CLIQ Digital's profitability can be negatively affected by substantial increases in interest rates. Furthermore, at some point in the future, CLIQ Digital must rely on being able to obtain refinancing at adequate terms.

DEPENDENCY ON MACRO DEVELOPMENTS

CLIQ Digital is subject to macroeconomic risks caused by the volatility of worldwide economic conditions. For example, concerns persist regarding the debt burden of certain Euro zone countries and their ability to meet future financial obligations, the overall stability of the euro and the suitability of the euro as a single currency, given the diverse economic and political circumstances in individual member states. An unfavorable economic development, be it on a regional or worldwide level, could result in a weak growth or even in market downturns, high unemployment, currency instability, increased counterparty credit risk and high levels of volatility, as well as other outcomes that might adversely impact CLIQ Digital's business.

YOUNG MARKETS

Statistical data on market shares, growth rates and revenues of providers of mobile and interactive value-added services are mainly based on estimates of market research institutes or on research of the providers themselves. Since the markets are young and dynamic, it is quite difficult to make accurate estimates. This is also due to the fact that there are no precise definitions of the market areas. Therefore, there is no accurate information available about the market size and the growth rates, actual or potential competitors or market trends.

RISKS RELATING TO RIGHTS OF THIRD PARTIES

CLIQ Digital markets digital products for mobile devices, which are mostly developed by external persons and enterprises. Since CLIQ Digital in most cases does not directly participate in the development process, its ability to prevent violations of third parties' intellectual property rights is limited. This concerns patents, copyrights and trademarks in particular, as well as any other intellectual property rights.

When distributing digital products, which infringe upon such rights, CLIQ Digital could inadvertently infringe upon third parties' intellectual property rights, too.

RISKS RELATING TO VAT, TRADE TAX AND CORPORATION TAX LOSS CARRIED FORWARDS

CLIQ Digital is subject to income tax in various countries. Significant judgment is required in determining the worldwide provision for income tax, and, in the ordinary course of business, there are many transactions and calculations where the ultimate tax determination is uncertain. CLIQ Digital is also required to estimate its tax obligations for the future.

Moreover, changes in tax legislation of the various jurisdictions CLIQ Digital is subject to, especially with regard to a possible limitation on the offsetting of loss carry-forwards, could have adverse effects on CLIQ Digital. Although they are not on a cash basis, deferred tax income and expenses can also have a substantial influence on consolidated profits.

Deferred tax income can also result from recognizing tax loss carry-forwards as an asset in the consolidated balance sheet.

HOLDING COMPANY AND LIABILITY RISK

CLIQ Digital AG is liable for Bob Mobile Deutschland GmbH on the basis of a profit-and-loss-transfer agreement. Artiq Mobile B.V., Bluetiq GmbH, Guerilla Mobile Asia Pacific Pte. Ltd., Bob Mobile Deutschland GmbH, Bob Mobile Hellas S.A., CLIQ B.V., Blinck Mobile Ltd., TMG Singapore PTE Ltd., The Mobile Generation Americas Inc., Cructiq AG, Just A Game Hellas S.A., Rheinkraft Production GmbH, GIM Global Investments Munich GmbH, iDNA B.V. and Grumbl Media B.V. comprise wholly-owned subsidiaries. CLIQ Digital AG acts as a supplier to these companies, and, in some cases — such as in the case of international master agreements with service providers — as the main contractual partner. As the parent company, CLIQ Digital AG partially assumes liability and guarantees, as well as the adoption of losses. CLIQ Digital AG's business also entails various liability risks. Liability risks can arise, for example, through customers and partners as the result of products, which are not received, which are defective, as well as through viruses. License providers, rights administrators, content sellers, content producers and brand owners can also give rise to risks as the result of licenses and rights that have not been acquired legally, or which have not been clarified. Media companies, network operators and other partners can give rise to risks as the result of erroneous invoices, system breakdowns, non-compliance with media or other regulations and/or agreements. Liability situations can also arise from regulators and consumer associations.

Above risks are frequently monitored via CLIQ Digital's risk management system and monthly reporting system. CLIQ Digital foresees an increasing impact of tighter legal requirements and regulations. Special attention is given to this subject to mitigate this risk.

Overall, it can be assumed that the risks have no implications for the going concern of CLIQ Digital.

IV. REPORTING PURSUANT TO SECTION 315 (2) OF THE GERMAN COMMERCIAL CODE (HGB)

No events have occurred after the balance sheet date, 31 December 2015, which are of essential importance to the CLIQ Digital Group and could lead to a reassessment of the company.

June 2016

The Management Board

Luc Voncken
Ben Bos

3 CONSOLIDATED FINANCIAL STATEMENTS

consolidated balance sheet

ACCORDING TO IFRS AS OF DECEMBER 31, 2015

ASSETS in EUR thousand	Note	31/12/2015	31/12/2014
NON-CURRENT ASSETS			
Intangible assets		**49,573.8**	**48,042.4**
Internally generated intangible assets	9	525.0	704.7
Customer Acquision Costs	9	5,832.2	4,029.7
Customer base	9	-	91.4
Goodwill	9	43,216.6	43,216.6
Tangible assets		**497.1**	**677.8**
Plant, operating and office equipment	10	497.1	677.8
Deferred tax assets	11	**2,514.3**	**2,878.2**
Total non-current assets		**52,585.2**	**51,598.4**
CURRENT ASSETS			
Receivables		**4,679.9**	**2,029.4**
Trade receivables	12	4,679.9	2,029.4
Miscellaneous receivables and other assets	13	**5,112.7**	**7,153.5**
Other assets (if residual term < 1 year)		5,112.7	7,153.5
Cash and cash equivalents	14	**65.9**	**220.9**
Total current assets		**9,858.5**	**9,403.8**
Total assets		**62.443,7**	**61,002.2**

EQUITY AND LIABILITIES in EUR thousand	Note	31/12/2015	31/12/2014
Equity			
SUBSCRIBED CAPITAL	15	**6,188.7**	**6,188.7**
Less: treasury shares	15	-4.0	-4.0
Total subscribed capital	15	6,184.7	6,184.7
Capital reserve	15	46,639.8	46,528.8
Consolidated equity generated by the parent company	15	-12,076.7	-13,492.2
Total equity		**40,747.8**	**39,221.3**
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	11	92.2	195.7
Bank borrowings (if residual term > 1 year)	18	7,000.0	10,718.8
Other liabilities (if residual term > 1 year)	18	46.5	86.5
Total non-current liabilities		**7,138.7**	**11,001.0**
Current liabilities			
Other provisions	17	823.1	1,327.8
Bank borrowings (if residual term < 1 year)	18	7,920.8	4,776.3
Trade payables	18	2,392.2	1,595.2
Other liabilities (if residual term < 1 year)	18	3,421.1	3,080.6
Total current liabilities		**14,557.2**	**10,779.9**
Total liabilities		**21,695.9**	**21,780.9**
Total equity and liabilities		**62,443.7**	**61,002.2**

consolidated statement of comprehensive income

ACCORDING TO IFRS FOR THE FINANCIAL YEAR FROM JANUARY 1 TO DECEMBER 31, 2015

in EUR thousand	Note	2015	2014
Revenue	1	55,707.9	47,318.1
Other work performed by the enterprise and capitalized	2	-	82.7
Personnel expenses	3	-6,355.8	-5,867.0
Wages and salaries		-5,744.2	-5,251.5
Pension-and Social security contributions		-611.6	-615.5
Depreciation, amortization and impairment charges	4	-17,391.3	-11,194.2
Amortization and impairment charges applied to intangible assets	9	-15,746.0	-10,942.3
Depreciation and impairment charges applied to tangible assets	10	-213.7	-251.9
Depreciation, amortization and impairment charges applied to current assets		-1,431.6	-
Other operating expenses	5	-29,366.0	-30,016.0
Operating profit / loss		2,594.8	323.6
Net financial result		-862.7	1,395.0
Other interest and similar income	6	15.9	2,060.9
Interest payments and similar expenses	6	-878.6	-665.9
Profit / loss on ordinary business activities		1,732.1	1,718.6
Taxes on income	7	-118.5	-655.0
Deferred taxes	7	-260.5	3.5
Other taxes		-	-29.6
Consolidated comprehensive income		1,353.1	1,037.5
Profit / loss attributable to Cliq Digital AG shareholders		**1,353.1**	**1,037.5**
Number of shares for calculation of basic earnings per share (in thousands)		6,188.7	4,071.9
Number of shares for calculation of diluted earnings per share (in thousands)		175.1	89.6
Basic earnings per share (in EUR)	8	0.22	0.25
Diluted earnings per share (in EUR)	8	0.21	0.24

cash flow statement

ACCORDING TO IFRS FOR THE FINANCIAL YEAR FROM JANUARY 1 TO DECEMBER 31, 2015

	in EUR thousand	2015	2014
1.	Net profit / loss for the period (including earnings attributable to non-controlling shareholders)	1,353.1	1,037.5
2.	+ Depreciation and amortization	15,959.7	11,194.2
3.	+ Increase in provisions	-504.7	-256.1
4.	- Other non-cash income	111.0	-2,124.9
5.	+/- Decrease/increase in trade receivables and other assets not attributable to investment or financing activities	-245.8	483.9
6.	-/+ Decrease/increase in trade payables and other liabilities not attributable to investing or financing activities	1,034.0	-1,623.1
7.	+/- Interest expense / Interest income*	474.5	483.9
8.	**= Cash flow from operating activities**	**18,181.8**	**9,151.1**
9.	+ Payments received from sale of tangible assets	0.3	-
10.	- Payments for investments tangible assets	-33.3	-330.5
11.	- Payments received from disposals of intangible assets	18.5	1.0
12.	- Payments for investments in intangible assets	-17,295.9	-13,539.9
13.	**= Cash flow from investing activities**	**-17,310.4**	**-13,869.4**
14.	+ Proceeds from additions to equity	62.4	2,457.6
15.	+ Proceeds from drawing down on financial loans	-	10,366.3
16.	- Payments for the repayment of financial loans	-4,352.5	-11,608.8
17.	- Interest Paid*	-474.5	-439.6
18.	**= Cash flow from financing activities**	**-4,764.6**	**775.5**
19.	**Net change in cash and cash equivalents**	**-3,893.2**	**-3,942.8**
20.	+ Cash and cash equivalents at the start of the period	-7,242.9	-3,300.1
21.	**= Cash and cash equivalents at the end of the period****	**-11,136.1**	**-7,242.9**

* Unlike 2014, the Interest paid in 2015 has been included in Cash flow from financing activities. For comparison purposes, the 2014 figures have been adjusted accordingly.

** Cash and cash equivalents include the overdraft facility for an amount of EUR 11,202.0 thousand (2014: EUR 7.463,8 thousand)

statement of changes in equity

ACCORDING TO IFRS AS OF DECEMBER 31, 2015

in EUR thousand	Subscribed capital ordinary shares	Capital reserve	Retained earnings	Equity	Treasury shares not designated for withdrawel	Equity as per consolidated balance sheet
Balance as of January 1, 2014	**4,445.7**	**45,878.2**	**-14,541.2**	**35,782.7**	**-4.0**	**35,778.7**
Issue of shares	1,743.0	871.5	-	2,614.5	-	2,614.5
Personnel expenses due to stock options	-	-64.0	-	-64.0	-	-64.0
Miscellaneous changes	-	-156.9	11.5	-145.4	-	-145.4
Net profit / loss for the period	-	-	1,037.5	1,037.5	-	1,037.5
Balance as of December 31, 2014	**6,188.7**	**46,528.8**	**-13,492.2**	**39,225.3**	**-4.0**	**39,221.3**
Issue of shares	-	-	-	-	-	-
Personnel expenses due to stock options	-	111.0	-	111.0	-	111.0
Miscellaneous changes	-	-	62.4	62.4	-	62.4
Net profit / loss for the period	-	-	1,353.1	1,353.1	-	1,353.1
Balance as of December 31, 2015	**6,188.7**	**46,639.8**	**-12,076.7**	**40,751.8**	**-4.0**	**40,747.8**

4 NOTES


OfficeSuite 7
Spreadsheet
Create new spreadsheet
PDF
Create new document
Sample templates
Home
Recent files
Templates
My documents
Internal storage
Remote files
Settings
Go Premium
Updates
Customer support
Help
KASPERSKY lab
MOBILE SECURITY
Schutz Ihrer Privatsphäre
Schutz bei Diebstahl oder Verlust
Blockiert unerwünschte Anrufe und SMS-Nachrichten
start
1 PC 1 YEAR
#GERMANSICHERHEIT
G DATA
INTERNET SECURITY
COMPLETE PROTECTION AGAINST VIRUSES
AND HACKERS VIA A RELIABLE FIREWALL
NEW!
NOW WITH
ACTIVE EXPLOIT
PROTECTION
G DATA
TRUST IN
GERMAN
SICHERHEIT

notes to the financial statements

GENERAL INFORMATION

CLIQ Digital is a leading sales and marketing organization for digital products with its own payment platform. The core business of the Group is the direct marketing and billing of its products to end-customers via online- and mobile-marketing channels. CLIQ Digital offers its customers attractive products and is a valuable strategic business partner for networks, developers, publishers and advertisers.

The Group conducts its development activities in multiple countries.

The Group parent company is CLIQ Digital Aktiengesellschaft (hereinafter referred to as “CLIQ Digital”), which is headquartered at Immermannstrasse 13, 40210 Dusseldorf, Germany. The company is entered in the commercial register of the Amtsgericht Dusseldorf (Commercial Register Sheet 69068). The shares of CLIQ Digital AG are listed on the Frankfurt Stock Exchange in the Open Market segment, forming part of the Entry Standard. Pursuant to Section 2 (5) of the German Securities Trading Act (WpHG), the Open Market does not comprise an organized or regulated market. The guidelines for Deutsche Börse AG‘s regulated unofficial market form the basis for including securities in the Open Market (Entry Standard). As a consequence, CLIQ Digital AG is not a capital market-oriented company pursuant to Section 264d of the German Commercial Code (HGB), and is also not obligated pursuant to Section 315a of the German Commercial Code (HGB) to prepare consolidated financial statements on the basis of International Financial Accounting Standards (IFRS). Due to characteristics relating to size, CLIQ Digital AG overall is not statutorily obligated to prepare consolidated financial statements, whether it be on the basis of German accounting standards, or IFRS. These consolidated IFRS financial statements are prepared voluntarily, to provide investors with additional financial information in line with capital markets expectations and to fulfill disclosure obligations to Deutsche Börse AG under the General Terms and Conditions of Deutsche Börse AG for the Open Market of the Frankfurt Stock Exchange.

The Group‘s financial year starts on January 1 and ends on December 31 of each calendar year.

CLIQ Digital AG‘s functional currency and reporting currency is the Euro. These consolidated financial statements are prepared in Euros since this is the currency in which most of the Group‘s transactions are realized. Reporting is in thousands of Euros (EUR thousand), unless stated otherwise.

In order to improve the clarity of presentation, various items in the consolidated balance sheet and consolidated statement of comprehensive income are reported on a summarized basis. These items are presented and explained separately in the notes to the consolidated financial statements. The statement of comprehensive income is presented according to the nature of expense method.

Application of international financial reporting standards (IFRS)

In this version, these consolidated financial statements correspond with the regulations of Section 315a of the German Commercial Code (HGB). This forms the legal basis for Group financial accounting according to IFRS in Germany together with EC Directive No. 1606/2002 of the European Parliament and Council of July 19, 2002, concerning the application of international accounting standards, and is applicable for financial years commencing on or after January 1, 2005.

CLIQ Digital prepared its consolidated financial statements as of December 31, 2015 according to full IFRS. In these consolidated financial statements all IFRSs were applied which were relevant, and which were approved by the European Commission as of December 31, 2015 as part of the “endorsement” process relating to mandatory application that was envisaged for this purpose.

The following standards and revisions of standards by the IASB, which were approved by the IASB in the current reporting period or in previous reporting periods, did not yet require mandatory application for the current reporting period, and were also not take into consideration in the 2015 financial year:

Standard/ Inter-pretation	Content of the amendment	Publication by the IASB	Mandatory application	Adoption by the EU	Prospective effects on Cliq Digital
IFRS 9	Financial Instruments: Removes the multiple classification and measurement models for financial fixed assets required by IAS 39 and introduces a model that has only two classification categories: amortized cost and fair value.	11/2013	1/1/2018	No	No
IFRS 11	Joint arrangements: investment entities.	5/2014	1/1/2016	No	No
IFRS 14	Regulatory Deferral-Accounts (interim Standard)	1/2014	1/1/2016	No	No
IFRS 15	Revenue from Contracts with Customers: IFRS 15 replaces IAS 18 "Revenue", IAS 11 "Construction Contracts" and a number of interpretations related to sales.	5/2014	1/1/2018	No	No
IAS 16/ IAS38	Property, Plant and Equipment and Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortization tangible and intangible fixed assets.	5/2014	1/1/2016	No	No
IAS 16/ IAS 41	Property, Plant and Equipment Amended by Agriculture: Bearer Plants	6/2014	1/1/2016	No	No
IAS 27	Equity Method in Separate Financial Statements: The amendments reinstate the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.	8/2014	1/1/2016	No	No
IFRS 10/ IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business.	9/2014	1/1/2016	No	No
IFRS 9	Financial instruments: Amended guidance for the classification and measurement of financial assets.	7/2014	1/1/2018	No	No

We intend to take into account in our annual consolidated financial statements the standards, interpretations and amendments presented in the table above if they require mandatory obligation pursuant to European Union regulations. At the time when the notes to these consolidated financial statements were prepared, we anticipate no effects on the consolidated financial statements of CLIQ Digital AG from the regulations that have not yet been applied early.

Consolidation methods

CONSOLIDATION SCOPE

The Group financial statements as of December 31, 2015 include subsidiaries. Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

In the fiscal year 2015 the group of consolidated companies changed as a result of the following:

- Grumbl Media B.V. was established on 17 November 2015
- Run The Red Ser. EM was liquidated on 11 September 2015

The number of consolidated companies in fiscal year 2015 changed as follows:

	Germany	The Netherlands	Other Countries	Total
January 1	4	3	8	15
Acquisition	-	-	-	-
Astablish	-	1	-	1
Liquidation	-	-	-1	-1
December 31	**4**	**4**	**7**	**15**

Please refer to Note 24 in these notes to the consolidated financial statements for the listing of the Group‘s shareholdings pursuant to Section 313 (2) of the German Commercial Code (HGB).

CONSOLIDATION PRINCIPLES

These consolidated financial statements are based on uniform Group regulations as of December 31, 2015, and the annual financial statements of the companies included in the Group for the comparable period as of December 31, 2014.

Business Combinations are applied in accordance with IFRS 3. According to IFRS 3, business combinations are to be accounted for using the purchase method, whereby the acquired assets, liabilities and contingent liabilities are recognized at fair value. The positive difference between the purchase costs of the corporate merger and the interest in the fair value of the recognized assets, liabilities and contingent liabilities is reported as goodwill.

In the case of mergers arising from January 1, 2010 (transition date IFRS), minority interests are also calculated as the fair values of the assets, liabilities and contingent liabilities (full goodwill method).

Mutual receivables and liabilities between the companies included in the financial statements, intragroup income and expenses, and intragroup profits and losses arising from intragroup deliveries, are eliminated. Deferred taxes were recognized for earnings-effective consolidation transactions where required.

CURRENCY TRANSLATION

In the separate financial statements of consolidated companies prepared in local currency, foreign-currency transactions are reported with the cash rates prevailing on the transaction date. Monetary items denominated in foreign currencies (cash and cash equivalents, receivables and liabilities) are measured at the cash mid-rate prevailing on the balance sheet date. Exchange-rate gains and losses arising from the measurement or unwinding of the monetary items are reported in the statement of comprehensive income. Non-monetary items are recognized at historic rates.

Pursuant to IAS 21, annual financial statements prepared in foreign currencies are translated into euros according to the functional currency concept. The functional currency is the currency in which a foreign company predominantly generates its cash inflows, and makes payments. Since the Group companies operate their businesses independently from a financial, economic and organizational perspective, the functional currencies are generally identical with the respective national currencies. The respective national currency of the subsidiaries included in the consolidated financial statements of CLIQ Digital AG is the euro. As a consequence, the euro is utilized as the functional currency for CLIQ Digital AG and the subsidiaries included in the consolidated financial statements.

General accounting and measurement priciples

The consolidated financial statements are prepared on the basis of standard Group accounting and measurement methods. The accounting and valuation principles have been retained unchanged compared to the previous year.

Assets and liabilities have been valued at historical acquisition/production cost, with the exception as far as relevant of financial instruments classified as “financial asset or financial liabilities at fair value through profit or loss” and derivatives, which have been included at their fair value.

ASSUMPTIONS AND ESTIMATES

When preparing the consolidated financial statements, assumptions and estimates are made that affect the level and recognition of the recognized assets and liabilities, income and expenses, and contingent liabilities.

These assumptions mainly relate to the standard Group determination of the economic useful lives of intangible assets, and of property, plant and equipment.

The estimates which are applied significantly affect the calculation of discounted cash flows as part of impairment tests, other provisions, and the extent to which future tax reliefs can be realized.

Estimates are based on empirical values and assumptions which are valid as of the balance sheet date, and which are regarded as appropriate under the given circumstances. They are based on the future business trend that is deemed to be the most likely. Developments among banks and providers of similar services, as well as the corporate environment, are also taken into account. The estimates and the underlying assumptions are reviewed continuously. Nevertheless, the actual values can diverge from the assumptions and estimates in individual cases if the aforementioned general circumstances differ on the balance sheet date compared to how they were expected to develop. Changes are carried through profit and loss on the date when better information is gained, and the assumptions are adjusted accordingly.

Concerning the assumptions that are made, and the estimates that are applied, please refer to further remarks in this section, as well as to the further reaching comments relating to the statement of comprehensive income and the balance sheet, as well as those relating to other information.

Revenue

Revenue from the transfer of utilization rights for mobile applications is reported as soon as the inflow of an economic benefit arising from the sale is sufficiently likely, and the level of revenue can be determined reliably. No revenue is reported if significant risks exist relating to the receipt of the consideration, or if the customer is unable to realize the utilization right for reasons for which the customer does not bear responsibility.

If the transfer of utilization rights comprises a determinable partial amount for several or consecutive payments (multi-component agreements), the assignable revenue is deferred, and released through profit and loss over the duration of the utilization right. Such releases are generally performed in line with the rendering of services.

Revenues are generally reported at the fair value of the consideration received, or to be received, after deducting VAT and other taxes, as well as after deducting sales reductions such as bonuses or rebates.

Research and development costs

Pursuant to IAS 38, research costs cannot be capitalized. Development costs must be capitalized if certain and precisely designated preconditions exist. Accordingly, capitalization is always required if the development work is sufficiently likely to result in a future inflow of financial resources which also cover the corresponding development costs above and beyond normal costs. Various criteria set out in IAS 38.57 must be cumulatively satisfied with regard to the development project, the application to be developed, and platform components be developed. Development costs for applications or platform components are recognized at cost if the assignable expenditures can be measured reliably, and both technical feasibility and successful marketing are ensured. It must also be sufficiently likely that the development work will generate future economic benefit. Capitalized development costs include all costs directly attributable to the development process including development-related overhead costs. Capitalized development costs are generally amortized from the production start across the expected product life-cycle, generally comprising 3 to 5 years.

A significant portion of development costs within the Group comprises further developments and improvements of already existing applications and platform components, which fail to satisfy the criteria for separate capitalization as development costs pursuant IAS 38. In addition, individual development projects are frequently subject to approval and certification procedures so that the conditions for capitalization of costs arising before approval are frequently not satisfied

Borrowing costs

Borrowing costs are expensed on the date when they are incurred. The direct allocation of borrowing costs to the purchase or manufacturing of a qualified intangible asset, which could accordingly generate purchase or manufacturing costs, is not performed.

Taxes

Taxes on income comprise both current and deferred taxes. Such taxes are reported in the statement of comprehensive income, unless they relate to items that are reported directly in equity. In such instances, the corresponding taxes are carried directly to equity.

Current taxes on income comprise the taxes expected to be paid for the year based on the tax rates prevailing in the respective year, as well as any corrections to prior years‘ taxes.

Deferred tax is recognized for temporary differences between the tax values of assets and liabilities, and their amounts as recognized in the consolidated financial statements. Deferred tax assets are also recognized for the future utilization of tax loss carryforwards. Deferred tax assets on temporary differences and loss carryforwards are recognized at the level at which it is likely that sufficient taxable income will be available in future in order to utilize them. Deferred taxes are recognized at the tax rates which are currently valid for the period or applicable in the future in the individual countries as of the balance sheet date, and on which the temporary differences will prospectively be reversed, or on which the loss carryforwards will prospectively be utilized.

Deferred tax assets are netted with deferred tax liabilities if entitlement to the offsetting of actual taxes exists, and the items relate to taxes on income which are levied by the same tax authorities, and which arise at the same company, or within the same tax entity.

Intangible assets

Intangible assets are recognized at cost and, since the useful lives can be categorized as limited (except goodwill), they are amortized straight-line over their respective useful lives. This does not apply to the customer base and customer acquisition costs for subscriptions; these are amortized based on the customer's revenue life-cycle, which means that the amortization is proportional to the expected realization of the average customer's revenue per comparable customer group over the life time of the customer (in average 18 months). Where indications exist that intangible assets are impaired, and an impairment test is subsequently performed, an impairment loss is reported if required. If the reasons for the impairments no longer apply, corresponding reversals of impairment losses are carried through profit and loss up to a maximum of the amortized cost.

The maximum duration of amortization for industrial property rights and licenses is five years.

Amortization and impairment losses applied to intangible assets are reported in the consolidated statement of comprehensive income under the "Amortization and impairment charges applied to intangible assets" item.

As in the previous year, no reversals were made to impairment losses applied to intangible assets (except for last year's marketing expenses for customer acquisition – see also "Impairment"). No borrowing costs were capitalized for intangible assets in the financial year elapsed.

In accordance with IFRS 3, amortization is not applied to goodwill to be recognized in the case of this and future corporate mergers. Instead, only impairment losses are applied if determined. It should be noted already that any impairment losses incurred on goodwill cannot be reversed in subsequent reporting periods.

Tangible assets

Tangible assets are recognized at cost less depreciation and impairment losses. Tangible assets were not re-measured in line with the IAS 16 option.

Where indications exist that tangible assets are impaired, and an impairment test is subsequently performed, an impairment loss is reported if required. If the reasons for the impairments no longer apply, corresponding reversals of impairment losses are carried through profit and loss up to a maximum of the amortized cost.

Cost comprises the purchase price, incidental purchase costs, and subsequent purchase costs less any purchase price reductions received.

Other plant, operating and office equipment is predominantly depreciated over a period of between three and five years. Straight-line depreciation is applied to tangible assets in line with the economic useful life.

Current year depreciation and impairment losses are reported in the "Depreciation and impairment charges applied to tangible assets" item in the statement of comprehensive income.

Costs for repairing property, plant and equipment, such as maintenance expenses, are generally carried through profit and loss.

As in the previous year, no reversals of impairment losses applied to tangible assets were performed in the year under review. No borrowing costs were capitalized for tangible assets in the financial year elapsed.

Impairment

With the exception of deferred tax assets (see taxes), and financial assets (see financial instruments), the carrying amounts of the Group's assets are examined as of the balance sheet date as to whether indications of impairment exist as per IAS 36. If such indications exist, the recoverable amount of the asset is estimated, and impairment losses, if required, are expensed.

Goodwill arising on acquisitions exists as a result of the merger with Cliq B.V. in the financial year 2012. The retention of the value of this goodwill with an indefinite useful life (2015 EUR 43,216.6 thousand; 2014 EUR 43,216.6 thousand) is tested with an annual impairment test on the balance sheet date which is based on assumptions pertaining to the future. The impairment test is based on determining the Recoverable Amounts of cash-generating units ('CGU') in comparison of their Carrying Amounts as part of the annual impairment test. The Recoverable Amounts have been determined on the basis of the 'Income Approach' and have been benchmarked with the 'Market Approach', more specifically the 'Comparable Companies Approach'. The impairment test also considers various sensitivities on the Recoverable Amount as indicated by the Income Approach to test the robustness of the impairment test outcome.

For the purpose of impairment testing, goodwill is allocated to each of the CGU's, or groups of CGU's, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Within CLIQ Digital we have defined the following CGU's:

- "CLIQ AG" (formerly Bob Mobile AG group activities): covering the German language countries (Germany, Austria, and Switzerland (DACH));
- "CLIQ B.V." (formerly Cliq BV group activities): covering the remaining countries with Mexico, France, Poland and the Netherlands as the main countries.

The management planning for the next two years which is used within the 'Income Approach' is derived from past developments and the expectations with respect to future market developments and does not include any restructuring activities that the group is not yet committed to or any capital expenditure related to its ordinary business that will enhance the earnings of the CGU's being tested. Significant planning assumptions relate to revenue and media spend growth per country and the development of ARPU (Average Revenue Per User) and CPA (Customer Acquisition Costs). Cash-flows beyond the two-year planning period are extrapolated, based upon a conservative approach, using the estimated growth rates as stated below:

Value Driver	2018-2024	Terminal Value Period
Gross Revenue (growth rate)	0.0%	0.0%
Sales Third Parties	2017 % of Gross Revenues	
Marketing Spend	2016-2017 % of Net Revenues	
Staff Expenses	2017 % of Net Revenues	
Other OpEx	2017 % of Net Revenues	
Corporate Income Tax Rate	CLIQ A.G.: 29.7% CLIQ B.V.: 26.7%	
Net Working Capital	2017 % of Net Revenues (10.9%)	
Other D&A - Other OpEx	2017 % of Net Revenues (other OpEx and other D&A set equal to 100,000 annually on a considered level)	
WAAC	CLIQ A.G.: 8.5% CLIQ B.V.: 9.5%	

The cash flow projections are discounted following the Discounted Cash Flow (DCF) method at pre-tax interest rates ('WACC') as stated in the table above (2014: 9.5% for the CGU "CLIQ A.G." and 9.0% for the CGU "CLIQ B.V.").

Fair value measurement

In accordance with IFRS 13 Fair Value Measurement, for financial instruments which are measured at fair value, the valuation method should be disclosed. The different levels within IFRS 13 have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The Finance Director is responsible for the valuations of the concerning assets and liabilities required for financial reporting purposes. The Finance Director reports directly to the Management Board. Discussions of valuation processes and results are held between the Finance Director and the Management Board at least once every quarter, in line with the group's quarterly reporting dates.

Leasing

According to IAS 17, a lease is an agreement where the lessor transfers to the lessee the right to utilize an asset for an agreed period in return for payment, or a series of payments. A differentiation is made between finance leases and operating leases. Finance leases comprise leases where the lessee essentially bears all risks and opportunities connected with the ownership of the asset. All other leases are designated as operating leases.

In the case of an operating lease, CLIQ Digital expenses the lease installment to be paid as lessee.

If CLIQ Digital is a lessee in a finance lease, the lower of the fair value and the present value of the minimum lease payments at the start of the lease is capitalized on the balance sheet, and the liability is recognized under bank borrowings at the same time. The minimum lease components primarily comprise financing costs and the repayment share of the residual liability. The leased object is depreciated over the estimated useful life or the contractual duration, whichever is shorter. The lease installments repaid are split into a repayment component and interest expenses according to the effective interest method.

All leases are classified as operating leases at the time of the transition to IFRS and subsequently.

Other receivables and liabilities

Non-financial assets and liabilities, as well as deferred and accrued items, and prepayments, are recognized at amortized cost.

Financial instruments

Basic principles

Financial assets are reported if CLIQ Digital is entitled to a contractual right to receive cash, cash equivalents, or other financial assets from another party. Financial liabilities are reported as soon as CLIQ Digital is obligated to transfer to a third party cash, cash equivalents, or other financial assets. Normal market purchases and sales of financial assets are generally recognized on the settlement date. By contrast, purchases and sales of securities are recognized with the bank's invoicing price on the trade date, and derivative transactions at cost on the trade date.

Financial assets and liabilities are initially measured at fair value. The carrying amount of financial instruments that are not subsequently measured at fair value through profit and loss also includes directly attributable transaction costs.

Subsequent measurement of financial instruments recognized within the Group is performed using the measurement categories defined in IAS 39 Financial Instruments: Recognition and Measurement:

- Financial assets and liabilities measured at fair value through profit and loss (FVTPL) and held for trading (HfT): fair value
- Held to maturity investments (HtM)): amortized cost
- Loans and Receivables (LaR): amortized cost
- Available-for-Sale financial assets (AfS): fair value
- Financial liabilities at cost (FLAC): amortized cost

No transfers occurred between the IAS 39 measurement categories, either in the year under review (2015), or in the comparable year (2014).

Financial assets and financial liabilities are not netted with each other.

Pursuant to IAS 39, in cases where substantial objective indications point to an impairment of financial assets, corresponding impairment losses are applied. This entails reviewing the carrying amounts of individual financial assets that are not measured at fair value through profit and loss with respect to the need for valuation adjustments to reflect impairment. Examples of objective indications include significant financial difficulties on the part of the debtor, the discontinuation of an active market, as well as significant changes to the technological, market-related, economic or legal environment. In the case of equity instruments, a significant or long-lasting reduction in fair value comprises an objective indication of value impairment. Impairment losses are reported in the statement of comprehensive income within the “Other operating expenses” item. All identifiable default risks were taken into sufficient account through corresponding risk provisions. The theoretically maximum remaining default risk from financial assets corresponds to their amounts as entered in the balance sheet.

Financial assets are derecognized if the contractual rights to payments arising from the financial assets expire, or if the financial assets are transferred with all significant opportunities and risks. Financial liabilities are derecognized as soon as the contractual obligations are settled, cancelled or expire.

Information about risk management can be found both under Note 20 and also in the section of the Group management report devoted to risk reporting.

Financial assets

The regulations of IAS 39 divide financial instruments into “financial assets measured at fair value through profit and loss”, “financial investments held to maturity”, “financial assets available for sale” or “loans and receivables”. Equity participating interests whose fair value can be reliably determined are classified as “financial assets measured at fair value through profit and loss”. If fair value cannot be determined reliably, equity participating interests are classified as “financial assets available for sale”, and are measured at cost.

Receivables and other assets

Receivables and other assets are divided into “trade receivables”, “receivables from companies in which the company has a participating interest” and “miscellaneous receivables and other assets”.

On initial recognition, “trade receivables” are recognized at fair value while taking into account directly attributable transaction costs. They are measured at amortized cost in subsequent periods due to their classification as “loans and receivables”.

Both non-financial assets and financial assets are reported under the item “miscellaneous receivables and other assets”. With the exception of derivative financial instruments, financial assets are allocated to the “loans and receivables” IAS 39 measurement category, are recognized on the first recognition date at fair value while taking into account directly attributable transaction costs, and are measured in subsequent periods at amortized cost while applying the effective interest method. Non-financial assets are measured according to the respectively applicable standards.

Cash and cash equivalents

Cash in hand and cash at banks is reported under this item. Cash in hand and cash at banks is allocated to the IAS 39 “loans and receivables” measurement category, is recognized on the first recognition date at fair value while taking into account directly attributable transaction costs, and is measured in subsequent periods at amortized cost while applying the effective interest method. Foreign currency positions are measured at the mid-rate prevailing on the balance sheet date. Cash at banks carries a residual term of up to three months on acquisition.

Financial liabilities

Primary financial instruments comprise bank borrowings, trade payables, and other non-derivative financial liabilities. Trade payables and other non-derivative financial liabilities include liabilities existing as of the balance sheet date for invoices that have not yet been settled, loan obligations, liabilities to employees, and related obligations. Pursuant to IAS 39, primary financial liabilities are initially recognized at fair value. In this context directly assignable transaction costs are taken into account. They are measured at amortized cost in subsequent periods.

Provisions for employee benefits

The Group has no pension plan for the German entities, only one plan with a Dutch entity for employees working in The Netherlands. The Dutch plan is financed through contributions to pension providers such as insurance companies. The pension obligations are valued according to the ‘valuation to pension fund approach’. This approach accounts for the contribution payable to the pension provider as an expense in the profit and loss account.

Other provisions

Other provisions are recognized for legal or notional obligations to third parties arising from past events, as well as for agreements containing charges if the outflow of funds to settle the obligations is likely and can be reliably estimated.

Other provisions are measured according to IAS 37 Provisions, Contingent Liabilities and Contingent Assets. Provisions are measured based on best possible estimates in this context. No interest is applied due to the short-term nature of these provisions. Compensation claims against third parties are capitalized separately from provisions if their realization is almost certain.

- **Share-based compensation transactions**

Stock options, in other words, share-based compensation transactions that are settled with equity instruments, are measured at fair value on the vesting date. The fair value of the obligation is reported as personnel expenditure within equity over the entitlement period. The stock options' fair value is calculated using the internationally recognized Black-Scholes-Merton formula.

The share-based program for Management Board and employee compensation includes an option for CLIQ Digital AG to satisfy the options in either cash or CLIQ Digital AG ordinary shares. As of the balance sheet date, the company does not intend to satisfy share-based compensation in cash.

SUPPLEMENTARY INFORMATION ABOUT ITEMS IN THE STATEMENT OF COMPREHENSIVE INCOME, THE BALANCE SHEET, THE CASH FLOW STATEMENT, AND THE STATEMENT OF CHANGES IN EQUITY

(1) Revenue

All revenue is generated from mobile value-added services. The distribution of revenue per continent can be found in Chapter II. C of the Group Management Report.

(2) Work performed by the enterprise and capitalized

In 2014 this item primarily comprises personnel expenses connected with the capitalization of development costs for the Cerebro platform.

(3) Personnel expenses

Personnel expenses include obligations to salaried employees. In the fiscal year 2015 no development costs have been capitalized (2014: capitalized costs for the Cerebro platform).

The personnel expenses are composed as follows:

In EUR thousand	2015	2014
Wages and salaries	5,744.2	5,251.5
Pension contributions	30.1	42.0
Social security contributions	581.5	573.5
Total	**6,355.8**	**5,867.0**

(4) Depreciation, amortization and impairment losses

For more information about depreciation, amortization and impairment charges applied to intangible assets and tangible assets please refer to the remarks on intangible assets (note 9) and tangible assets (note 10).

(5) Other operating expenses

Other operating expenses include the following expenses:

In EUR thousand	2015	2014
Marketing costs	346.2	294.7
Costs for technology, licenses and other COS	26,825.8	27,052.5
Premises costs	387.9	416.3
Travel costs	454.7	267.1
Professional Fees	1,037.8	1,238.3
Supervisory Board Compensation	52.0	50.6
Costs related to Capital increase	-	146.2
IT costs	389.3	445.6
Other	-127.7	104.7
Total	**29,366.0**	**30,016.0**

(6) Financial income and financial expenses

Financial income and financial expenses are composed as follows:

In EUR thousand	2015	2014
Financial income		
Interest income	15.9	-
Other financial income	-	2,060.9
	15.9	**2,060.9**
Financial expenses		
Interest expenses	-490.4	-439.6
Other financial expenses	-388.2	-226.3
	-878.6	**-665.9**
Total	**-862.7**	**1,395.0**

Other financial income 2014 primarily consists of settlements concluded on the redemption of the former ABN Amro loans and (former) shareholder loans.

(7) Taxes on income

In EUR thousand	2015	2014
Currrent taxes on income - Germany		
Corporation taxes	46.3	78.9
Trade taxes	-	74.9
	46.3	**153.8**
Currrent taxes on income - The Netherlands		
Corporation taxes	4.6	404.3
Trade taxes	-	-
	4.6	**404.3**
Currrent taxes on income - Abroad	**67.6**	**96.9**
Total Currrent taxes on income	**118.5**	**655.0**
Total Deferred taxes on income	**260.5**	**-3.5**
Total Taxes on income	**379.0**	**651.5**

The reported current taxes on income in Germany and The Netherlands comprise taxes on income for the 2015 financial year, and income from the partial release of tax provisions formed in the previous year. This also applies to current taxes on income for subsidiaries based abroad (i.e. not Germany or The Netherlands), which are calculated according to the national tax regulations relevant for the individual companies.

The deferred taxes arise from the different timing of the valuations between the individual companies' tax accounts and the valuations in the consolidated balance sheet in line with the liability method, as well as from tax loss carryforwards. Decisive for the assessment of the value-retention of deferred tax assets is the assessment of the likelihood of the reversal of the valuation differences, and the extent to which loss carry forwards that have resulted in the deferred tax assets can be utilized. This depends on the generation of future taxable earnings during the period in which the tax valuation differences reverse, and in which tax loss carryforwards can be asserted. Due to past experience, and the expected tax income situation, CLIQ Digital assumes that a part of the corresponding benefits can be realized from the deferred tax assets. As a consequence, deferred tax items are recognized to the extent to which the application of the tax losses is likely over the next years. Tax loss carry forwards of EUR 10,151 thousand were available as of December 31, 2015 (2014: EUR 12,106 thousand), and temporary differences resulting in deferred tax assets of EUR 2,363 thousand (2014: EUR 1,242 thousand) and temporary differences resulting in deferred tax liabilities of EUR 3,988 thousand (2014: EUR 3,334 thousand). No deferred tax assets were formed for the tax losses of which carry forwards are uncertain. The tax loss carry forwards that were not taken into account for this reason amount to EUR 102 thousand.

As of December 31, 2015, all German and Dutch deferred taxes on temporary differences were calculated, as in the previous year, on the basis of a combined rounded 30% tax rate (for Germany) and 25% tax rate (for The Netherlands), and of between 20% and 25% for other foreign (i.e. not Germany or The Netherlands) deferred taxes. As in the previous year, the recognition of deferred taxes on German tax loss carry forwards were based throughout on tax rates of 14% for trade tax, and 16% for corporation tax and the Solidarity Surcharge.

Currently a corporation and VAT-tax audit is conducted by the Dutch tax auditors regarding the business year 2013 on the Dutch fiscal units. Management does not expect any material impact of this audit.

The following table shows the reconciliation between the expected tax expense and the actual tax expense:

In EUR thousand	2015	2014
Profit (+) / Loss (-) on ordinary business activity	1,732.1	1,718.6
Expected tax expense (+) / Income (-) given a 30% tax rate	519.6	515.6
Deviations from the expected tax expense		
a. Capitalized losses carried forward	-113.9	50.8
b. Taxes for prior years (current)	46.3	-80.0
c. Taxes for prior years (deferred)	130.1	153.8
d. Taxation differences between domestic and foreign operations	-29.0	-38.7
e. Tax effect of non taxable income and non tax deductable costs	-117.1	
f. Others	-57.0	50.0
Total adjustments	-140.6	135.9
Actual tax expense	**379.0**	**651.5**

The effective tax rate amounts to 21.9% (2014: 37.9% relating to the amounts of the loss).

The tax deferrals are allocated to the following balance sheet items:

	2015		2014	
In EUR thousand	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets	639.6	1,181.9	375.8	973.0
Tax loss carry forwards	2,964.4	-	3,279.7	-
	3,604.0	**1,181.9**	**3,655.5**	**973.0**
Netting of deferred tax assets and liabilities	**2,514.3**	**92.2**	**2,878.2**	**195.7**

(8) Earnings per share

Basic earnings per share are calculated by dividing the share of earnings attributable to CLIQ Digital AG shareholders by the weighted average number of shares in issue. Diluted earnings per share also take into account all shares that can potentially be issued due to the stock option program (Note 15).

In EUR thousand	2014	2014
Profit/loss attributable to Cliq Digital AG shareholders	1,353.1	1,037.5
Number of shares in circulation as of January 1	6,188,714	4,445,699
Number of shares in circulation as of December 31	6,188,714	6,188,714
Weighted average number of shares in issue	6,188,714	4,674,980
Basic earnings per share (in EUR)	**0.22**	**0.22**
Number of potentially dilutive ordinary shares	175,050	44,050
Weighted average number of shares for the calculation of diluted earnings per share	6,363,764	4,719,030
Diluted earnings per share (in EUR)	**0.21**	**0.22**
Number of shares in circulation as of December 31	6,188,714	6,188,714
Basic earnings per share (in EUR) devided by the number of shares as per year end	**0.22**	**0.17**
Number of potentially dilutive ordinary shares as per year end	175,050	44,050
Number of shares for the calculation of diluted earnings per share as per year end	6,363,764	6,232,764
Diluted earnings per share (in EUR) devided by the number of shares as per year end	**0.21**	**0.17**

(9) Intangible assets

Intangible assets reported the following changes:

in EUR thousand	Internally generated intangible assets	Cus-tomer base	Customer Acquisi-tion Costs	Other intangible assets	Prepay-ments rendered and other intangible assets	Goodwill	Total
Cost							
January 1, 2014	**3,453.0**	**11,720.8**	-	**243.2**	-	**43,322.2**	**58,739.2**
Additions	173.0	-	13,366.9	-	-	-	13,539.9
Disposals	-	-	-	-	-	-	-
December 31, 2014	**3,626.0**	**11,720.8**	**13,366.9**	**243.2**	-	**43,322.2**	**72,279.1**
January 1, 2015	**3,626.0**	**11,720.8**	**13,366.9**	**243.2**	-	**43,322.2**	**72,279.1**
Additions	82.1	-	17,213.8	-	-	-	17,295.9
Disposals	1,871.1	-	-7,306.1	243.2	-	-	-5,678.2
December 31, 2015	**5,579.2**	**11,720.8**	**23,274.6**	**-**	**-**	**43,322.2**	**83,896.8**
Amortization and impairment losses							
January 1, 2014	**1,974.3**	**10,970.3**	-	**243.2**	-	**105.6**	**13,293.4**
Amortization in the financial year	947.0	659.1	8,156.2	-	-	-	9,762.3
Impairment	-	-	1,180.0	-	-	-	1,180.0
Disposals	-	-	1.0	-	-	-	1.0
December 31, 2014	**2,921.3**	**11,629.4**	**9,337.2**	**243.2**	-	**105.6**	**24,236.7**
January 1, 2015	**2,921.3**	**11,629.4**	**9,337.2**	**243.2**	-	**105.6**	**24,236.7**
Amortization in the financial year	261.9	91.4	15,392.7	-	-	-	15,746.0
Impairment	-	-	-	-	-	-	-
Disposals	1,871.0	-	-7,287.5	-243.2	-	-	-5,659.7
December 31, 2015	**5,054.2**	**11,720.8**	**17,442.4**	**-**	**-**	**105.6**	**34,323.0**
Carrying amount December 31, 2014	**704.7**	**91.4**	**4,029.7**	**-**	**-**	**43,216.6**	**48,042.4**
Carrying amount December 31, 2015	**525.0**	**-**	**5,832.2**	**-**	**-**	**43,216.6**	**49,573.8**

The goodwill and customer base arose through the acquisition of Cliq B.V. and Grumbl Media Holding B.V. In the financial year, no events have occurred that would require separate reporting under IFRS 3.B67d.

(10) Tangible assets

Tangible assets reported the following change:

in EUR thousand	Plant, operating and officeequipment
Cost	
January 1, 2014	**1,421.4**
Additions	330.5
Disposals	-
December 31, 2014	**1,751.9**
January 1, 2015	**1,751.9**
Additions	33.3
Disposals	644.2
December 31, 2015	**2,429.4**
Depreciation and impairment losses	
January 1, 2014	**822.2**
Depreciation in the financial year	251.9
Impairment	-
Disposals	-
December 31, 2014	**1,074.1**
January 1, 2015	**1,074.1**
Depreciation in the financial year	213,7
Impairment	-
Disposals	644.5
December 31, 2015	**1,932.3**
Carrying amount December 31, 2014	**677.8**
Carrying amount December 31, 2015	**497.1**

Additions to property, plant and equipment amounted to EUR 33.3 thousand (2014: EUR 330.5 thousand). All additions relate to new hardware.

(11) Deferred taxes

Taxes are deferred according to the liability method as per IAS 12 Income Taxes. Tax rates that are applicable, approved and published as of the balance sheet date are applied in this context.

The deferred tax assets of EUR 2,514.3 thousand (2014: EUR 2,878.2 thousand) arise predominantly from the probable future utilization of tax loss carry forwards. Note 7 “Taxes on income” contains further information about deferred taxes.

(12) Trade receivables

Trade receivables are composed as follows:

In EUR thousand	2015	2014
Trade receivables, gross	6,190.1	2,482.0
Less: Valuation adjustments	-1,510.2	-452.6
	4,679.9	**2,029.4**

The reported trade receivables carry a residual term of up to one year.

The reported valuation adjustments applied to trade receivables changed as follows:

In EUR thousand	Specific valuation adjustments		Poraolio valuation adjustments		Total	
	2015	2014	2015	2014	2015	2014
January 1	**452.6**	**554.9**	**-**	**-**	**452.6**	**554.9**
Changes to valuation adjustments carried through profit and loss	1,057.6	-102.3	-	-	1,057.6	-102.3
December 31	**1,510.2**	**452.6**	**-**	**-**	**1,510.2**	**452.6**

The following overdue, but unimpaired trade receivables were reported as of the balance sheet date:

In EUR thousand	Overdue by 1-30 days	Overdue by 30-180 days	Overdue by more than 180 days
December 31, 2015	1,406.8	467.7	56.2
December 31, 2014	603.5	276.7	77.1

As far as the receivables, which are not overdue and unimpaired, or which are overdue and unimpaired, are concerned, there are no indications that the customers are unable to fulfill their obligations based on their credit history and current credit ratings.

(13) Miscellaneous receivables and other assets

Miscellaneous receivables and other assets are composed as follows:

In EUR thousand	31/12/2015	31/12/2014
VAT	456.4	183.0
Prepayments rendered for guarantees and licenses	-	-
Overpayment of tax	-	1.6
Receivables arising from services that have not yet been invoiced	3,904.2	5,766.4
Deposits	46.6	45.1
Prepayments and accrued income	241.4	916.8
Tax reimbursement claims from Greek tax authorities	19.0	33.3
Miscellaneous	445.1	207.3
Total	**5,112.7**	**7,153.5**

The reported miscellaneous receivables and other assets carry a residual term of up to one year.

(14) Cash and cash equivalents

This item contains cash at banks of EUR 65.8 thousand (2014: EUR 220.8 thousand), and cash in hand of EUR 0.1 thousand (2014: EUR 0.1 thousand).

(15) Consolidated equity

Consolidated equity and its individual components are reported separately in the "Statement of changes in equity".

- **Distributions**

CLIQ Digital AG continues to pursue its dividend policy to date of only distributing earnings if they are not to be deployed for repayment of the debt and/or needed for further financing its business. CLIQ Digital AG decided to use its cash flow 2015 reducing its debt resulting mainly from the acquisition of Cliq B.V.

- **Capital management**

CLIQ Digital AG generally pursues the objective of generating an appropriate return on its capital employed. The Group's balance sheet capital functions solely as a passive management criterion in this context. Revenue and adjusted EBITDA (EBITDA -/- Amortization and Impairment of Capitalized Customer Acquisition Costs) are utilized as active management metrics. CLIQ Digital AG is nevertheless a young company – in the way it currently is – that is still in its growth phase. It aims to realize a high level of investments in building up the Group, which to a not inconsiderable extent places a burden on the company's short-term profitability. These growth objectives mean that a focus is not always placed on classic return criteria during this growth phase. The related investments form the basis for the company's long-term success. CLIQ Digital AG's aim is to be a profitable group in both the short and long term.

- **Subscribed capital**

The share capital did not change during the fiscal year 2015 and amounts to EUR 6,188,714.00 per December 31, 2015. The share capital consists of 6,188,714 non-par value bearer shares. All shares issued until December 31, 2015 are fully paid in. All shares grant equal ranking voting right as well as equally ranking dividend claims.

in EUR thousand	
January 1, 2015	6,188,714[1]
Issue of new shares	
As a result of Capital increase	-
As a result of Conversion of Bond	-
December 31, 2015	**6,188,714**
Weighted average number of shares in the 2015 financial year	6,188,714

[1] Including 4,000 treasury shares.

- **Treasury shares**

By virtue of the resolution adopted by the Extraordinary General Meeting on 22 December 2011 the Management Board, in the period until 21 December 2016, is authorised to acquire own shares (treasury shares) of the Company. The authorization is limited to 10% of the registered share capital at the date of the resolution. The authorization can be directly utilised by the Company or by a third party engaged by the Company completely or partially, as part of the limitations mentioned before.

The Management Board is authorised to use the treasury shares which have been acquired according to the authorization above or a previously given authorization for any legally permitted purpose and other than by a sale via the stock exchange, or via an offer to all shareholders, in particular as follows:

They can be offered or sold as (part) consideration in connection with a merger with other enterprises or for an acquisition of enterprises, shareholdings in enterprises or parts of enterprises.

They can be withdrawn without further resolution of the Annual General Meeting. Any withdrawal may be limited to a portion of the acquired shares; the authorization to withdrawal may be used several times. The withdrawal may be executed in such a way that the share capital does not change but the interest in the share capital represented by the remaining shares is increased by the withdrawal pursuant to Sec. 8 para. 3 Stock Corporation Act (Aktiengesetz – AktG) (Sec. 237 para. 3 no. 3 AktG). In this case, the Management Board is authorised to adjust the number of shares in the Articles of Association in accordance with the amount of the capital increase.

They can be sold for a price that does not significantly undercut the market price of the shares in the Company at the time of sale; in this case, the number of sold shares together with new shares which have been issued during the term of this authorization by excluding the shareholders' subscription rights pursuant to Sec. 186 para. 3 sentence 4 AktG, may not exceed in total 10% of the Company's share capital, neither at the time at which this authorization takes effect nor at the time at which the authorization is utilised; this maximum limit is reduced by the proportionate amount of the share capital attributable to issued shares during the term of this authorization pursuant to or in accordance with Sec. 186 para. 3 sentence 4 AktG by excluding the subscription rights.

The entire treasury share position amounted to 4,000 shares as of 31 December 2015. This corresponds to 0.06% of the share capital. The purchase costs of EUR 15.48 thousand (including incidental purchase costs of EUR 0.0 thousand) were deducted as a total from equity.

- **Authorized capital**

The company's Annual General Meeting held on 28 August 2014 created authorised capital in the amount up to EUR 2,222,849.00 ("Authorised Capital 2014"). The Management Board was authorised, subject to the consent of the Supervisory Board, to increase the registered share capital through the issuance of new no-par value shares against cash and/or in-kind contributions once or several times by a total amount not exceeding EUR 2,222,849.00 by issuing up to 2,222,849 new no-par value bearer shares. However, this amount included the proportional share capital attributable to new shares issued following the convocation of the Annual General Meeting on 28 August 2014 on the basis of the Authorised Capital 2012 resolved by the Annual General Meeting of the company on 24 August 2012. The utilization of Authorised Capital 2012, which resulted in the issue of 1,480,349 new shares on 6 November 2014, served to reduce Authorised Capital 2014 by EUR 1,480,349.00. The remaining Authorized Capital 2014 amounts to EUR 742,500.00.

- **Conditional capital**

By resolution of the company's Annual General Meeting on 14 August 2008, the Company's share capital was contingently increased by up to EUR 133,366.00, divided into 133,366 new no-par value bearer shares ("Contingent Capital II"). The Contingent Capital II is exclusively for the purpose to cover option rights from stock options of members of the management board and of employees of the Company and of members of the management and employees of affiliated companies or future affiliated companies inland or abroad in the meaning of Secs. 15 seq. AktG which have been granted pursuant to the authorization by the Annual General Meeting on 14 August 2008 within a period of five years following the registration of the Contingent Capital II. An increase of the registered share capital out of the Contingent Capital II shall only be implemented to the extent that holders of issued option rights exercise their option rights and to the extent the Company does not choose treasury shares or cash settlement for fulfilment. The new shares shall participate in the profits from the beginning of the financial year for which at the time of the exercise of the option rights a resolution on the appropriation of the balance sheet profits has not yet been adopted.

By virtue of the resolution adopted by the Annual General Meeting on 24 August 2012, the Company's share capital was contingently increased by up to EUR 250,000.00, divided into 250,000 new no-par value bearer shares ("Contingent Capital 2012"). The Contingent Capital 2012 is only for the purpose to cover option rights which have been issued in accordance with the authorization adopted by the Annual General Meeting on 24 August 2012. An increase of the registered share capital out of the Contingent Capital 2012 shall only be implemented to the extent that holders of option rights exercise their rights to subscribe to shares of the Company and that the Company does not choose to fulfil these rights with treasury shares. The new shares shall participate in the profits from the beginning of the financial year in which they are created through the exercise of option rights.

By virtue of the resolution adopted by the Annual General Meeting on 28 August 2014, the Company's share capital was contingently increased by up to EUR 1,839,483.00, divided into up to 1,839,483 new no-par value bearer shares ("Contingent Capital 2014"). The Contingent Capital 2014 is resolved only for the purpose to grant ordinary bearer shares to holders or creditors of conversion bonds, option bonds and/or profit participation bonds and/or profit participation rights (or combinations of these instruments) which have been issued against cash contribution in accordance with the authorization adopted by the Annual General Meeting on 30 August 2013 and 28 August 2014 by the Company or its direct or indirect group companies inland or abroad and which grant a conversion or option right to no-par value shares of the Company or a conversion obligation.

The new no-par value shares from the Contingent Capital 2014 may only be granted for a conversion or option price that meets the conditions of the authorization granted by the Annual General Meeting on 30 August 2013 or the Annual General Meeting on 28 August 2014.

The contingent capital increase is only implemented to the extent that warrants or conversion rights are exercised or the bearers or holders comply with their conversion obligation, or shares are delivered under the company's right of substitution and this right is not serviced using treasury shares or new shares issued from Authorised Capital. The new no-par value bearer shares are entitled to profit participation from the start of the financial year in which they are issued as a result of the exercise of warrants or conversion rights, the fulfilment of conversion obligations or the exercise of delivery rights. The Management Board is authorised to determine the further details of the implementation of the contingent capital increase.

- **Authorization to issue warrant and/or conversion participation rights, warrant bonds, convertible bonds and/or profit participation bonds, and to exclude subscription rights**

The Annual General Meeting on 28 August 2014 resolved to authorise the Management Board, with the approval of the Supervisory Board, to issue limited or unlimited bearer convertible bonds, bearer bonds with warrants and/or bearer income bonds and/or profit participation rights (or combinations of these instruments) (referred to collectively as „debt instruments") on one or more occasions up to and including 27 August 2019 up to a maximum total nominal amount of EUR 40,000,000.00, and to grant the bearers or holders of these debt instruments conversion rights or warrants to subscribe for up to 1,839,483 no-par value bearer shares with a total notional interest in the company's share capital of up to EUR 1,839,483.00 in accordance with the detailed conditions of the debt instruments and/or to include obligations to convert the respective debt instruments into such no-par value shares in the conditions of the debt instruments. The debt instruments may be issued in exchange for cash or non-cash contributions. As the issuance of certain debt instruments in 2014 under an older authorization was counted towards the limit of EUR 40,000,000.00, the remaining total nominal amount of the authorization is EUR 39,606,000.00.

The debt instruments shall, in principle, be offered to shareholders for subscription. They may also be transferred to one or several credit institution(s) or similar entities to pursuant to Sec. 186 para. 5 sentence 1 AktG subject to the stipulation that they will be offered to the shareholders for subscription. If the debt instruments are issued by a group company, the Company shall ensure that the shareholders of the Company are granted legal subscription rights as aforementioned.

Debt instruments can be issued one or several times, wholly or in part, or simultaneously in different tranches. The individual tranches may be divided into fractional bonds, each having identically ranking rights. Sec. 9 para. 1 AktG and Sec. 199 AktG remains unaffected.

Where bonds with warrants are issued, each partial bond is furnished with one or more warrants entitling the bearer to subscribe for no-par value shares of the company in accordance with the warrant conditions defined by the Management Board. However, the proportionate interest in the share capital attributable to the no-par value shares of the company to be issued for each partial bond may not exceed the nominal amount of the partial bond. Additionally, the term of the warrant may not exceed the term of the corresponding bond. It may also be agreed that any fractions may be combined and/or settled in cash. The same applies if profit participation rights or income bonds are furnished with warrants.

Where convertible bonds are issued, the bearers of the partial bonds shall be entitled to convert these bonds into no-par value bearer shares of the company in accordance with the detailed conditions of the convertible bonds as defined by the Management Board. The conversion ratio is calculated by dividing the nominal amount of a partial bond by the defined conversion price for one no-par value share of the company. If the issue price of a partial bond is lower, the conversion ratio may also be calculated by dividing the issue price by the defined conversion price for one no-par value share of the company. The conversion ratio may be rounded up or down to a whole number. It may be agreed that any fractions may be combined and/or settled in cash. The proportionate interest in the share capital attributable to the no-par value shares of the company to be issued on conversion may not exceed the nominal amount of the bond. The convertible bond conditions may also provide for a conversion obligation at or before the end of the bond term. The bond conditions may authorise the company to fully or partially settle in cash any difference between the nominal amount of the convertible bond and the product of the conversion price and the conversion ratio. These provisions apply accordingly to conversion rights or conversion obligations relating to profit participation rights or income bonds.

The conditions of the convertible bonds or bonds with warrants may authorise the company to grant new shares or treasury shares of the company to the holders of the bonds, either in part or in full, instead of a cash amount due. In this case, the value of the shares is defined in the detailed bond conditions as the volume-weighted average trading price of the same class of shares of the company in XETRA trading (or a functional successor to the XETRA system) on the Frankfurt Stock Exchange on the last ten trading days prior to the declaration of conversion or the exercise of the warrants, rounded up to the nearest full cent. The conditions of the convertible bonds or bonds with warrants may also authorise the company to pay the beneficiaries the cash price equivalent of the shares they would have been due instead of granting them shares of the company. The cash price equivalent per share is defined in the detailed bond conditions as the volume-weighted average trading price of the same class of shares of the company in XETRA trading (or a functional successor to the XETRA system) on the Frankfurt Stock Exchange on the last ten trading days prior to the declaration of conversion or the exercise of the warrants, rounded up to the nearest full cent.

Where debt instruments granting or embodying a conversion right, a conversion obligation and/or a warrant are issued, the respective warrant or conversion price - including where the conversion ratio or conversion price is variable - must correspond to either (i) at least 80% of the volume-weighted average trading price of the same class of shares of the company in XETRA trading (or a functional successor to the XETRA system) on the Frankfurt Stock Exchange on the last ten trading days prior to the date on which the Management Board resolves to issue the bonds with warrants or the convertible bonds, or (ii) – where subscription rights are granted – at least 80% of the volume-weighted average trading price of the same class of shares of the company in XETRA trading (or a functional successor to the XETRA system) on the Frankfurt Stock Exchange in the period from the start of the subscription period to the third day prior to the announcement of the final conditions in accordance with section 186 (2) sentence 2 of the German Stock Corporation Act (inclusive). Section 9 (1) and section 199 of the German Stock Corporation Act remain unaffected.

The authorization also encompasses the possibility of granting dilution protection or making adjustments in certain cases in accordance with the detailed bond conditions. In particular, this may be the case if, during the conversion or warrant exercise period, the company increases its share capital with shareholders‘ subscription rights granted or issues additional convertible bonds or bonds with warrants or grants or guarantees conversion rights or warrants to which the bearers of existing convertible bonds or bonds with warrants are not granted subscription rights as they would be as shareholders if they exercised their conversion rights or warrants or fulfilled their conversion obligations as shareholders, or if the share capital is increased by way of a capital increase from company funds. In such cases, the conditions of the convertible bonds or bonds with warrants may be formulated in such a way as to ensure that the economic value of the existing conversion rights or warrants remains unaffected by adjusting the conversion rights or warrants in order to preserve their value, to the extent that the adjustment is not already required by law. The adjustment may be performed in particular by granting subscription rights, changing or granting cash components or changing the conversion/warrant exercise price. These provisions apply accordingly in the case of capital reductions or other capitalization measures, share splits, restructuring, if control is obtained by a third party, or in the case of dividend payments or other similar measures that could dilute the value of the shares. Section 9 (1) and section 199 of the German Stock Corporation Act remain unaffected. In each case, the proportionate interest in the share capital attributable to the shares to be issued for each partial bond may not exceed the lower of the nominal amount of the partial bond or the issue price.

The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details of the issue and features of the debt instruments, and in particular the interest rate, the type of interest payment, the issue price, the term, the denomination, the provisions on dilution protection, the restructuring options, the warrant exercise or conversion price, and the warrant exercise or conversion period, as well as the currency and the conversion arrangements. Where debt instruments are issued by Group companies, the Management Board must also reach an agreement with the executive bodies of the Group companies issuing the respective debt instruments. Section 9 (1) and section 199 of the German Stock Corporation Act remain unaffected.

- **Consolidated retained earnings**

This item contains the accumulated retained earnings of the subsidiaries included in the consolidated financial statements, the profit/loss for the period and other consolidation reserves.

- **Stock option program**

Stock Option Plan 2008
The company's Ordinary Shareholders' General Meeting passed a resolution on July 8, 2008 to authorize the Management Board, with Supervisory Board assent, to grant within five years after the entry of Conditional Capital II in the commercial register, once or on several occasions, subscription rights to a total of up to 133,633 ordinary bearer shares each with a notional interest in the share capital of EUR 1.00 per ordinary share of the company according to the following significant terms presented below ("Stock Option Plan 2008"):

The issuing of stock options to subscribe for the company shares and the issuing of the shares is performed in order to create an employee stock option model.

As part of the Stock Option Plan 2008, subscription rights were issued to members of the Management Board and employees of CLIQ Digital AG, as well as to members of the management and employees of companies associated, or associated in the future, with the company in the meaning of Sections 15 et seq. of the German Stock Corporation Act (AktG).

CLIQ Digital AG has set up three stock option programs (2009-2017) for managers since the 2009 financial year: in 2009, in January 2012 and in December 2012. Only for the option program of December 2012 there are still options outstanding as per 31 December 2015. The following terms are valid for this program:

The holding period of the options amounts to three years for one third (1/3) and four years for two thirds (2/3) of the pledged options. Each stock option entitles the holder to subscribe for one of the company's shares at the exercise price. In each case, the exercise price corresponds to 100% of the market value of the shares on the date of the resolution concerning the allocation of options on December 28, 2012 (EUR 5.11); distributions, especially dividend payments and any subscription rights or other special rights, are to be taken into consideration during the duration of the respective stock options in this context. The precondition for the binding purchase and exercise of the stock options is that the market value of the share of CLIQ Digital AG exceeds the basis price by at least 20% on the date when the subscription rights are exercised. To date, the performance targets have not been retrospectively reduced during the duration of the programs. Stock options for which the waiting period has been fulfilled, and which have not been exercised despite the attainment of the performance targets within an exercise window, can be exercised within a later exercise window. The stock options can generally only be exercised if the individual entitled to the subscription rights is in the permanent employment of CLIQ Digital AG or a company associated with it. The exercise terms also include the provision that the exercise of the stock options is permissible only in the following annual periods ("exercise periods"), which last for six weeks in each case: They start in each case on the third banking day after the publication of preliminary quarterly reports. The company can only redeem the options by allocating shares or through cash settlement. The duration of the stock option program amounts to five years, commencing from the pledging date. If the individuals entitled to the subscription rights to not exercise the stock options within the duration, the stock options expire worthless.

The stock options reported on the December 31, 2015 reporting date are composed exclusively of the 2012 December stock option programs, since all the individuals entitled to the subscription rights of the 2009 program and the 2012 January program are no longer in the permanent employment of CLIQ Digital AG or a company associated with it. The 2012 December program expires in December 2017.

Stock Option Plan 2012
The Annual General Meeting of 24 August 2012 adopted the resolution to authorise the Management Board to issue, with the consent of the Supervisory Board, in the period until 23 August 2017 up to 250,000 stock options for bearer shares of the Company.

To cover the stock options granted under this authorisation, the Annual General Meeting also resolved to create a contingent capital of up to EUR 250,000.00, divided into 250,000 new no-par value bearer shares.

The basic details of the issuance of the stock options are as follows ("Stock Option Plan 2012"):

Stock options may only be issued to members of the Management Board of the Company, to members of the management of group companies and to employees of the Company and of group companies. The exact group of entitled persons and the extent of the stock options to be granted in each case, will be defined by the Management Board. If members of the Management Board of the Company are to receive stock options, their determination and the issue of stock options will be the sole responsibility of the Supervisory Board. The total number of stock options shall be allocated to the entitled groups as follows:

- members of the Management Board will be granted a maximum of in total 50,000 stock options;
- members of the management of group companies will be granted a maximum of in total 50,000 stock options;
- employees of the Company and of group companies will be granted a maximum of in total 150,000 stock options.

CLIQ Digital AG has granted one stock option program so far in January 2015. The following terms are valid for this program:

The holding period of the options amounts to four years. Each stock option gives the right to a no-par value share in the Company, against payment of the exercise price. In each case, the exercise price corresponds with the average share price to 100% of the market value of the shares on the date of the resolution concerning the allocation of options on January 5, 2015 (EUR 1.92). In case of a share capital increase or any (special) other subscription right, the program can be adjusted with approval from the supervisory board.

A precondition for the exercise of stock options is that the respective year performance target has been achieved within the four-year waiting period. The year performance target is as follows: For each such year, the performance target is achieved if the group EBITDA for the respective quarter reaches or exceeds the budgeted group EBITDA for the respective quarter in three of the four quarters. The applicable four quarters of the calendar year are those in which the stock options have been issued, beginning with the calendar year. If the performance target is not achieved in one or several years, the issued stock options forfeit proportionally, i.e. to an extent of a third, half, three quarters or completely.

After the waiting period, all stock options for which the above performance target has been achieved can be exercised until the end of their term, within a period of four weeks respectively following the Annual General Meeting of the Company and four weeks after the publication of the results of the respective quarter or financial year.

The stock options can generally only be exercised if the individual entitled to the subscription rights is in the permanent employment of CLIQ Digital AG or a company associated with it.

The company can only redeem the options by allocating shares or through cash settlement. The duration of the stock option program amounts to seven years, commencing from the 31 December following the issuance of the stock option. If the individuals entitled to the subscription rights to not exercise the stock options within the duration, the stock options expire worthless.

Additional blocking periods for special reasons in exceptional justified cases may be stipulated by the Supervisory Board if the Management Board is involved and by the Management Board if the other entitled persons are involved. Advance information will be provided to the entitled person in due time. Under no circumstances, the waiting period may fall below the four-year waiting period and the end of the term may under no circumstances be exceeded.

The assumptions underlying the Stock Option Plans 2008 and 2012 are as follows:

	Stock option plan 2012	Stock option plan 2008
	January 2015 program	December 2012 program
Number of options issued	133,500	91,800
Fair value of the option on the issue date	EUR 0.95	EUR 2.40
Exercise price of the option on the issue date	EUR 1.92	EUR 5.11
Expected volatility	75%	75%
Duration of the option	7 years	5 years
Expected dividends	5,00%	5,00%
Risk-free interest rate	0,10%	0,10%
Turnover rate / Barrier	0,00%	0,00%

The fair value of the options was calculated by an external valuation expert using the Black-Scholes-Merton formula. For all the programs, plausible estimates were made of the expected volatility, including price increases that occurred in the 2012, 2013, 2014 and 2015 financial years.

The stock options performed as follows:

	2015		2014	
	Average exercise price		Average exercise price	
	Number	EUR	Number	EUR
January 1	44,050	5.11	89,550	5.11
Pledged	133,500	1.92	-	-
Stock options exercised	-	-	-	-
Stock options expired	-2,500	1.92	-45,500	5.11
December 31	175,050	2.72	44,050	5.11
Exercisable on December 31	-	-	-	-

Capital reserves increased with EUR 111.0 thousand (2014: EUR 64.0 thousand) as a result of the new options pleged under the Share Option Plan 2012 and on the other hand the reduction in the fair value of the options that can still be exercised of the Stock Option Plan 2008 (fair value at 31 December 2015: EUR 128.5 thousand; fair value at 31 December 2014: EUR 17.5 thousand).

(16) Benefit plans

CLIQ Digital does operate some employer's pension scheme. For the German entities no pension schemes are in place. Employees in Germany have the opportunity to arrange pensions based on direct insurance where the contributions are paid by the employees through salary conversion. The Dutch plans are financed through contributions to pension providers such as insurance companies. The foreign pension plans can be compared to how the Dutch pension system has been designed and functions. The pension obligations of both the Dutch and the foreign plans are valued according to the 'valuation to pension fund approach'. This approach accounts for the contribution payable to the pension provider as an expense in the profit and loss account. As at year-end 2015 no pension receivables and no obligations existed for the group in addition to the payment of the annual contribution due to the pension provider.

(17) Other provisions

in EUR thousand	1/1/2015	Utilization	Release	Addition	Other	31/12/15
Other current provisions						
Taxes on income	584.3	-202.9	-	125.5	1.5	508.4
Costs for financial statements and auditing	114.4	-114.4	-	85.6	-	85.6
Miscellaneous povisions	629.1	-	-400	-	-	229.1
Total other current provisions	**1,327.8**	**-317.3**	**-400**	**211.1**	**1.5**	**823.1**

Pursuant to IAS 37, provisions are recognized for legal or notional obligations to third parties arising from past events, if the outflow of funds to settle the obligations is likely and can be reliably estimated.

Miscellaneous provisions were formed primarily for additional employer-provided benefits, vacation arrears, flexitime arrears, overtime, and settlements.

Miscellaneous provisions include a provision on a possible Greek fine out of 2011, related to a subsidiary of former Bob Mobile AG in Greece.

(18) Liabilities

			Residual term		
in EUR thousand		Total	Up to 1 year	1 to 5 years	> 5 years
Bank borrowings	2015	14,920.8	7,920.8	7,000.0	-
	2014	15,495.1	4,776.3	10,718.8	-
Trade payables	2015	2,392.2	2,392.2	-	-
	2014	1,595.2	1,595.2	-	-
Other liabilities	2015	3,467.6	3,421.1	46.5	-
	2015	3,167.1	3,080.6	86.5	-
Total	**2015**	**20,780.6**	**13,734.1**	**7,046.5**	**-**
	2014	**20,257.4**	**9,452.1**	**10,805.3**	**-**

- **Bank borrowings**

Bank borrowings reported on 31 December 2015 correspond to two term loans provided by the Commerzbank AG of EUR 6,750 thousand (provided in February 2014) and EUR 3,500 thousand (provided in October 2014), with applicable interest rates of Euribor plus 3.45% and an overdraft facility provided by the Commerzbank AG in September 2015 with a fixed amount of EUR 7,000 thousand with an interest rate of Euribor plus 3.3%. Furthermore, there is a possibility to increase the overdraft facility to an amount of EUR 13,000 thousand based on borrowing base financing upon certain conditions with an interest rate of Euribor plus 2.1%.

The loan agreement with an original amount of EUR 6,750 thousand (provided in February 2014) includes a monthly redemption of EUR 187.5 thousand per month, starting in March 2014 till February 2016 and a final bullet payment of EUR 2,250 thousand in February 2016. The remaining part of the loan per 31 December 2015 is EUR 2,625 thousand which is fully repayable within 1 year. The Euribor of this loan has been fixed till the end of the contractdate at 0.24% realized with an interest- swap contract of June 3, 2014. The marketvalue of the interest-swap contract per 31 December 2015 is -/- EUR 0,2 thousand.

The loan agreement with an original amount of EUR 3,500 thousand (provided in October 2014) includes a monthly redemption of EUR 171.9 thousand per month, starting in November 2014 till February 2016 and a final bullet payment of EUR 750 thousand in February 2016. The remaining part of the loan per 31 December 2015 is EUR 1,094 thousand which is fully repayable within 1 year.

In January 2016 Cliq Digital signed a new loanagreement with Commerzbank AG to refinance the two final bulletpyaments of EUR 2,250 thousand and EUR 750 thousand as mentioned above. This loanagreement with an original amount of EUR 3,000 thousand includes a monthly redemption of EUR 300 thousand per month, starting in March 2016 till December 2016 with an applicable interest rate of Euribor plus 2.85%. The Euribor of this loan has been fixed till the end of the contractdate at 0.45% realized with an interest- swap contract of February 26, 2016.

The total amount of the outstanding loans (EUR 3,719 thousand) and the overdraft facility in use as per December 31, 2015 (EUR 11,202 thousand) are disclosed as follows in the 2015 financial statements:

Bank borrowings (in EUR thousand)	< 1 year	> 1 year	Total
Bank loan (EUR 6,750 thousand)	2,625.0	-	2,625
Bank loan (EUR 3,500 thousand)	1,093.8	-	1,093.8
Credit facility	4,202.0	7,000.0	11,202.0
Total	**7,920.8**	**7,000.00**	**14,920.8**

Cliq Digital AG is obliged to comply with the covenants set out in the loan agreements with Commerzbank. In order to secure the loans, the Cliq Digital Group transferred its receivables to Commerzbank by way of global assignment.

- **Other liabilities**

Other liabilities are composed as follows:

in EUR thousand		Total	Residual term: Up to 1 year	1 to 5 years	> 5 years
Liabilities arising from other taxes	2015	510.1	510.1	-	-
	2014	160.8	160.8	-	-
Accrual marketing cost and other COS	2015	1,832.1	1,832.1	-	-
	2014	2,229.0	2,229.0	-	-
Miscellaneous	2015	1,039.8	1,039.8	-	-
	2014	661.0	661.0	-	-
Other non-financial liabilities	2015	3,382.0	3,382.0	-	-
	2014	3,050.8	3,050.8	-	-
Financial Lease	2015	85.6	39.1	46.5	-
	2014	116.3	29.8	86.5	-
Other financial liabilities	2015	85.6	39.1	46.5	-
	2014	116.3	29.8	86.5	-
Total	**2015**	**3,467.6**	**3,421.1**	**46.5**	-
	2014	**3,167.1**	**3,080.6**	**86.5**	**-**

Financial lease liabilities consist of two financial lease contracts for computer hardware with an original amount of EUR 83.3 thousand and an original amount of EUR 34.0 thousand. Both contracts have been provided in November 2014.

Note 21 includes further information about other financial liabilities.

(19) Reporting on financial instruments

Financial instruments are contractual agreements that include claims to cash and cash equivalents. Pursuant to IAS 32 and IAS 39, these include both primary and derivative financial instruments. Primary financial instruments include, in particular, cash and cash equivalents, receivables and trade payables, and borrowings and loans.

The following tables present the carrying amounts and fair values of individual financial assets and liabilities for each individual category of financial instruments, and reconcile these with the corresponding balance sheet items. As the items of the balance sheet “Miscellaneous receivables and other assets” and “Other liabilities” include financial instruments as well as non-financial assets and liabilities, the column “Of which outside IFRS 7” provides this transition.

Carrying amounts, valuations and fair values by measurement categories as of December 31, 2015

in EUR thousand	IAS 39 measurement category	Carrying amount in balance sheet	Of which outside IFRS 7	Of which balance sheet valuation as per IAS 39: Amortized cost	Fair value caried directly to equity	Fair value through profit and loss	Of which valuation as per IAS 17	Fair value of financial instruments within IFRS 7
Assets								
Cash and cash equivalents	LaR	65.9	-	65.9	-	-	-	65.9
Trade receivables	LaR	4,679.9	-	4,679.9	-	-	-	4,679.9
Receivables from companies in which the company has a participating interest	LaR	-	-	-	-	-	-	-
Other assets	LaR	5,112.7	-	5,112.7	-	-	-	5,112.7
Financial assets	LaR	-	-	-	-	-	-	-
Liabilities								
Trade payables	FLAC	-2,392.2	-	-2,392.2	-	-	-	-2,392.2
Liabilities due to companies where an interest is held	FLAC	-	-	-	-	-	-	-
Bank borrowings	FLAC	-14,920.8	-	-14,920.8	-	-	-	-14,920.8
Other liabilities	FLAC	-3,467.6	-	-3,467.6	-	-	-	-3,467.6
Aggregated according to IAS 39 measurement categories:								
Loans and receivables	LaR	7,466.3	-	7,466.3	-	-	-	7,466.3
Assets and liabilities measured at fair value through profit and loss (fair value option)	FVO	-	-	-	-	-	-	-
Financial assets measured at fair value through profit and loss (held for trading)	HfT	-	-	-	-	-	-	-
Financial liabilities measured at amortized cost	FLAC	-18,388.4	-	-18,388.4	-	-	-	-18,388.4

Carrying amounts, valuations and fair values by measurement categories as of December 31, 2014

				Of which balance sheet valuation as per IAS 39				
in EUR thousand	IAS 39 measurement category	Carrying amount in balance sheet	Of which outside IFRS 7	Amortized cost	Fair value caried directly to equity	Fair value through profit and loss	Of which valuation as per IAS 17	Fair value of financial instruments within IFRS 7
Assets								
Cash and cash equivalents	LaR	220.9	-	220.9	-	-	-	220.9
Trade receivables	LaR	2,029.4	-	2,029.4	-	-	-	2,029.4
Receivables from companies in which the company has a participating interest	LaR	-	-	-	-	-	-	-
Other assets	LaR	7,153.5	-	7,153.5	-	-	-	7,153.5
Financial assets	LaR	-	-	-	-	-	-	-
Liabilities								
Trade payables	FLAC	-1,595.2	-	-1,595.2	-	-	-	-1,595.2
Liabilities due to companies where an interest is held	FLAC	-	-	-	-	-	-	-
Bank borrowings	FLAC	-15,495.1	-	-15,495.1	-	-	-	-15,495.1
Other liabilities	FLAC	-3,167.1	-	-3,167.1	-	-	-	-3,167.1
Aggregated according to IAS 39 measurement categories:								
Loans and receivables	LaR	7,808.6	-	7,808.6	-	-	-	7,808.6
Assets and liabilities measured at fair value through profit and loss (fair value option)	FVO	-	-	-	-	-	-	-
Financial assets measured at fair value through profit and loss (held for trading)	HfT	-	-	-	-	-	-	-
Financial liabilities measured at amortized cost	FLAC	-18,662.2	-	-18,662.2	-	-	-	-18,662.2

Due to the short maturities of cash and cash equivalents, trade receivables and payables, as well as of other current receivables and liabilities, it is assumed that the respective fair value corresponds to the carrying amount. The fair values of non-current financial assets and liabilities are calculated as the present value of the expected future cash flows. Normal market interest rates relating to the corresponding maturities are utilized for discounting. The cash and cash equivalents, receivables from companies in which the company has a participating interest, and other assets and financial assets were neither overdue nor impaired as of the balance sheet date.

The net profit/losses on the financial instruments were as follows by IAS 39 measurement categories:

in EUR thousand	31/12/2015	31/12/2014
Financial Liabilities at Amortized cost (FLAC)	-862.7	1,395.0
Total	**-862.7**	**1,395.0**

The net profit/loss in the "financial liabilities at amortized cost" category is primarily composed of interest expenses for financial liabilities.

The total interest income and expenses for financial assets and liabilities, which are not measured at fair value through profit and loss, are as follows:

in EUR thousand	2015	2014
Total interest income	15.9	2,060.9
Total interest expense	-878.6	-665.9
Total	**-862.7**	**1,395.0**

Risk arising from financial instruments

Typical risks arising from financial instruments include credit risk, liquidity risk and individual market risks. The Group's risk management system, including its objectives, methods and processes, is presented in the risk report in the Group management report. On the basis of the information presented below, we identify no explicit concentration of risk arising from financial risks.

CREDIT RISKS

CLIQ Digital endeavors to reduce default risk on primary financial instruments through trade information, credit limits and debt management, including a reminder and warning system, and aggressive collection. Furthermore CLIQ Digital is only doing business with credit-worthy customers. The maximum default risk is derived from the carrying amounts of the financial assets recognized in the balance sheet.

LIQUIDITY RISKS

Operational liquidity management includes a cash controlling process which aggregates resources of cash and cash equivalents. This allows liquidity surpluses and requirements to be managed according to the needs of the Group as well as individual Group companies. Short- and medium-term liquidity management includes the maturities of financial assets and financial liabilities, as well as estimates of operating cash flows. Cash and cash equivalents totaling EUR 65.9 thousand (2014: EUR 220.9 thousand) are available to cover liquidity requirements. In addition, CLIQ Digital has, dependent on compliance with certain covenants („borrowing base"), access to total credit lines of EUR 1,798.0 thousand (2014: EUR 2,536.2 thousand), which have not yet been utilized. Overall, liquidity risk is categorized as low as a consequence.

The following (undiscounted) payments prospectively arise from the financial liabilities over the coming years:

in EUR thousand	Gross value December 31, 2015	Payments 2016	Payments 2017 to 2020	Payments from 2021
Trade payables	2,392.2	2,392.2	-	-
Bank borrowings[1]	14,920.8	7,920.8	7,000.0	-
Other liabilities	3,467.6	3,467.6	46.5	-
Total	**20,780.6**	**13,734.1**	**7,046.5**	**-**

[1] compare Note 18 Bank borrowings

in EUR thousand	Gross value December 31, 2014	Payments 2015	Payments 2016 to 2019	Payments from 2020
Trade payables	1,595.2	1,595.2	-	-
Bank borrowings[1]	15,495.1	4,776.3	10,718.8	-
Other liabilities	3,167.1	3,080.6	86.5	-
Total	**20,257.4**	**9,452.1**	**10,805.3**	**-**

[1] compare Note 19 Bank borrowings

MARKET RISKS

Market risk refers to the risk that the fair values or future cash flows from the primary or derivative financial instruments fluctuate due to changes in risk factors. The risks of changes to interest rates are the main market risks to which CLIQ Digital is exposed. Fluctuations in earnings, equity and cash flows can result from such risks.

The analysis presented below shows hypothetical and forward-looking information which can differ from actual events due to unforeseeable developments on financial markets. This analysis also excludes risks which are of a non-financial nature, or which cannot be quantified, such as business risks.

CURRENCY RISKS

The currency risk of (trade) receivables of significant revenues denominated in other foreign currencies than US dollar are hedged by the Group for at least 75%. The Group uses forward exchange contracts to hedge its currency risk, with a maturity of less than 1 year from the reporting date. Receivables of revenues in US dollars are genrally not hedged since (future) income as well as expenses (primarily marketing expenses) are incurred in US dollars.

INTEREST-RATE RISKS

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interestrates. The Group had outstanding debt of EUR 14,920.8 thousand, which created an inherent interest rate risk which can negatively impact financial results in the future. At year-end, outstanding debt consist of total long-term debt of EUR 7,000.0 thousand and total short-term debt of EUR 7,920.8 thousand.

For EUR 2,625.0 thousand of the total loan volume, the applicable Euribor was fixed at 0.24% for the remaining term of the loan by way of an interest swap contract dated 3 June 2014.

(20) Contingencies

As of the balance sheet date, the Group was not exposed to contingencies arising from warranties (2014: EUR nil).

(21) Other financial liabilities arising from pending business

			Residual term		
in EUR thousand		Total	Up to 1 year	1 to 5 years	> 5 years
Future payment obligations arising from:					
Leases for buildings	2015	580.0	303.0	277.0	-
	2014	826.7	300.6	526.1	-
Other leases	2015	85.6	39.1	46.5	-
	2014	-	-	-	-
Other non-financial liabilities	**2015**	**665.6**	**342.1**	**323.5**	**-**
	2014	**826.7**	**300.6**	**526.1**	**-**

The leases for buildings and other leases correspond to the minimum lease payments arising from operating leases pursuant to IAS 17. These agreements relate to the leasing of buildings, and of vehicles and IT hardware. Lease expenses amounted to EUR 340.1 thousand in the year under review (2014: EUR 299.0 thousand).

(22) Related parties

The associated companies of CLIQ Digital AG are presented in the consolidation scope (Note 24). Along with the Management Board, their close family members, and generally the Supervisory Board, participating interests and their owners are regarded as “related parties” in the meaning of IAS 24 Related Party Disclosures.

In 2015, the board of the CLIQ Digital AG consisted of the following members:

Surname	Name	Since	Function
Voncken	Luc	October 5, 2012	Chairman of the Management Board
Bos	Ben	June 1, 2014	Member of the Management Board

Management Board compensation is composed as follows:

in EUR thousand	2015	2014
Payments due in the short term (excluding share-based compensation)	600.0	575.0
Share- based compensation	95.0	-
Total compensation	**695.0**	**575.0**

As of December 31, 2015, the Management Board held a total of 100,000 stock options. (2014: nil). The Supervisory Board held no stock options as of December 31, 2015 (2014: nil). The stock options can be exercised in a four year period, under the conditions that the agreed performance targets are reached.

In 2015, there was a change within the Supervisory Board of CLIQ Digital AG. C.H. van der Steenstraten resigned from the Supervisory Board per 31 July 2015 and has been replaced by N. Walboomers per 4 August 2015.

Per 31 December 2015 the Supervisory Board consisted of the following members:

Surname	Name	Profession	City	Function
Schlichting Dr.	Mathias	Lawyer	Hamburg	Chairman
Tempelaar	Karel Gustaaf	Private Investor	Amsterdam, The Netherlands	Member
Walboomers	Niels	Managing Director	Amsterdam, The Netherlands	Member

The Supervisory Board members received EUR 52.0 thousand to reimburse their expenses in the 2015 financial year (2014: EUR 50.6 thousand). A long-term compensation component has not been agreed for Supervisory Board members.

(23) Reconciliation of segment earnings with Group earnings

Pursuant to IFRS 8 Operating Segments, the Group‘s activities are demarcated by business segments as part of segment reporting. Internal reporting within the Group occurred until 2012 on the basis of the customer profiles of Mobile and Online Games; the areas of Mobile and Online Games have been defined as operating segments in accordance with IFRS 8.10 in the past. On the basis of the reporting system, the Management Board, as the main decision-making organ as per IFRS 8, assessed the performance of these two operating segments, and made decisions concerning the allocation of resources. In particular, the operating segments‘ performance was measured using the “revenue with external customers” and “EBITDA” metrics.

At the end of 2012 it has been decided to exit the Online Games activities and therefore the segment Mobile is the only left operating segment. Therefore no segment reporting is applicable anymore for 2013 onwards.

(24) Consolidation scope as of December 31, 2015

	Equity interest in %
CLIQ Digital AG, Dusseldorf, Germany	
Bob Mobile Deutschland GmbH, Dusseldorf, Germany	100.00
Bob Mobile Hellas S.A., Attiki, Greece	100.00
Cructiq AG, Baar, Schwitzerland	100.00
Rheinkraft Production GmbH, Dusseldorf, Germany	100.00
Just A Game Hellas S.A., Attiki, Greece	100.00
Bluetiq GmbH (vormals Just A Game GmbH), Dusseldorf, Germany	100.00
Guerilla Mobile Asia Pacific Pte. Ltd, Singapore	100.00
CLIQ B.V., Amsterdam, The Netherlands	100.00
Artiq Mobile B.V., Amsterdam, The Netherlands	100.00
Blinck Mobile Ltd., Dublin, Ireland	100.00
TMG Singapore PTE Ltd., Singapore	100.00
The Mobile Generation Americas Inc., Toronto, Ontario, Canada	100.00
GIM Global Investments Munich GmbH, Munich, Germany	100.00
iDNA B.V., Amsterdam, The Netherlands	100.00
Grumbl Media B.V., Absterdam, The Netherlands	100.00

(25) Fee for auditor‘s services

The following fees were expensed in the 2015 and 2014 financial years for services rendered by MAZARS GmbH Wirtschaftsprüfungsgesellschaft (Group Auditor):

in EUR thousand	2015	2014
For auditing of the financial statements	**180.6**	**209.7**
MAZARS (Group Auditor)	180.6	209.7
For other certification and valuation services	**-**	**23.9**
MAZARS (Group Auditor)	-	23.9
For tax advice services	**149.5**	**110.4**
MAZARS (Group Auditor)	149.5	110.4
For other services rendered	**-**	**8.9**
MAZARS (Group Auditor)	-	8.9

(26) Number of employees

The average number of employees in the 2015 financial year was as follows:

	2015	2014
Full time employees	**67**	**66**
Germany	3	2
The Netherlands	64	63
Abroad	-	1
Part-time employees	**18**	**23**
Germany	2	2
The Netherlands	16	21
Abroad	-	-
Total	**85**	**89**
Germany	5	4
The Netherlands	80	84
Abroad	-	1

(27) Events after the balance sheet date

No other events have occurred after the balance sheet date, 31 December 2015, which are of essential importance to the CLIQ Digital Group and could lead to a reassessment of the company.

Dusseldorf, 27 June 2016

CLIQ Digital AG

Luc Voncken
Ben Bos

auditor's report

We have audited the consolidated financial statements prepared by Cliq Digital AG, Dusseldorf – comprising the consolidated statement of earnings, the consolidated balance sheet, the statement of changes in equity, the statement of cash flows and the notes to the consolidated financial statements – together with the group management report for the business year from 1 January to 31 December 2015. The preparation of these documents in accordance with the IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to § 315a sec. 1 HGB [Handelsgesetzbuch – German Commercial Code] are the responsibility of the parent company's management. Our responsibility is to express an opinion on the consolidated financial statements and the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) [Institute of Public Auditors in Germany]. Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable accounting standards and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in the consolidation, the determination of entities to be included in the consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with the IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to § 315a sec. 1 HGB and give a true and fair view of the net assets, financial position and results of operations of the group. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the group's position and suitably presents the opportunities and risks of its future development

Berlin, 27 June 2016

MAZARS GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Kleinmann	Kaufhold
Wirtschaftsprüfer	Wirtschaftsprüferin
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